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July 1, 1959-June 30, 1960

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# Bulletin

APR 5 1962

Vol. XLVI, No. 1188

April 2, 1962

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UNITED STATES  
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THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1188 • PUBLICATION 7358

April 2, 1962

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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. Outlines Initial Proposals of Program for General and Complete Disarmament

## STATEMENT BY SECRETARY RUSK<sup>1</sup>

I am happy to have the opportunity to meet in this hall with the foreign ministers and principal delegates of the countries participating in this conference. I bring you greetings from the President of the United States and the most sincere good wishes of the American people for the success of our work. I should like to open my remarks by reading a letter<sup>2</sup> which the President has sent to me:

As you and your colleagues from every quarter of the globe enter upon the work of the Geneva Disarmament Conference, it may seem unnecessary to state again that the hopes and indeed the very prospects of mankind are involved in the undertaking in which you are engaged. And yet the fact that the immediate and practical significance of the task that has brought you together has come to be so fully realized by the peoples of the world is one of the crucial developments of our time. For men now know that amassing of destructive power does not beget security; they know that polemics do not bring peace. Men's minds, men's hearts, and men's spiritual aspirations alike demand no less than a reversal of the course of recent history—a replacement of ever-growing stockpiles of destruction by ever-growing opportunities for human achievement. It is your task as representative of the United States to join with your colleagues in a supreme effort toward that end.

This task, the foremost item on the agenda of humanity, is not a quick or easy one. It must be approached both boldly and responsibly. It is a task whose magnitude and urgency justifies our bringing to bear upon it the highest resources of creative statesmanship the international community has to offer, for it is the future of the community of mankind that is involved. We must pledge ourselves at the outset to an unceasing effort to continue until the job is done. We must not be discouraged by initial disagreements nor weakened in our resolve by the tensions that surround us and add difficulties to our task. For

verifiable disarmament arrangements are not a fair weather phenomenon. A sea wall is not needed when the seas are calm. Sound disarmament agreements, deeply rooted in mankind's mutual interest in survival, must serve as a bulwark against the tidal waves of war and its destructiveness. Let no one, then, say that we cannot arrive at such agreements in troubled times, for it is then their need is greatest.

My earnest hope is that no effort will be spared to define areas of agreement on all of the three important levels to which Prime Minister Macmillan and I referred in our joint letter of February 7 to Premier Khrushchev.<sup>3</sup> Building upon the principles already agreed, I hope that you will quickly be able to report agreement on an outline defining the overall shape of a program for general and complete disarmament in a peaceful world. I have submitted such an outline on behalf of the U.S. to the U.N. General Assembly last September.<sup>4</sup> But an outline is not enough. You should seek as well, as areas of agreement emerge, a definition in specific terms of measures set forth in the outline. The objective should be to define in treaty terms the widest area of agreement that can be implemented at the earliest possible time while still continuing your maximum efforts to achieve agreement on those other aspects which present more difficulty. As a third specific objective you should seek to isolate and identify initial measures of disarmament which could, if put into effect without delay, materially improve international security and the prospects for further disarmament progress. In this category you should seek as a matter of highest priority agreement on a safeguarded nuclear test ban. At this juncture in history no single measure in the field of disarmament would be more productive of concrete benefit in the alleviation of tensions and the enhancement of prospects for greater progress.

Please convey, on my behalf and on behalf of the people of the United States to the representatives of the nations assembled, our deep and abiding support of the deliberations on which you are about to embark. I pledge anew my personal and continuing interest in this work.

All of us will agree, I am sure, that this conference faces one of the most perplexing and urgent tasks on the agenda of man. In this endeavor we welcome our association with delegates from coun-

<sup>1</sup>Made at the second plenary meeting of the conference of the 18-nation Disarmament Committee at Geneva on Mar. 15 (press release 172 (revised) dated Mar. 17).

<sup>2</sup>Also released as a White House press release dated Mar. 14.

<sup>3</sup>For text, see BULLETIN of Mar. 5, 1962, p. 355.

<sup>4</sup>For text, see *ibid.*, Oct. 16, 1961, p. 650.

tries which have not previously been intimately involved with earlier negotiations on disarmament. The dreary history of such negotiations shows that we need their help and fresh points of view. The presence of these delegations reminds us, too, that arms races are not the exclusive concern of the great powers. Countries situated in every region of the world are confronted with their own conflicts and tensions, and some are engaged in arms competition.

### **Disarmament a Worldwide Responsibility**

We are not here dealing solely with a single struggle in which a few large states are engaged, with the rest of the world as spectators. Every state has a contribution to make in establishing the conditions for general disarmament in its own way. Every state has a responsibility to strive for a reduction of tension, and of armaments, in its own neighborhood.

This means that each of us will bear personal responsibility for what we do here. Every speech and every act must move us toward our common objective. At the same time, every one of us brings to the search for disarmament a separate fund of experience relevant to our problem. The United States, for example, has established a major new agency of government to mobilize its skills and resources to seek out and study every useful approach to arms reduction.

What is needed is immediate reduction and eventual elimination of all the national armaments and armed forces required for making war. What is required most urgently is to stop the nuclear arms race. All of us recognize that this moment is critical. We are here because we share the conviction that the arms race is dangerous and that every tool of statecraft must be used to end it. As the President stated on March 2,<sup>5</sup> the United States is convinced that, "in the long run, the only real security in this age of nuclear peril rests not in armaments but in disarmament."

Modern weapons have a quality new to history. A single thermonuclear weapon today can carry the explosive power of all the weapons of the last war. In the last war they were delivered at 300 miles per hour; today they travel at almost 300 miles per minute. Economic cost skyrockets through sophistication of design and by accelerating rates of obsolescence.

Our objective, therefore, is clear enough. We must eliminate the instruments of destruction. We must prevent the outbreak of war by accident or by design. We must create the conditions for a secure and peaceful world. In so doing we can turn the momentum of science exclusively to peaceful purposes and we can lift the burden of the arms race and thus increase our capacity to raise living standards everywhere.

A group of experts meeting at the United Nations has just issued an impressive report<sup>6</sup> on the economic and social consequences of disarmament which should stimulate us in our work. The experts, drawn from countries with the most diverse political systems, were unanimously of the opinion that the problems of transition connected with disarmament could be solved to the benefit of all countries and that disarmament would lead to the improvement of world economic and social conditions. They characterized the achievement of general and complete disarmament as an unqualified blessing to all mankind.

This is the spirit in which we in the United States would deal with the economic readjustments required if we should achieve broad and deep cuts in the level of armaments. The United States is a nation with vast unfinished business. Disarmament would permit us to get on with the job of building a better America and, through expanded economic development activities, of building a better world. The great promise of man's capacity should not be frustrated by his inability to deal with war and implements of war. Man is an inventive being; surely we can turn our hands and minds at long last to the task of the political invention we need to repeal the law of the jungle.

### **Laying Basis for Disarmament**

How can we move toward such disarmament?

The American people bear arms through necessity, not by choice. Emerging from World War II in a uniquely powerful military position, the United States demobilized its armed strength and made persistent efforts to place under international control the use of atomic energy, then an American monopoly. The fact that the story of the post-war period has forced increased defense efforts upon us is a most grievous disappointment. This disappointment teaches us that reduction of tensions must go hand in hand with real progress in

<sup>5</sup> *Ibid.*, Mar. 19, 1962, p. 443.

<sup>6</sup> U.N. doc. E. 3593 and Corr. 1.

disarmament. We must, I believe, simultaneously work at both.

On the one hand, it is idle to expect that we can move very far down the road toward disarmament if those who claim to want it do not seek, as well, to relax tensions and create conditions of trust. Confidence cannot be built on a footing of threats, polemics, and disturbed relations. On the other hand, by reducing and finally eliminating means of military intimidation we might render our political crises less acutely dangerous and provide greater scope for their settlement by peaceful means.

I would be less than candid if I did not point out the harmful effect which deliberately stimulated crises can have on our work here. In the joint statement of agreed principles for disarmament negotiations published on September 20, 1961,<sup>7</sup> the United States and the Soviet Union affirmed that, "to facilitate the attainment of general and complete disarmament in a peaceful world it is important that all States abide by existing international agreements, refrain from any actions which might aggravate international tensions, and that they seek settlement of all disputes by peaceful means." Yet we are confronted by crises which inevitably cast their shadows into this meeting room.

The same can be said for the failure of our efforts, so hopefully begun, to conclude an effective agreement for ending nuclear weapon tests. There is an obvious lesson to be drawn from these considerations. The lesson is that general and complete disarmament must be accompanied by the establishment of reliable procedures for the peaceful settlement of disputes and effective arrangements for the maintenance of peace in accordance with the principles of the United Nations Charter. For the rule and spirit of law must prevail if the world is to be disarmed.

As we make progress in this conference, we shall have to lay increasing stress on this point. A disarmed world must be a law-abiding world in which a United Nations peace force can cope with international breaches of the peace. In the words of the joint statement: "Progress in disarmament should be accompanied by measures to strengthen institutions for maintaining peace and the settlement of international disputes by peaceful means."

Fortunately there is one sign which can give us

hope that this conference will in good time lay the foundation stones for a world without war. For the first time a disarmament conference is beginning its activities within an agreed framework—the joint statement of agreed principles—which all our governments have welcomed along with every other member of the United Nations. The United States considers the joint statement as its point of departure. Our objective is to build on that foundation and to give practical application to the principles.

The United States program for general and complete disarmament in a peaceful world, introduced in the United Nations on September 25, 1961, was presented to give life to the agreed principles. It is comprehensive in its scope and in its description of the subjects suitable for action in the first and subsequent stages of the disarmament process. It is framed so as to avoid impairment of the security of any state. It aims at balanced and verified disarmament in successive stages. It is not immutable, however. It is designed to serve as a basis for negotiation.

This conference also has before it another plan, presented by the Soviet Union. A comparison of the two plans will show some areas of agreement. We believe it is the task of the conference to search for broader areas of accord leading to specific steps which all can take with confidence.

At this meeting the United States wishes to put forward some suggestions and proposals regarding the course of our future activity, first as to objective and procedure, then as to a program of work for the conference.

We believe that the ultimate objective should be the working out in detail of a treaty or treaties putting into effect an agreed program for general and complete disarmament in a peaceful world. To bring this about we propose that all of our delegations agree to continue our efforts at this conference without interruptions, other than those we all agree to be desirable or necessary for our task, until a total program for general and complete disarmament has been achieved.

As for procedures we propose that we find means of achieving maximum informality and flexibility. We do not believe that the best way to make progress is to concentrate our time and efforts in protracted or sterile debate. Accordingly the United States will propose that, as soon as ample opportunity has been allowed for opening statements, the schedule of plenary meetings be reduced so that

<sup>7</sup> For text, see BULLETIN of Oct. 9, 1961, p. 589.

issues and problems can be explored in informal meetings and in subcommittees more likely to produce agreement.

### **U.S. Proposals for Work of Conference**

Let me turn now to proposals regarding the work for the conference.

The first proposal is that the conference work out and agree on an outline program of general and complete disarmament which can be included in the report due to the United Nations Disarmament Commission by June 1. The United States believes that, to fulfill this first objective, the initial aim of the conference should be to consolidate and expand the areas of agreement and to reconcile the differences between the United States and Soviet disarmament plans. This should result in working out a single program of general and complete disarmament which all could support. This agreed program might well take the form of a joint declaration which could be presented to the United Nations by all the states represented here. Such a program could be a framework for the treaty or treaties which would put the agreed total program into effect.

But of course our aims must be more ambitious than this. We should begin at once to fill in the outline of the total program. Wherever possible we should seek specific commitments that could be put into effect without delay. This need not await agreement on the outline as a whole. Nor should it impede the development of an overall program. Wherever the common interest permits we can and should put into effect defined, specific steps as quickly as possible.

As a first step toward filling in the details of such a program the United States makes the following proposals:

One: We propose that a cut of 30 percent in nuclear delivery vehicles and major conventional armaments be included in the first stage of the disarmament program. We propose that strategic delivery vehicles be reduced not only in numbers but also in destructive capability. We estimate that, given faithful cooperation, this reduction might be carried out in 3 years. Similar reductions can, we believe, be achieved in each of the later stages. It is recognized, however, that, in the words of the agreed principles, "All measures of general and complete disarmament should be balanced so that at no stage of the implementation

of the treaty could any State or group of States gain military advantage and that security is ensured equally for all." But agreement on such a reduction and the measures to carry it out would be a significant step forward. It would reverse the upward spiral of the arms race, replacing increases with decreases, and men could begin to gain freedom from the fear of mass destruction from such weapons.

Two: The United States has proposed that early in the first stage further production of any fissionable material for nuclear weapons use be stopped. We propose now that thereafter the United States and the U.S.S.R. each agree to transfer in the first stage 50,000 kilograms of weapons grade U-235 to nonweapons purposes. Such a move would cut at the heart of nuclear weapons production. The initial transfers should be followed by additional transfers in the subsequent stages of the disarmament program. Resources now devoted to military programs could then be employed for purposes of peace.

Three: The United States proposes that the disarmament program also include early action on specific worldwide measures which will reduce the risk of war by accident, miscalculation, failure of communications, or surprise attack. These are measures which can be worked out rapidly. They are bound to increase confidence. They will reduce the likelihood of war.

We will be prepared to present concrete proposals for action in the following areas:

A. Advance notification of military movements, such as major transfers of forces, exercises and maneuvers, flights of aircraft, as well as firing of missiles.

B. Establishment of observation posts at major ports, railway centers, motor highways, river crossings, and airbases to report on concentrations and movements of military forces.

C. Establishment of aerial inspection areas and the use of mobile inspection teams to improve protection against surprise attack.

D. Establishment of an International Commission on Measures To Reduce the Risk of War, charged with the task of examining objectively the technical problems involved.

Four: The United States proposes that the participants in this conference undertake an urgent search for mutually acceptable methods of guaran-

teeing the fulfillment of obligations for arms reduction. We shall look with sympathy on any approach which shows promise of leading to progress without sacrificing safety.

We must not be diverted from this search by shopworn efforts to equate verification with espionage. Such an abortive attempt misses the vital point in verification procedures. No government, large or small, could be expected to enter into disarmament arrangements under which their peoples might become victims of the perfidy of others.

In other affairs, accounting and auditing systems are customarily installed so that the question of confidence need not arise. Confidence grows out of knowledge; suspicion and fear are rooted in ignorance. This has been true since the beginning of time.

Let me make this point clear: The United States does not ask for inspection for inspection's sake. Inspection is for no purpose other than assurance that commitments are fulfilled. The United States will do what is necessary to assure others that it has fulfilled its commitments; we would find it difficult to understand why others cannot do the same. We will settle for any reasonable arrangement which gives assurances commensurate with the risks. We do not ask a degree of inspection out of line with the amount and kind of disarmament actually undertaken. Our aim is prudent precaution, in the interest of the security of us all, and nothing else.

We are prepared jointly to explore various means through which this could be done. It might be possible in certain instances to use sampling techniques in which verification could take place in some predetermined fashion, perhaps in specific geographic areas, thus subjecting any violator of a disarmament agreement to a restraining risk of exposure, without maintaining constant surveillance everywhere. This is, I repeat, one example of ways in which recent progress in verification techniques can be adapted to the needs of participating states. We would hope that this conference would make a thorough study of every practicable method of effective verification.

The four proposals I have just described are new and realistic examples of the specific measures which we contemplated in the first stage of the United States plan of September 25. We can recall that that plan had other specific proposals:

That the Soviet Union and the United States reduce their force levels by many hundreds of thousands of men, to a total of 2,100,000 for each.

That steps be taken to prevent states owning nuclear weapons from relinquishing control of such weapons to any nation not owning them.

That weapons capable of producing mass destruction should not be placed in orbit or stationed in outer space.

#### **Call for Early Action on Testing**

Finally, we call for early action on a matter that should yield priority to none—the cessation of nuclear weapons tests. Here we stand at a turning point. If a treaty cannot be signed, and signed quickly, to do away with nuclear weapon testing with appropriate arrangements for detection and verification, there will be further tests and the spiral of competition will continue upward. But if we can reach such an agreement, this development can be stopped, and stopped forever. This is why the United States and the United Kingdom have invited the Soviet Union to resume negotiations to ban all nuclear weapons tests under effective international controls. We shall press this matter here at Geneva and make every reasonable effort to conclude an agreement which can bring an end to testing.

I had expected that a number of representatives might express here their regrets that the Soviet Union and the United States had resumed nuclear testing. But I had supposed that there was one delegation—that of the Soviet Union—which could not have found it possible to criticize the United States for doing so. The representative of the Soviet Union has spoken of the possible effect of United States weapons testing on this conference. The statement of agreed principles and this conference were born amid the echoing roars of more than 40 Soviet nuclear explosions. A 50-megaton bomb does not make the noise of a cooing dove.

Despite the Soviet tests of last autumn, nuclear weapons testing can stop—now and forever.

The Soviet Union has spoken of its readiness to accept inspection of disarmament, though not of armament. We hope that it will agree that the total, permanent elimination of nuclear testing is disarmament and will accept effective international control within its own formula.

## Achieving Consensus on First Steps

I have presented the United States proposals for early disarmament action in this conference. We shall have further suggestions, and so, I am sure, will others. The conference will need to single out those points it regards as most susceptible of useful treatment, or most pressing in terms of the common danger, and to take them up at once.

We believe that, as soon as agreement is reached on the specific measures to be included in the first stage, we can develop the specific steps for the second and third stages. In these stages further reductions of armaments will move hand in hand with the strengthening of international institutions for the maintenance of peace.

Our plan of work must achieve what this conference is charged to do in the joint statement of agreed principles. Let us define the overall shape of the program. Let us develop in more detail the component parts which must be fitted together within the program. Let us do as much as we can as fast as we can.

Let us, then, apply ourselves to the task of this conference soberly, systematically, and realistically. Let the need for disarmament provide the momentum for our work. Let us follow every promising path which might lead to progress. Let us with all deliberate speed reach a consensus on what can be done first and on what should be undertaken on a continuing basis.

And let us not permit this conference, like its predecessors, to become frozen in deadlock at the start of its deliberations. Surely it need not do so. The obstacles to disarmament agreements—the forces tending to divide us into rival aggregations of power—might at long last begin to yield to the overriding and shared interest in survival which alone can unite us for peace.

## PRINCIPAL ADVISERS TO U.S. DELEGATION

The Department of State announced on March 9 (press release 156) that Secretary Rusk would leave Washington March 10 for the meeting of the 18-nation Disarmament Committee, which will convene at Geneva March 14.

Principal advisers to the delegation are:<sup>8</sup>

Charles E. Bohlen, Special Assistant to the Secretary  
Arthur H. Dean, Ambassador

<sup>8</sup> For a list of the other members of the U.S. delegation, see Department of State press release 156 dated Mar. 9.

William C. Foster, Director, Arms Control and Disarmament Agency

Foy D. Kohler, Assistant Secretary of State for European Affairs

Robert Manning, Assistant Secretary of State-designate for Public Affairs

Charles C. Stelle, United States Mission, Geneva

Llewellyn E. Thompson, Ambassador of the United States to the Union of Soviet Socialist Republics

## U.S. Presents Proposals to U.S.S.R. for Cooperation in Space Exploration

*Following is the text of a letter from President Kennedy to Nikita S. Khrushchev, Chairman of the Council of Ministers of the U.S.S.R.*

White House press release dated March 17

MARCH 7, 1962

DEAR MR. CHAIRMAN: On February twenty-second last I wrote you that I was instructing appropriate officers of this Government to prepare concrete proposals for immediate projects of common action in the exploration of space.<sup>1</sup> I now present such proposals to you.

The exploration of space is a broad and varied activity and the possibilities for cooperation are many. In suggesting the possible first steps which are set out below, I do not intend to limit our mutual consideration of desirable cooperative activities. On the contrary, I will welcome your concrete suggestions along these or other lines.

1. Perhaps we could render no greater service to mankind through our space programs than by the joint establishment of an early operational weather satellite system. Such a system would be designed to provide global weather data for prompt use by any nation. To initiate this service, I propose that the United States and the Soviet Union each launch a satellite to photograph cloud cover and provide other agreed meteorological services for all nations. The two satellites would be placed in near-polar orbits in planes approximately perpendicular to each other, thus providing regular coverage of all areas. This immensely valuable data would then be disseminated through normal international meteorological channels and would make a significant contribution to the re-

<sup>1</sup> For an exchange of messages between President Kennedy and Premier Khrushchev, see BULLETIN of Mar. 12, 1962, p. 411. (President Kennedy's letter dated Feb. 21 was delivered at Moscow on Feb. 22.)

search and service programs now under study by the World Meteorological Organization in response to Resolution 1721 (XVI) adopted by the United Nations General Assembly on December 20, 1961.<sup>2</sup>

2. It would be of great interest to those responsible for the conduct of our respective space programs if they could obtain operational tracking services from each other's territories. Accordingly, I propose that each of our countries establish and operate a radio tracking station to provide tracking services to the other, utilizing equipment which we would each provide to the other. Thus, the United States would provide the technical equipment for a tracking station to be established in the Soviet Union and to be operated by Soviet technicians. The United States would in turn establish and operate a radio tracking station utilizing Soviet equipment. Each country would train the other's technicians in the operation of its equipment, would utilize the station located on its territory to provide tracking services to the other, and would afford such access as may be necessary to accommodate modifications and maintenance of equipment from time to time.

3. In the field of the earth sciences, the precise character of the earth's magnetic field is central to many scientific problems. I propose therefore that we cooperate in mapping the earth's magnetic field in space by utilizing two satellites, one in a near-earth orbit and the second in a more distant orbit. The United States would launch one of these satellites while the Soviet Union would launch the other. The data would be exchanged throughout the world scientific community, and opportunities for correlation of supporting data obtained on the ground would be arranged.

4. In the field of experimental communications by satellite, the United States has already undertaken arrangements to test and demonstrate the feasibility of intercontinental transmissions. A number of countries are constructing equipment suitable for participation in such testing. I would welcome the Soviet Union's joining in this cooperative effort which will be a step toward meeting the objective, contained in United Nations General Assembly Resolution 1721 (XVI), that communications by means of satellites should be available to the nations of the world as soon as practicable on a global and non-discriminatory

basis. I note also that Secretary Rusk has broached the subject of cooperation in this field with Minister Gromyko and that Mr. Gromyko has expressed some interest. Our technical representatives might now discuss specific possibilities in this field.

5. Given our common interest in manned space flights and in insuring man's ability to survive in space and return safely, I propose that we pool our efforts and exchange our knowledge in the field of space medicine, where future research can be pursued in cooperation with scientists from various countries.

Beyond these specific projects we are prepared now to discuss broader cooperation in the still more challenging projects which must be undertaken in the exploration of outer space. The tasks are so challenging, the costs so great, and the risks to the brave men who engage in space exploration so grave, that we must in all good conscience try every possibility of sharing these tasks and costs and of minimizing these risks. Leaders of the United States space program have developed detailed plans for an orderly sequence of manned and unmanned flights for exploration of space and the planets. Out of discussion of these plans, and of your own, for undertaking the tasks of this decade would undoubtedly emerge possibilities for substantive scientific and technical cooperation in manned and unmanned space investigations. Some possibilities are not yet precisely identifiable, but should become clear as the space programs of our two countries proceed. In the case of others it may be possible to start planning together now. For example, we might cooperate in unmanned exploration of the lunar surface, or we might commence now the mutual definition of steps to be taken in sequence for an exhaustive scientific investigation of the planets Mars or Venus, including consideration of the possible utility of manned flight in such programs. When a proper sequence for experiments has been determined, we might share responsibility for the necessary projects. All data would be made freely available.

I believe it is both appropriate and desirable that we take full cognizance of the scientific and other contributions which other states the world over might be able to make in such programs. As agreements are reached between us on any parts of these or similar programs, I propose that we report them to the United Nations Committee on the Peaceful Uses of Outer Space. The Commit-

<sup>2</sup> For text, see *ibid.*, Jan. 29, 1962, p. 185.

tee offers a variety of additional opportunities for joint cooperative efforts within the framework of its mandate as set forth in General Assembly Resolutions 1472 (XIV) and 1721 (XVI).

I am designating technical representatives who will be prepared to meet and discuss with your representatives our ideas and yours in a spirit of practical cooperation. In order to accomplish this at an early date, I suggest that the representatives of our two countries who will be coming to New York to take part in the United Nations Outer Space Committee meet privately to discuss the proposals set forth in this letter.

Sincerely,

JOHN KENNEDY

His Excellency

NIKITA S. KHRUSHCHEV,

*Chairman of the Council of Ministers of the Union of Soviet Socialist Republics, Moscow.*

## **U.S. and Chile Reach Agreement on Financing of Development Plan**

Press release 155 dated March 9

*Following is the text of a joint communique issued by representatives of the Governments of the United States and Chile at Santiago on March 8.*

The representatives of the Government of Chile and of the Government of the United States have today concluded an intensive series of discussions of the economic relations between Chile and the United States. In these conversations both Governments reaffirmed their determination to cooperate in increasing the welfare of the people of the Americas under the Alliance for Progress. As a result of these discussions, agreements have been reached which both Governments believe will begin a new era in the economic and social development of Chile—an era in which the people of Chile can look forward to increasing economic welfare within the framework of social justice and human freedom.

From this date forward, the United States and Chile are joined together in a common effort of unparalleled magnitude and nobility of purpose to answer the basic aspirations of the Chilean peo-

ple for a better life for themselves and their children. Through this program, the traditional freedom of the Chilean people will rest on an ever-widening base of economic progress and social justice.

Discussions were held concerning the financing of Chile's long-term, ten-year plan of economic development—a plan designed to bring about an unprecedented increase in the welfare of the Chilean people during the decade of the sixties.

The United States agreed to help provide the external resources needed for this plan along with other industrialized countries, international institutions, and private investment. The United States commitment alone could amount to as much as \$35 million over the first five years of the plan to finance projects in the public sector.

The long-range development plan has been submitted by the Government of Chile to the OAS [Organization of American States] panel of experts for study, and its future implementation will take place under their recommendations, and subject, of course, to the approval of the necessary funds by the governments of the participating countries, including the Congress of the United States.

The effort of assistance by the United States during 1962 will be in the amount of up to \$12 million, of which \$8 million will be made available for specific approval of projects designed to have an early effect in improving the welfare of the Chilean people. In addition, up to \$4 million in basic and essential foodstuffs will be made available, the specific amount to be determined by Chile's ability to absorb these foodstuffs and after consultation with other friendly governments.

Both the United States and Chile reaffirmed their dedication to the principles of the Alliance for Progress as well as their determination to carry out the commitments which they made in the Charter of Punta del Este.

The representatives of the United States expressed, on behalf of their Government, the deep personal concern of President Kennedy for the welfare of the people of Chile and his continued intention to work with the countries of Latin America until the last vestige of poverty and hunger and ignorance has been eliminated from this Hemisphere.

## Fulfilling the Pledges of the Alliance for Progress

*Remarks by President Kennedy*<sup>1</sup>

One year ago today I proposed that the people of this hemisphere join in an *Alianza para el Progreso*<sup>2</sup>—a continent-wide cooperative effort to satisfy the basic needs of the American people for homes, work, and land, for health and schools, for political liberty and the dignity of the spirit. Our mission, I said, was “to complete the revolution of the Americas, to build a hemisphere where all men can hope for a suitable standard of living and all can live out their lives in dignity and in freedom.”

I then requested a meeting of the Inter-American Economic and Social Council to consider the proposal. And 7 months ago, at Punta del Este, that Council met and adopted the charter<sup>3</sup> which established the *Alianza para el Progreso* and declared that:

We, the American Republics, hereby proclaim our decision to unite in a common effort to bring our people accelerated economic progress and broader social justice within the framework of personal dignity and political liberty.

Together the free nations of the hemisphere pledged their resources and their energies to the Alliance for Progress. Together they pledged to accelerate economic and social development and to make the basic reforms necessary to insure that all would participate in fruits of this development. Together they pledged to modernize tax structures and land tenure, to wipe out illiteracy and ignorance, to promote health and provide decent housing, to solve the problems of commodity stabilization, to maintain sound fiscal and

monetary policies, to secure the contributions of private enterprise to development, and to speed the economic integration of Latin America. And together they established the basic institutional framework for this immense, decade-long effort.

This historic charter marks a new step forward in the relations between the American Republics. It is a reaffirmation of the continued vitality of our inter-American system, a renewed proof of our capacity to meet the challenges and perils of our time, as our predecessors met the challenge of their day.

In the late 18th and early 19th century we struggled to throw off the bonds of colonial rule, to achieve political independence, and to establish the principle that never again would the Old World be allowed to impose its will on the nations of the New. By the early 19th century these goals had been achieved.

In the early 20th century we worked to bring recognition of the fundamental equality of the American nations and to strengthen the machinery of regional cooperation which could assure that continued equality within a framework of mutual respect. Under the leadership of Franklin Roosevelt and the good-neighbor policy that goal was achieved a generation ago.

Today we seek to move beyond these accomplishments of the past, to establish the principle that all the people of this hemisphere are entitled to a decent way of life, and to transform that principle into the reality of economic advance and social justice on which political equality is based.

This is the most demanding goal of all. For we seek not merely the welfare and equality of nations but the welfare and equality of the people of these nations. In so doing we are fulfilling the ancient dreams of Washington and Jefferson, of Bolivar and Martí and San Martín. And I be-

<sup>1</sup> Made at a White House reception for Latin American diplomats on Mar. 13 (White House press release).

<sup>2</sup> BULLETIN of Apr. 3, 1961, p. 471.

<sup>3</sup> For background and text of the charter, see *ibid.*, Sept. 11, 1961, p. 459.

lieve that the first 7 months of the alliance have strengthened our confidence that this goal is within our grasp.

### **Accomplishments of the First 7 Months**

Perhaps our most impressive accomplishment has been the dramatic shift in thinking and attitudes which has occurred in our hemisphere in these 7 months. The Charter of Punta del Este posed the challenge of development in a manner that could not be ignored. It redefined the historic relationships between the American nations in terms of the fundamental needs and hopes of the 20th century. It set forth the conditions and attitudes on which development depends. It initiated the process of education, without which development is impossible. It laid down a new principle of our relationship—the principle of collective responsibility for the welfare of the people of the Americas.

Already elections are being fought in terms of the Alliance for Progress. Already governments are pledging themselves to carry out the provisions of the Charter of Punta del Este. Already people throughout the hemisphere—in schools and in trade unions, in chambers of commerce and in military establishments, in government and on the farms—have accepted the goals of the charter as their own personal and political commitments. For the first time in the history of inter-American relations our energies are concentrated on the central task of democratic development.

This dramatic change in thought is essential to the realization of our goals. For only by placing the task of development in the arena of daily thought and action can we hope to summon the unity of will and courage which that task demands. This first accomplishment is essential to all the others.

Our second achievement has been the establishment of the institutional framework within which our decade of development will take place. We honor here today the OAS [Organization of American States] panel of experts—a new adventure in inter-American cooperation—drawn from all parts of the continent, charged with the high responsibility of evaluating long-range development plans, reviewing the progress of those plans, and helping to obtain the financing necessary to carry them out. This group has already begun its work. And here today I reaffirm my

Government's commitment to look to this panel for advice and guidance in the conduct of our joint effort.

In addition, the OAS, the Economic Commission for Latin America, and the Inter-American Bank have offered planning assistance to Latin American nations. The OAS has begun a series of studies in critical development fields, and a new ECLA planning institute is being established to train the young men who will lead the future development of their countries. And we have completely reorganized our own assistance program, with central responsibility now placed in the hands of a single coordinator.

Thus, within 7 months, we have built the essential structure of institutions, thought, and policy on which our long-term effort will rest. But we have not waited for this structure to be completed in order to begin our work.

Last year I said that my country would commit \$1 billion to the first year of that alliance. That pledge has now been fulfilled. The Alliance for Progress has already meant better food for the children of Puno in Peru, new schools for the people of Colombia, new homes for *campesinos* in Venezuela. And in the year to come millions more will take new hope from the Alliance for Progress as it touches their daily life.

In the vital field of commodity stabilization I pledged the efforts of my country to end the frequent, violent price changes which damage the economies of many of the Latin American countries. Immediately after that pledge was made, we began work on the task of formulating stabilization agreements. In December 1961 a new coffee agreement, drafted by a committee under United States chairmanship, was completed.<sup>4</sup> Today that agreement is in process of negotiation. I can think of no single measure which can make a greater contribution to the cause of development than effective stabilization of the price of coffee. In addition the United States has participated in the drafting of a cocoa agreement, and we have held discussion about the terms of possible accession to the tin agreement.

We have also been working with our European allies in a determined effort to insure that Latin American products will have equal access to the European Common Market. Much of the economic future of this hemisphere depends upon

<sup>4</sup> For background, see *ibid.*, Jan. 29, 1962, p. 178.

ready availability of the markets of the Atlantic community, and we will continue these efforts to keep these markets open in the months to come.

The countries of Latin America have also been working to fulfill the commitments of the Charter of Punta del Este. The report of the Inter-American Bank contains an impressive list of measures being taken in each of the 18 countries, measures ranging from the mobilization of domestic resources to new education and housing programs, measures within the context of the Act of Bogotá and the Alliance for Progress charter.

Nearly all the governments of the hemisphere have begun to organize national development programs, and in some cases completed plans have been presented for review. Tax- and land-reform laws are on the books, and the national legislature of nearly every country is considering new measures in these critical fields. New programs of development, of housing, and agriculture and power are already under way.

#### **Goals To Be Met in the Years Ahead**

These are all heartening accomplishments—the fruits of the first 7 months of work in a program which is designed to span a decade. But all who know the magnitude and urgency of the problems realize that we have just begun, that we must act much more rapidly and on a much larger scale if we are to meet our development goals in the years to come.

I pledge my own nation to such an intensified effort. And I am confident that, having emerged from the shaping period of our alliance, all the nations of this hemisphere will also accelerate their work.

For we all know that, no matter what contribution the United States may make, the ultimate responsibility for success lies with the developing nation itself. For only you can mobilize the resources, make the reforms, set the goals, and provide the energies which will transform our external assistance into an effective contribution to the progress of our continent. Only you can create the economic confidence which will encourage the free flow of capital, both domestic and foreign—the capital which, under conditions of responsible investment and together with public funds, will produce permanent economic advance. Only you can eliminate the evils of destructive inflation, chronic trade imbalances, and wide-

spread unemployment. Without determined efforts on your part to establish these conditions for reform and development, no amount of outside help can do the job.

I know the difficulties of such a task. Our own history shows how fierce the resistance can be to changes which later generations regard as part of the framework of life. And the course of rational social change is even more hazardous for those progressive governments who often face entrenched privilege of the right and subversive conspiracies on the left.

For too long my country, the wealthiest nation on a poor continent, failed to carry out its full responsibilities to its sister Republics. We have now accepted that responsibility. In the same way those who possess wealth and power in poor nations must accept their own responsibilities. They must lead the fight for those basic reforms which alone can preserve the fabric of their own societies. Those who make peaceful revolution impossible will make violent revolution inevitable.

These social reforms are at the heart of the Alliance for Progress. They are the precondition to economic modernization. And they are the instrument by which we assure to the poor and hungry, to the worker and the *campesino*, his full participation in the benefits of our development and in the human dignity which is the purpose of free societies. At the same time we sympathize with the difficulties of remaking deeply rooted and traditional social structures. We ask that substantial and steady progress toward reform accompany the effort to develop the economies of the American nations.

#### **“We Have No Doubt About the Outcome”**

A year ago I also expressed our special friendship to the people of Cuba and the Dominican Republic and the hope that they would soon rejoin the society of free men, uniting with us in our common effort. Today I am glad to welcome among us the representatives of a free Dominican Republic and to reaffirm the hope that, in the not too distant future, our society of free nations will once again be complete.

For we must not forget that our Alliance for Progress is more than a doctrine of development—a blueprint for economic advance. Rather it is an expression of the noblest goals of our civilization. It says that want and despair need not be the lot

of man. It says that no society is free until all its people have an equal opportunity to share the fruits of their own land and their own labor. And it says that material progress is meaningless without individual freedom and political liberty. It is a doctrine of the freedom of man in the most spacious sense of that freedom.

Nearly a century ago José Hernández, the Argentine poet, wrote,

America has a great destiny to achieve in the fate of mankind. . . . One day . . . the American Alliance will undoubtedly be achieved, and the American Alliance will bring world peace. . . . America must be the cradle of the great principles which are to bring a complete change in the political and social organization of other nations.

We have made a good start on our journey; but we still have far to go. The conquest of poverty is as difficult as the conquest of outer space. And we can expect moments of frustration and disappointment in the years to come. But we have no doubt about the outcome. For all history shows that the effort to win progress with freedom represents the most determined and steadfast aspiration of man.

We are joined together in this alliance as nations united by a common history and common values. And I look forward to the day when the people of Latin America will take their place beside the United States and Western Europe as citizens of industrialized and growing and increasingly abundant societies. The United States, Europe, and Latin America—almost a billion people—a bulwark of freedom and the values of Western civilization, invulnerable to the forces of despotism, lighting the path to liberty for all the peoples of the world—this is our vision, and, with faith and courage, we will realize that vision in our own time.

## **U.S., Mexico Agree To Use Scientists To Study Salinity Problem**

*Following is a statement released at Washington on March 16. A similar statement was released at México, D.F., on the same date.*

White House press release dated March 16

The Presidents of the United States and Mexico are agreed that it is urgent to find a mutually satisfactory solution to the salinity problem.<sup>1</sup>

<sup>1</sup> For background, see BULLETIN of Jan. 22, 1962, p. 144.

To this end, the Presidents of both countries, through their respective Foreign Offices, have given instructions to their representatives in the International Boundary and Water Commission to recommend within 45 days the measures which should be taken.

In order to carry out these instructions in the most effective way the Commissioners are to avail themselves of qualified water and soil scientists.

The objective of the two Governments is, without prejudice to the legal rights of either country, to agree upon and actually put into operation remedial measures within the shortest possible period of time.

## **Pan American Day and Pan American Week, 1962**

### **A PROCLAMATION<sup>1</sup>**

WHEREAS April 14, 1962, will be the seventy-second anniversary of the establishment by the American Republics of our inter-American system, now known as the Organization of American States; and

WHEREAS the people and the Government of the United States are allied with their good neighbors, the other free Republics of this Hemisphere, in their resolution to remain free and their obligation to defend the foundations of freedom; and

WHEREAS the free peoples of this Hemisphere have likewise joined in an Alliance for Progress with the objective of homes, work and land, health and schools for all citizens, so that freedom may be assured an environment in which it can develop and stay strong; and

WHEREAS the United States of America throughout these seventy-two years has supported staunchly those ideals of cooperation for the common good and solidarity for the common safeguard, both basic to our inter-American system, through which, in the words of the late President Franklin D. Roosevelt, the peoples of the Americas have developed a faith in freedom and its fulfillment arising "from a common hope and a common design given us by our fathers in differing form but with a simple aim: freedom and security of the individual, which has become the foundation of our peace":

NOW, THEREFORE, I, JOHN F. KENNEDY, President of the United States of America, do hereby proclaim Saturday, April 14, 1962, as Pan American Day, and the period from April 8 through April 14, 1962, as Pan American Week; and I call upon the Governors of the fifty States of the Union, the Governor of the Commonwealth of Puerto Rico, and the Governors of all other areas under the United States flag to issue similar proclamations.

I also urge all United States citizens and interested organizations to participate in commemorating Pan

<sup>1</sup> No. 3452; 27 Fed. Reg. 2027.

American Day and Pan American Week in view of the importance of inter-American friendship to our own national welfare and that of the neighbor Republics, and in testimony to the circumstances of culture, geography, and history which have allied our destinies as defenders of liberty within law.

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 26th day of February in the year of our Lord nineteen hundred [SEAL] and sixty-two, and of the Independence of the United States of America the one hundred and eighty-sixth.



By the President:  
DEAN RUSK,  
Secretary of State.

## Report on Foot and Mouth Disease Transmitted to Argentina

The White House announced on March 4 that President Kennedy had on that day transmitted the report of his Scientific Mission on Foot and Mouth Disease to President Arturo Frondizi of the Republic of Argentina.<sup>1</sup>

Formation of the mission was first announced December 14, 1961.<sup>2</sup> It came as the result of a request to President Kennedy by President Frondizi during his visit to the United States in September 1961.<sup>3</sup> The group, headed by J. George Harrar, president, Rockefeller Foundation, visited the Republic of Argentina during January of this year. Dr. Harrar made a preliminary report to President Kennedy on February 1.

In addition to Dr. Harrar, other members of this mission were: Samuel A. Goldblith, Department of Nutrition, Food Science and Technology, Massachusetts Institute of Technology; Stewart H. Madin, professor of microbiology, University of California, Oakland; Willard O. Nelson, Department of Dairy Science, University of Illinois; George Poppensiek, dean, Veterinary College, Cornell University; Richard E. Shope, Rockefeller Institute, New York, N.Y.; C. K. Wiesman, Food Research Division, Armour and Company,

<sup>1</sup> For text of report, see White House press release dated Mar. 3.

<sup>2</sup> BULLETIN of Jan. 8, 1962, p. 67.

<sup>3</sup> *Ibid.*, Oct. 30, 1961, p. 719.

Chicago, Ill.; and James B. Hartgering, Office of the Special Assistant for Science and Technology.

The National Academy of Sciences conducted a series of meetings beginning March 5 to work out the technical details of a research program.

## President Ahmadou Ahidjo of Cameroon Visits U.S.

*President Ahmadou Ahidjo of the Federal Republic of Cameroon visited the United States March 13-18.<sup>1</sup> Following is the text of a joint communique issued at Washington, D.C., on March 14 at the close of discussions held by President Kennedy and President Ahidjo on March 13 and 14.*

White House press release dated March 14

President Ahmadou Ahidjo, who is making a five-day visit to the United States as the guest of President Kennedy, will conclude a two-day stay in Washington tomorrow and continue his visit in New York.

Although President Ahidjo has been in this country before, this is his first voyage to America since his country became independent and since he became its first Chief of State. The visit has given the two Presidents an opportunity to become personally acquainted. They have held frank and cordial discussions covering a wide range of topics of mutual interest to their countries. These included a number of world problems, in particular the means of accelerating the decolonization of Africa, and also of other parts of the world, and the consolidation of the independence of young nations. President Kennedy congratulated President Ahidjo for his successful efforts in the progressive development of his country, both in combating internal subversion and in achieving the reunification of the two parts of Cameroon.

The two Presidents noted with satisfaction the efforts recently undertaken to create African unity. In this connection President Ahidjo expressed his satisfaction over the role played by the United States in the framework of United Nations action in the Congo in order to hasten the re-establishment of the peace and unity of that country. The United Nations remains, in the view of both Presidents, the best means whereby nations

<sup>1</sup> For an announcement of the visit, see BULLETIN of Mar. 12, 1962, p. 418.

can discuss issues openly, and the best instrument for finding solutions to problems that menace the peace of the world.

In the field of cooperation the Presidents noted that in addition to a continuing program of economic aid and technical assistance to the Cameroon the United States is also preparing to make a loan to help finance the extension of the trans-Cameroonian railroad.

The two Presidents agreed to take steps to encourage commerce and investment between their

two countries and noted that a United States Trade Mission is tentatively scheduled to visit Cameroon in May 1962.

President Ahidjo and President Kennedy agreed that the exchange of views made possible by this visit have reaffirmed that their two countries have many common goals and ideals. They expressed the conviction that the visit has served to strengthen and improve the friendly relations between the United States and the Federal Republic of Cameroon.

## The Challenge of Africa to the Youth of America

*by G. Mennen Williams*

*Assistant Secretary for African Affairs*<sup>1</sup>

It is a genuine pleasure to join you at this important seminar. The fact that this program was initiated and carried out by students is especially heartening and, to me, is another strong indication of the increasingly mature ideas of American youth.

These are good days to be young. In this country we are governed by an administration composed of 20th-century men—men youthful in age, in ideas, and in outlook but not lacking in wisdom or experience. President Kennedy emphatically made this point clear in his memorable inaugural address<sup>2</sup> when he said:

... the torch has been passed to a new generation of Americans—born in this century, tempered by war, disciplined by a hard and bitter peace, proud of our ancient heritage—and unwilling to witness or permit the slow undoing of those human rights to which this Nation has always been committed, and to which we are committed today at home and around the world.

In our colleges and universities there are constant reminders that youth is meeting its responsibilities on America's campuses more fully than

at any time in the past. The intense concern of today's young men and women with national and international affairs has been noted with great interest and satisfaction in Washington.

In Africa, as well, youth is a dominant factor. Although many parts of this ancient continent trace their civilizations into antiquity, modern Africa is basically young in statehood and in leadership. It is an old continent embarked on a new chapter in history.

You who have this salutary interest in Africa are more fortunate than many of your ancestors in past centuries. Many generations of men and women have lived their lives through with no sense of history, with no awareness that the events of their times would have a profound effect on countless generations to come. Today's youth, however, knows it is part of a mighty tide of history. Your generation knows its effort or lack of effort will largely determine the content of many pages in tomorrow's history books.

This is especially true for you who demonstrate an interest in Africa. To you falls the splendid opportunity to join our African friends and their young states on a historymaking journey through the remainder of this century. This is an exciting challenge for American youth.

Let me touch briefly on the scope of this chal-

<sup>1</sup>Address made before the "Africa Speaks" symposium at Franklin and Marshall College, Lancaster, Pa., on Mar. 10 (press release 158 dated Mar. 9).

<sup>2</sup>For text, see BULLETIN of Feb. 6, 1961, p. 175.

lenge and then discuss some of the opportunities you have for meeting this challenge while you are still students.

### **Size of African Continent**

First, there is the question of size, of the vastness of the continent of Africa. It is difficult for many people to grasp the reality of Africa's hugeness. Into this continent—the world's second largest landmass—could be dropped the 50 United States, plus India, plus mainland China, plus all of Europe except the Soviet Union. To go from north to south or from east to west in Africa you would have to make a journey equivalent to a round trip from here to San Francisco.

In this vast area live approximately 230 million people of diverse racial origin in 52 political entities. They speak almost 1,000 languages or dialects, and their cultures range from stone-age to very modern. Of this total only 2½ percent are of European stock. Africa's 29 independent countries range widely in population—from 35 million in Nigeria to about ½ million in Gabon. The continent's people are about 16 percent Christian, 40 percent Moslem, and 44 percent pagan or animist.

Vastly wealthy in mineral resources, Africa accounts for most of the world's production of industrial diamonds, three-fourths of its cobalt, half of its gold, one-fourth of its copper, and one-fifth of its uranium and manganese. The continent has many other important minerals, and new discoveries of significant oil reserves in the Sahara promise additional wealth. It is rich in hydroelectric potential, with 40 percent of the world's total, but less than 1 percent is developed today.

Agricultural exports also play a major role in Africa's economy. The continent accounts for 76 percent of world trade in peanuts, 71 percent in cocoa, 67 percent in wine, and 60 percent in palm products and sisal.

African diversity can be more readily understood if we view the continent as five major geographical units.

First there is the predominantly Arab-Berber North Africa, bounded by the Mediterranean and the Sahara's vast sea of sand.

Then there is the Horn of Africa—the high Ethiopian plateau and the hot coastal lands of Eritrea and Somalia.

Third there is savanna Africa, the series of sand and grassland states running along the bottom of the Sahara, where indigenous kingdoms flourished in the Middle Ages. This broad belt includes such fabled cities as Timbuktu, which was an important university center in the 16th century.

Fourth there is rain-forest Africa, which stretches from just below Dakar in Senegal to a little below the mouth of the Congo.

Finally there is mountain Africa. This is the chain of mountains, high plateaus, and fertile valleys starting with the so-called White Highlands in northern Kenya and running south through Tanganyika, the Rhodesias, the higher parts of the Portuguese territories, and on to Capetown.

### **African Aspirations**

One thing that unites all five of these regions is the list of desires shared by all Africans. These aspirations are much the same as those of free men everywhere.

First and foremost in most African minds is the desire to win and hold freedom and independence from colonial rule. In recent years this goal has been achieved in a rapid and unprecedented fashion. In 1950 only 4 countries in Africa could be counted as independent: Egypt in the north, Ethiopia in the east, Liberia in the west, and the Union of South Africa. In the ensuing 12 years, 25 more countries have won their freedom, and others are on their way.

The relatively peaceful emergence of so many new nations in so short a span of time is a remarkably significant event for the world community—and it is eloquent testimony to man's desire to guide his own destiny in a free society. I think it is also important to note that this transition has been achieved, with important exceptions, through intelligent cooperation between the new states and the former colonial powers that controlled them.

A second African aspiration is to achieve a better standard of living, a goal with which we are in complete accord. The annual income in tropical Africa is only \$89 per person. Taking the continent as a whole, this figure rises to only \$132. To see this in proper perspective it should be pointed out that annual income in the Near East is \$171 and in Latin America it is \$253, and both of these areas are among the lesser developed parts of the world. Compared with annual incomes of \$790 in Europe and \$2,500 in the United States, Africa's

low level of income is set in even sharper contrast.

Quite naturally Africans want a better standard of living and intend to achieve one. To do this, however, they must solve the problem of obtaining capital rapidly in large amounts. They must also face the problem of obtaining technical know-how, which in most African nations is in very short supply. And they must develop a climate that will stimulate private investment, a very necessary commodity if they are to raise their living standards.

Another major desire of Africans is to improve education in this vast area where 90 percent of the people are illiterate. Last year I visited 35 countries in Africa, both independent states and areas still associated with European powers. I talked with men and women of all ages and of all social levels, and I was deeply impressed with the burning desire of the African people for education. Education is inextricably linked with all the challenges of African development.

Enlarged educational opportunities have been given a very high priority by African leaders. They realize, as do we, that if the rising expectations of the people for a better life with more opportunities for individual advancement are to be met, Africa must have infinitely more educational facilities—more primary, secondary, and vocational schools, more teachers colleges and technical institutes, more African universities.

Improved health is a fourth major aspiration in Africa. African leaders recognize that the incidence of disease and the degree of malnutrition constitute major roadblocks on Africa's road to progress. Better housing, improved sanitation, widespread instruction in personal hygiene, and potable water are important needs to improve health in Africa.

There is deep concern on the part of African health officials about disease and the need for expanded and improved health services. The size of the problem is far too large for their own limited facilities to handle, however.

In addition to the four African aspirations already mentioned, another—and indeed the most important of all—is the great desire of Africans for equal dignity with the rest of mankind. They have achieved sovereignty, and they insist rightfully on being treated as sovereign nations. They can ask for nothing less. Achievement of their other aspirations means little unless they are ac-

corded the human dignity given to other free and independent peoples.

This is an especially acute problem for us in the United States, where we have not yet achieved full racial equality. Our failures and our faults in this area often lead us into serious difficulties in our relations with Africans and their desire for dignity and equality.

It is not enough for us to be concerned solely with the rights of foreign officials, however. We must be clear and vigorous in our belief that our own citizens are assured of treatment equal to that won for foreign visitors. The challenge, then, is to find lasting ways of erasing all barriers of race in America.

### **U.S. Policy Toward Africa**

In the light of the aspirations of the people of Africa you might well ask what we are doing about them and how we support them.

What is our policy toward Africa? Are we backing our words with deeds? I think the record will show that we are.

Our foreign policy is deeply imbedded in a series of historic beliefs that we hold dearly. Of these beliefs, self-determination is one of the most important. In fact the very basis of world order is a universal recognition of the rights of people to determine the kind of government under which they want to live.

This country seeks to evaluate its policies toward Africa on the basis of these principles, judging each individual case and problem on its merits. We have no pat formulas to apply in Africa, nor do we seek to impose any particular blueprint of our own. Instead we shall stand by our beliefs and try to use our influence wisely with those men of good will, of all races and creeds, in whose hands the future of Africa rests.

This has been best expressed in President Kennedy's second state of the Union message,<sup>3</sup> when he said:

... our basic goal remains the same: a peaceful world community of free and independent states, free to choose their own future and their own system so long as it does not threaten the freedom of others.

Some may choose forms and ways we would not choose for ourselves, but it is not for us that they are choosing. We can welcome diversity—the Communists cannot. For we offer a world of choice—they offer the world of coercion. And the way of the past shows clearly that freedom, not coercion, is the wave of the future.

<sup>3</sup> For text, see *ibid.*, Jan. 29, 1962, p. 159.

In carrying out our basic goals old programs have been strengthened and new programs started. I think our deeds fully back up our words in this vital area. Let me list some of these deeds briefly.

Our support of freedom for African nations has been clearly demonstrated by our program in the United Nations.

The United States supports improved standards of living in Africa. In 1961 our aid totaled about \$215 million. This is a start, but it is not enough when we consider that the French and British are still supplying nearly \$700 million worth of aid to Africa.

We favor increased private investment in Africa.

We encourage student exchange. Approximately 3,000 Africans are studying in the United States this year, ranging from advanced graduate students through undergraduates who are just learning English. Again, however, our Western allies are showing us the way, largely because of their long and extensive association with African territories. There are some 12,000 Africans studying in the United Kingdom and another sizable group studying in France.

Our new Agency for International Development is emphasizing long-term development loans, stressing economic instead of military aid, and developing individual plans to meet the individual needs of African nations.

The newly expanded Food-for-Peace Program includes lunches for children, wages for economic development, relief for disaster victims, and a better diet for millions.

The newly conceived Peace Corps is supplying trained and dedicated men and women to help in the building of better societies and gives a glimpse of American idealism as well. Today 107 Peace Corps volunteers are at work in Nigeria, 51 in Ghana, 37 in Sierra Leone, and 35 in Tanganyika, adding up to a creditable total of 230 already trained and at work in the field. There is much more that will be done, however. The large volume of requests from the African nations has created unlimited possibilities both in numbers of volunteers and types of Peace Corps activity. Community development, agricultural extension, English language instruction, vocational education, adult education, and primary and university education are but a few of the areas of concentration for future planned programs.

## **Problems Remaining in the Congo**

It is obvious that all our policies regarding Africa have not met and, in the nature of things, cannot always meet with speedy results, however. Here I have in mind, for example, our experience in the Congo. Although much remains to be done there, we believe that our policy of support for the U.N. Operation, parliamentary government, and the territorial integrity of the country has nonetheless led to substantial progress over the past 15 months. We continue to support the peacekeeping and nationbuilding operation of the U.N. in the Congo.

Just a year ago the Congo was badly split into pro-Western and pro-Communist camps. The Communist bloc and a few other countries had recognized the Stanleyville regime of Antoine Gizenga as the country's legal government, and Moise Tshombe had created further disunity with his secessionist movement in Katanga.

This was a highly charged situation that could have been further aggravated if Katanga's attempt at secession had been supported by the West. Instead, the United Nations prevented the Communist bloc from supplying direct aid to Stanleyville, discouraged conflict between warring parties, and brought about a peaceful solution to the crisis through a meeting of Parliament at Lovanium University. From this meeting, anti-Communist Cyrille Adoula emerged as Prime Minister of a moderate coalition government. Despite the best efforts of the Léopoldville group, the United Nations, and the West, Mr. Tshombe's supporters failed to participate and thereby passed up an opportunity to strengthen the anti-Communist forces and join in assuring a stable, independent, and united Congo. Even without Mr. Tshombe's cooperation, however, Prime Minister Adoula has brought the rebellion of Mr. Gizenga to an end—and with it a major opportunity for Soviet penetration in central Africa.

The issue today remains the reintegration of Katanga into the central government. A little more than 2 months ago, at Kitona, Mr. Tshombe agreed to take such a step. We welcome the recent announcement that Prime Minister Adoula and Mr. Tshombe will meet in Léopoldville next week. It is most important that at this meeting both Congolese leaders pursue promptly the statesmanlike work begun at Kitona for the peaceful reintegration of the Katanga.

Peaceful solutions to problems remaining in the Congo are not easy and obviously cannot be accomplished overnight. The road ahead will be a rough one and will require all the concerted effort we can muster, but we are convinced that it can be traveled—in fact, must be traveled—successfully if we are to bring this tragic chapter in African history to a satisfactory end.

These, then, are the forces at work in Africa and a brief summary of what the United States is trying to do to help Africans achieve their legitimate aspirations in peace and freedom.

### **Opportunities for American Students**

Now, what can American youth do to help in this enormous task? In view of your enterprise in organizing this symposium, I suspect this particular audience may have a good many ideas of its own on how to further this country's African policies.

You can, however, inform yourselves on foreign policy issues and as good citizens help formulate and support appropriate programs.

There are also a few thoughts I would like to suggest to you in the field of education, which is one of the principal building blocks of our foreign policy in Africa at the present time.

What, for example, should comprise the elements of good human relations with African students attending our colleges and universities? Here we have a group of 3,000 students leaving their homes and friends and crossing a vast ocean to study among strangers. I think American students have a wonderful opportunity to further our foreign policy objectives by strengthening their bonds with the African students in their midst. Today's young Americans are in an excellent position to foster a wide range of improved human and intergroup relations among students and scholars from both continents.

Within that framework American students might look into the question of hospitality in its broadest sense, something beyond routine coffee-and-doughnut entertainment. There is the whole area of helping African students adjust easily to American campuses—housing adjustments, adjustments to campus social life, classroom adjustments, adjustments to our kind of examinations. This is a broad field with many opportunities for American students.

There is also the area of financial support.

What kinds of things can African students do to help themselves financially? Some of them come to this country inadequately prepared to maintain themselves throughout college. They run into difficulties because they have nothing more to sustain them than a burning ambition to get an education in the United States and return to render services to their countries.

Can students organize work opportunities for the more deserving African students who are the victims of a background of poverty? Your organized efforts could help them find suitable summer employment or much-needed part-time work to carry them through the school year. There is also the question of tutorial assistance, which they might need urgently and yet be unable to afford.

Study and discussion groups would also be valuable to both American and African students. A mutual exchange of ideas and information could lead both parties to rich and rewarding college experiences. It would be very valuable, too, to open such meetings to residents of campus communities and broaden the range of contacts.

Another possibility would be for college groups to sponsor study tours in African countries. Such tours could be organized as summer activities and could be conducted by African students who are knowledgeable in the life of their societies. This would be a formidable undertaking for students to carry out alone, I realize. Perhaps campus communities could be interested in "adopting" African cities of similar size and interests. I am sure the Department of State would be willing to discuss the working out of the many details involved in such a program. In this connection you might want to cooperate with the programs sponsored by the Experiment in International Living, which last summer and fall assisted in shipboard orientation and provided 1-month sojourns with American families for 221 African students.

It is a very worthwhile endeavor to bring African students into average American homes to show them American life as it is really lived. Too often they draw their image of the American family from motion pictures or television and sometimes fail to recognize the strong bonds of affection and respect that really characterize the American family.

The Operation Crossroads type of activity offers a splendid opportunity for American students to make a contribution to better international understanding. Working with African students, Amer-

icans could select and ship significant study and reading materials to African countries to give them a better understanding of some of the great writings of Western civilization.

Then there is Government work itself to consider between college years or when students finish their formal education. The opportunities to serve this country in the Peace Corps are unique in our history, and the young men and women who go into this vital occupation can make important contributions to the future welfare of the United States.

There are also summer opportunities in the Government, where students can get a firsthand understanding of many of the intricate problems we must deal with on a day-to-day basis. This would be invaluable training to take back to the campus in the fall, and it certainly would suggest new ways in which American students can support our national goals.

These are only a few thoughts on how American students can participate in the exciting business of international relations on a student-to-student basis. But they are all activities suitable for young adults, and their successful accomplishment could have a very favorable impact on our overall African policies.

The young Africans with whom American students work and live today will be among the leaders of Africa tomorrow. Their impressions of America and the lasting friendships they make while they are in this country could be decisive factors in the success or failure of our foreign policy over the next several decades. Their reception here might even make the difference between war and peace in the years ahead.

I am happy, therefore, to see the healthy interest in Africa here today. You have made an excellent beginning in building new bridges of friendship across the broad Atlantic. I hope you will continue this fine work throughout your lives.

## **Foreign Policy Briefings for Visitors to Washington Begin at Department**

Press release 161 dated March 12

The Department of State is initiating on March 12 regularly scheduled foreign policy briefings for visitors to Washington in response to interest ex-

pressed by Members of Congress in behalf of their constituents. These briefings will be held each Monday, Wednesday, and Friday at 9:30 a.m. in the East Auditorium of the Department. The briefings will include a discussion of the making of foreign policy, the organization and functions of the Department of State and Foreign Service, and current foreign policy developments.

## **President Discusses Trade Matters With Australian Deputy Premier**

*John McEwen, Australian Deputy Prime Minister and Minister for Trade, was in Washington March 9-14 and talked with President Kennedy, Acting Secretary of State Ball, Secretary of the Treasury Douglas Dillon, and Under Secretary of Agriculture Charles S. Murphy. Following is the text of a joint statement released at the close of his meeting with the President on March 14.*

White House press release dated March 14

The President today conferred with the Australian Deputy Prime Minister and Minister for Trade, the Right Honorable John McEwen.

Mr. McEwen, who was accompanied by the Australian Ambassador to the United States, Sir Howard Beale, reviewed with the President the importance to Australia of a number of current developments in the international trade and commodity policy fields, including developments relating to the European Economic Community, and the considerable degree of common interest of the United States and Australia on these questions.

The President and the Deputy Prime Minister agreed that an economically strong and developing Australia is essential to the best interests of both countries in the Southwest Pacific and expressed mutual confidence in the continuing close identity of view which each country shares on matters of common concern.

Mr. McEwen is on his way to Europe, where he will meet representatives of the British Government and a number of European Governments for discussions on the subject of Britain's proposed entry into the European Common Market.

## Foreign Economic and Military Assistance Program for Fiscal Year 1963

### MESSAGE OF THE PRESIDENT TO THE CONGRESS<sup>1</sup>

*To the Congress of the United States:*

Last year this Nation dedicated itself to a "decade of development," designed to help the new and developing states of the world grow in political independence, economic welfare, and social justice.

Last September, in support of this effort, the Congress enacted fundamental changes in our program of foreign assistance.<sup>2</sup>

Last November the executive branch drastically reorganized and restaffed this program in accordance with the congressional mandate.<sup>3</sup>

Today the "decade" is only 4 months old. It would surely be premature to make any claims of dramatic results. Our new aid program, addressed to the specific needs of individual countries for long-term development, presupposes basic changes, careful planning, and gradual achievement. Yet these few months have shown significant movement in new directions. The turnaround has begun.

Our new aid policy aims at strengthening the political and economic independence of developing countries—which means strengthening their capacity both to master the inherent stress of rapid change and to repel Communist efforts to exploit such stress from within or without. In the framework of this broad policy, economic, social, and military development take their proper place. In Washington our aid operations have been largely unified under the direction of the Administrator of the Agency for International Development. Recipient countries are improving their planning mechanisms, devising country development plans, and beginning extensive programs of self-help and

self-reform. In addition to long-range programs developed with India, Nigeria, and others we have, under the new authority granted by the Congress, entered into a new type of long-term commitment with two nations—Pakistan and Tanganyika—after the most painstaking review of their proposed development plans, and others will follow. In addition to placing emphasis on the improvement of internal security forces, we are giving increased attention to the contribution which local military forces can make through civic action programs to economic and social development.

In financing these programs, we are relying more heavily than before on loans repayable in dollars. Other institutions are joining with us in this effort—not only private institutions but also the United Nations, the International Bank for Reconstruction and Development, the Organization of American States and the Inter-American Development Bank. We have urged other industrialized countries to devote a larger share of their resources to the provision of capital to the less developed nations. Some have done so—and we are hopeful that the rest will also recognize their stake in the success and stability of the emerging economies. We are continuing, in view of our balance-of-payments situation, to emphasize procurement within the United States for most goods required by the program. And we are working toward strengthening the foreign exchange position of the emerging countries by encouraging the development of new trade patterns. The proposed new Trade Expansion Act is a most important tool in facilitating this trend.<sup>4</sup>

Much more, of course, could be said. But having set forth last year in a series of messages and

<sup>1</sup> H. Doc. 362, 87th Cong., 2d sess.; transmitted on Mar. 13.

<sup>2</sup> Public Law 87-195.

<sup>3</sup> BULLETIN of Nov. 27, 1961, p. 900.

<sup>4</sup> For text of the President's message to the Congress proposing new foreign trade legislation, see *ibid.*, Feb. 12, 1962, p. 231.

addresses on foreign aid the goals we seek and the tools we need, it is not necessary to repeat to the Congress this year our Nation's basic interest in the development and freedom of other nations—or to review all of the initiatives launched under last year's programs. The Congress is familiar with these arguments and programs, as well as its own role and contribution in enacting long-term financing authority. Thus the foreign aid legislation submitted this year does not require reconsideration of these questions. It is instead limited primarily to the new authorizations required annually under the terms of last year's law. The only major change proposed is the establishment of a separate long-term alliance for progress fund. The total amounts requested were included in the Federal budget previously submitted for fiscal 1963 and the authorizing legislation enacted last year, and have in fact been reduced in some instances. They cannot, I believe, be further reduced if the partnership on which we are now embarked—a joint endeavor with each developing nation and with each aid-giving nation—is to demonstrate the advances in human well-being which flow from economic development joined with political liberty. For we should know by now that where weakness and dependence are not transformed into strength and self-reliance, we can expect only chaos, and then tyranny to follow.

## II

Because development lending and military assistance appropriations for fiscal year 1963 were authorized in the Foreign Assistance Act of 1961, no new authorizations for these two programs are needed. I am proposing new authorization and appropriation of \$335 million for development grants; \$481.5 million for supporting assistance; \$148.9 million for contributions to international organizations; \$100 million for investment guarantees; \$400 million for the contingency fund; and \$60 million for administrative costs and other programs. I am also proposing appropriations for 1963 of \$2,753 million, including the \$1,250 million already authorized for development lending, and \$1,500 million (\$200 million below that authorized) for military assistance. The total appropriation request for the foreign economic and military assistance program for fiscal year 1963 is \$4,878 million.

These recommendations are based upon a careful examination of the most urgent needs of each

country and area. Each of these forms of assistance, in these amounts, is essential to the achievement of our overall foreign assistance objectives. The total is less than the estimates in the budget because of a reduction in my request for supporting assistance.

One item in particular deserves attention. The past year has amply demonstrated that rapid and unpredictable changes in the world situation of direct interest to our security cannot be foreseen or predicted accurately at the time Congress acts upon the appropriations. I therefore urge the Congress to recognize this need for flexibility to meet contingencies and emergencies and to approve the full authorization and appropriation requested of \$400 million.

## III

The Charter of Punta del Este which last August established the alliance for progress is the framework of goals and conditions for what has been called "a peaceful revolution on a hemispheric scale."<sup>5</sup>

That revolution had begun before the charter was drawn. It will continue after its goals are reached. If its goals are not achieved, the revolution will continue but its methods and results will be tragically different. History has removed for governments the margin of safety between the peaceful revolution and the violent revolution. The luxury of a leisurely interval is no longer available.

These were the facts recognized at Punta del Este. These were the facts that dictated the terms of the charter. And these are the facts which require our participation in this massive cooperative effort.

To give this program the special recognition and additional resources which it requires, I therefore propose an authorization of \$3 billion for the alliance for progress for the next 4 years. Of the \$3 billion, an authorization and appropriation of \$600 million is being requested for 1963, with up to \$100 million to be used for grants and the balance of \$500 million or more for development loans. This authorization will be separate from and supplementary to the \$6 billion already authorized for loans for development for 1963 through 1966, which will remain available for use throughout the world.

<sup>5</sup> For background and text of the charter, see *ibid.*, Sept. 11, 1961, p. 459.

During the year beginning last March over \$1 billion has been committed in Latin America by the United States in support of the alliance, fulfilling the pledge we made at the first Punta del Este meeting, and launching in a very real way for this hemisphere a dramatic decade of development. But even with this impressive support, the destiny of the alliance lies largely in the hands of the countries themselves. For even large amounts of external aid can do no more than provide the margin which enables each country through its own determination and action to achieve lasting success.

The United States recognizes that it takes time—to develop careful programs for national development and the administrative capacity necessary to carry out such a program—to go beyond the enactment of land reform measures and actually transfer the land and make the most productive use of it—to pass new tax laws and then achieve their acceptance and enforcement. It is heartening, therefore, that the changes called for by the alliance for progress have been the central issue in several Latin American elections—demonstrating that its effects will be deep and real. Under the Organization of American States, nine outstanding economists and development advisers have begun to assist countries in critically reviewing their plans. Three Latin American countries have already completed and submitted for review their plans for the more effective mobilization of their resources toward national development. The others are creating and strengthening their mechanisms for development planning. A number of Latin American countries have already taken significant steps toward land or tax reform; and throughout the region there is a new ferment of activity, centered on improvements in education, in rural development, in public administration, and on other essential institutional measures required to give a sound basis for economic growth.

But more important still is the changed attitudes of peoples and governments already noticeable in Latin America. The alliance has fired the imagination and kindled the hopes of millions of our good neighbors. Their drive toward modernization is gaining momentum as it unleashes the energies of these millions; and the United States is becoming increasingly identified in the

minds of the people with the goal they move toward: a better life with freedom. Our hand—extended in help—is being accepted without loss of dignity.

But the alliance is barely underway. It is a task for a decade, not for a year. It requires further changes in outlook and policy by all American states. New institutions will need to be formed. New plans—if they are to be serious—will have to assume a life other than on paper.

One of the brightest pages of the world's history has been the series of programs this Nation has devised, established, and implemented following the Second World War to help free peoples achieve economic development and the control of their own destinies. These programs, which have been solidly based on bipartisan support, are the proud manifestations of our deep-seated love and pursuit of freedom for individuals and for nations.

I realize that there are among us those who are weary of sustaining this continual effort to help other nations. But I would ask them to look at a map and recognize that many of those whom we help live on the “front lines” of the long twilight struggle for freedom—that others are new nations posed between order and chaos—and the rest are older nations now undergoing a turbulent transition of new expectations. Our efforts to help them help themselves, to demonstrate and to strengthen the vitality of free institutions, are small in cost compared to our military outlays for the defense of freedom. Yet all of our armies and atoms combined will be of little avail if these nations fall, unable to meet the needs of their own people, and unable to stave off within their borders the rise of forces that threaten our security. This program—and the passage of this bill—are vital to the interests of the United States.

We are, I am confident, equal to our responsibilities in this area—responsibilities as compelling as any our Nation has known. Today, we are still in the first months of a decade's sustained effort. But I can report that our efforts are underway; they are moving in the right direction; they are gaining momentum daily; and they have already begun to realize a small part of their great potential. The turnaround has indeed begun.

JOHN F. KENNEDY

THE WHITE HOUSE,  
*March 13, 1962.*

## U.N. General Assembly Rejects Cuban Charges Against United States

*Following are statements made by Adlai E. Stevenson and Francis T. P. Plimpton, U.S. Representatives to the U.N. General Assembly.*

### STATEMENT BY AMBASSADOR STEVENSON<sup>1</sup>

As we approach at last the end of this prolonged and unnecessary debate, I should like to try to place the Cuban charge against my country in its proper perspective. Up to now the 16th General Assembly has compiled a creditable record. We have dealt reasonably and responsibly, I believe, with the prior items on our agenda, and I think this is because the prior items were worthy of responsible discussion and of responsible action. Now, however, this Assembly, at its very end, has been forced to deal for 10 precious days with cold-war propaganda charges that are both irresponsible, unsupported, and wholly false.

This item has been placed on our agenda by Cuba not as an emergency, as its language suggests, but last August. And now, 6 months after this supposedly urgent item was inscribed, the members of this committee have been obliged to listen to repetitive and interminable harangues which have produced all of the abusive, the false, and the tired phrases in the Communist lexicon—but nothing resembling proof of the charges.

We have even been told that the American worker owes his automobile, his house, his dishwasher, and his refrigerator to the Russian revolution. Well, I suppose, Mr. Chairman, that we Americans should be thankful that our Communist friends have taken such good care of us first while neglecting themselves!

But we are not thankful for this intolerable imposition on the patience of this committee nor

for this gross misuse of the machinery of the United Nations, which is not only a waste of the General Assembly's time but also an invitation to the detractors of the United Nations to heap fresh ridicule on our organization.

Our charter, Mr. Chairman, speaks of this place as a "center for harmonizing the actions of nations." Could anything be more disharmonizing than the unbridled vituperation to which we have been subjected by the Castro delegation and its Communist colleagues? That charges of aggression and intervention—unsupported by evidence and squarely denied—can be dredged up, after lying dormant for 6 months, and be solemnly paraded for 10 days before the representatives of 104 nations cannot enhance the reputation of this organization for seriousness or efficiency. And what a pity that at a time when there are some signs of sincere efforts to diminish the tensions between my country and the Soviet Union, the latter should have ordered its satellites to unleash such an unprincipled, unjustified, unsupported attack on the United States!

Now, what is the reason for this outburst of cold-war violence after this item has been pending for 6 months?

Clearly it is an attempt to drown in a torrent of words the unanimous—and I say unanimous—conclusion of the American Republics that it is the Communist offensive, of which Cuba is a part, which is trying to intervene in the domestic affairs of the American Republics and to destroy their free democratic institutions.<sup>2</sup> It is an attempt to obscure the unanimous—and again I say unanimous—decision reached at Punta del Este by all of the American Republics that the Castro regime

<sup>1</sup> Made in Committee I (Political and Security) on Feb. 14 (U.S. delegation press release 3925).

<sup>2</sup> For statements made by Secretary Rusk at the Eighth Meeting of Consultation of Ministers of Foreign Affairs of the American Republics and texts of resolutions, see BULLETIN of Feb. 19, 1962, p. 270.

is incompatible with the principles and the objectives of the inter-American system.

What precisely were these two unanimous decisions that they want to obscure and hide?

#### **OAS Decision on Communist Offensive in America**

The first decision is found in Resolution I, entitled "Communist Offensive in America," contained in document S/5075, the Punta del Este Final Act, and I should like to read you paragraphs 1, 2, and 3 of that unanimous resolution:

1. The Ministers of Foreign Affairs of the American Republics, convened in their Eighth Meeting of Consultation, declare that the continental unity and the democratic institutions of the hemisphere are now in danger.

The Ministers have been able to verify that the subversive offensive of communist Governments, their agents and the organizations which they control, has increased in intensity. The purpose of this offensive is the destruction of democratic institutions and the establishment of totalitarian dictatorships at the service of extra-continental powers. The outstanding facts in this intensified offensive are the declarations set forth in official documents of the directing bodies of the international communist movement, that one of its principal objectives is the establishment of communist regimes in the underdeveloped countries and in Latin America; and the existence of a Marxist-Leninist government in Cuba which is publicly aligned with the doctrine and foreign policy of the communist powers.

2. In order to achieve their subversive purposes and hide their true intentions, the communist governments and their agents exploit the legitimate needs of the less-favored sectors of the population and the just national aspirations of the various peoples. With the pretext of defending popular interests, freedom is suppressed, democratic institutions are destroyed, human rights are violated and the individual is subjected to materialistic ways of life imposed by the dictatorship of a single party. Under the slogan of "anti-imperialism" they try to establish an oppressive, aggressive imperialism, which subordinates the subjugated nations to the militaristic and aggressive interests of extra-continental powers. By maliciously utilizing the very principles of the Inter-American system, they attempt to undermine democratic institutions and to strengthen and protect political penetration and aggression. The subversive methods of communist governments and their agents constitute one of the most subtle and dangerous forms of intervention in the internal affairs of other countries.

3. The Ministers of Foreign Affairs alert the peoples of the hemisphere to the intensification of the subversive offensive of communist governments, their agents, and the organizations that they control and to the tactics and methods that they employ and also warn them of the dangers this situation represents to representative democracy, to respect for human rights, and to the self-determination of peoples.

The principles of communism are incompatible with the principles of the Inter-American system.

#### **Castro's Threat to Western Hemisphere Security**

These, gentlemen, are the words of the foreign ministers of all of the American Republics—except for Cuba. These words were based on a mass of evidence accumulated over the years by the Organization of American States and by the member states themselves, and in particular on a report of the Inter-American Peace Committee, which was dated January 14, 1962.

The facts are clear that the Castro regime, with the assistance of local Communist parties, is employing a wide variety of techniques and practices to overthrow the free democratic institutions of Latin America. It is bringing hundreds of Latin American students, labor leaders, intellectuals, and dissident political leaders to Cuba for indoctrination and for training to be sent back to their countries for the double purpose of agitating in favor of the Castro regime and undermining their own governments. It is fostering the establishment in other Latin American countries of so-called "Committees of Solidarity with the Cuban Revolution" for the same dual purpose. Cuban diplomatic personnel encourage and finance agitation and subversion by dissident elements seeking to overthrow established government by force.

The Cuban regime is flooding the hemisphere with propaganda and with printed material. The recent inauguration of a powerful shortwave radio station in Cuba now enables the regime to broadcast its propaganda to every corner of the hemisphere, and these broadcasts have not hesitated to call for the violent overthrow of established governments. Such appeals have been directed to Peru, Brazil, Guatemala, and, most recently, the Dominican Republic. On January 22, 1962, Radio Habana beamed a broadcast to the Dominican Republic calling on the people to "overthrow the Council of State"—the very democratic council which is now expressing the will of the Dominican people to be free of the last remnants of the Trujillo dictatorship.

The military training of Latin Americans in Cuba by the Castro regime, and the wide distribution throughout the hemisphere of the treatise on guerrilla warfare by "Che" Guevara, Castro's chief lieutenant, are clear evidence that the Castro regime is bent on guerrilla operations as another

important device for gaining its objectives. The large amounts of arms which Castro boasts of having obtained from the Communist military bloc place him in a position to support such operations, and, in fact, we have seen him aiding or supporting armed invasions in other Caribbean countries, notably Panama and the Dominican Republic. If we are to believe Castro's threats made prior to and during the Punta del Este conference, there will almost certainly be further Cuban-inspired guerrilla operations against its Latin American neighbors.

Now, what this means, Mr. Chairman, is that Cuba today represents a bridgehead of Sino-Soviet imperialism in the Western Hemisphere and a base for Communist aggression, intervention, agitation, and subversion against the American Republics. It is small wonder that the American Republics unanimously recognize that this situation is a serious threat to their security and the ability of their peoples to choose freely their own form of government and to pursue freely their goals of economic well-being and of social justice. It is small wonder that they unanimously adopted the resolution I have just quoted in part and small wonder that the Communists are throwing up a smokescreen in an attempt to conceal that unanimity.

#### **Cuban Regime Incompatible With American System**

Now, what was the second unanimous decision that they want to conceal?

It is found in the first two operative paragraphs of Resolution VI of the Punta del Este Final Act, entitled "Exclusion of the Present Government of Cuba From Participation in the Inter-American System."

I read as follows from that resolution:

1. That adherence by any member of the Organization of American States to Marxism-Leninism is incompatible with the inter-American system and the alignment of such a government with the communist bloc breaks the unity and solidarity of the hemisphere.

2. That the present Government of Cuba, which has officially identified itself as a Marxist-Leninist government, is incompatible with the principles and objectives of the inter-American system.

Those paragraphs, Mr. Chairman, were agreed to by the unanimous vote of the 20 American Republics, with Cuba alone dissenting. We have

then a unanimous decision that the Cuban regime has made itself incompatible with the inter-American system.

There were two further operative paragraphs, which I quote:

That this incompatibility excludes the present Government of Cuba from participation in the inter-American system.

That the Council of the Organization of American States and the other organs and organizations of the inter-American system adopt without delay the measures necessary to carry out this resolution.

As to these two paragraphs, 14 countries—that is to say, two-thirds of the membership—voted in favor, 1 against—Cuba—and 6 abstained—Argentina, Brazil, Chile, Mexico, Bolivia, and Ecuador. Their abstention, as has been made clear, in no way affects the decision that the Castro regime is incompatible with the American system of democratic freedom but merely evidenced doubts as to the legal procedures involved in the exclusion caused by the incompatibility.

#### **Unsupported Claims of U.S. Aggressive Plans**

Now, so much for the Punta del Este decisions that Castro is trying to hide by the unsupported claim that the United States is now planning aggression against Cuba. What supposed items of evidence has the Cuban representative produced to substantiate that wild claim? Only two.

First, he says that on October 9, 1961, "the revolutionary government denounced the military bases, both within and without the United States, listing those in which the American Government trained mercenaries in order to use them against our country." This ex parte declaration by the revolutionary government of Cuba is followed by a list of most of the noted Florida winter resorts, such as West Palm Beach, Fort Lauderdale, Hollywood, St. Petersburg, and so forth.

I have no doubt that the Castro government did "denounce" these localities, for certainly denunciation is a daily pastime in Habana these days. But denunciation is not proof, and they have not produced a shred of evidence that the United States Government is training anyone anywhere to attack Cuba. And I in turn denounce any such absurd denunciations.

Secondly, the Castro representative quoted from the *New York Times* of December 23, 1961, where

one Luis Manuel Martinez, presumably a Cuban, is said to have stated that "nearly 400 exile fighters have left Guatemala in the last six weeks for the United States for eventual duty as guerrillas in Cuba." It may very well be that a Cuban patriot may have made such a statement, but I repeat that the United States is not training any Cuban exile fighters anywhere to attack Cuba.

Now, these two items, Castro's own assertion and the Martinez quotation, are the only—literally only—supposed evidence advanced for the charge that the United States is now planning aggression against Cuba.

And here I want to repeat that all of the charges that the Castro regime has made against the United States in this room were made at Punta del Este—every one—and that the American Republics, who of all people know the facts as to what goes on in this hemisphere, brushed these charges aside, just as they should be brushed aside here in this committee.

Now that the Castro representative has brought up the New York *Times* of December 23, 1961, I would like to call the committee's attention to another item in that same issue which the Cuban representative did not see fit to quote. That item is a report from Habana quoting Castro as having said on the previous day, December 22, that he was a "Marxist-Leninist" during his mountain guerrilla warfare days and that he had hidden the fact "because otherwise he would not have been able to press his revolution to a successful conclusion." He is quoted as going on to say that while in the mountains if he had said, "We are Marxist-Leninists," "it is possible that we would never have been able to descend to the lowlands. . . . So we called it something else." Those are the words of Mr. Castro.

Mr. Castro, blatantly and cynically, admits and boasts that he deliberately deceived the Cuban people.

I now come to the attempt by the representative of the Soviet Union to turn this debate into a propaganda quiz program.

Most of the so-called "questions" which he has asked related to events last April which were thoroughly discussed and dealt with at that time by this committee and by the General Assembly.<sup>3</sup> But he purports to be very distressed that I have not

<sup>3</sup> For background and texts of resolutions, see *ibid.*, May 8, 1961, p. 667.

answered his questions. It is not my practice, as I hope you have noticed, to intervene every few minutes but rather to await my turn. But I do not want the representative of the Soviet Union to suffer any longer.

So as to his other declarations, let me say, no, the United States is not training anyone for an invasion of Cuba at the "bases" mentioned by the Cuban representative. Neither the Soviet representative nor the Cuban representative nor anyone else has brought forth the slightest evidence to the contrary. And Castro's "denunciation" of such innocent winter resorts as West Palm Beach, Sarasota, and so forth, is proof of nothing but a very vivid and unscrupulous imagination.

The next question: Yes, Cubans may enlist in the Armed Forces of the United States, and so may any permanent resident of the United States. Our latest count, as of 2 weeks ago, showed that the number of Cubans in the three armed services of this country amounted to a grand total of 88.

#### **No Support for Cuba at Punta del Este**

The next question: No, all the decisions at the Punta del Este conference were not unanimous. This was not a meeting of the Warsaw military pact. This was a meeting of free and independent sovereign states, proudly insistent on the democratic rights of freedom of speech and freedom of decision.

So that the record is completely clear to all of the members, I want to state the votes on the nine resolutions which are set forth in the Final Act of the Punta del Este conference (document S/5075).

Resolution I, entitled "Communist Offensive in America," which I have already read in part, was adopted by the vote of 20 for and 1 against, Cuba being the 1.

Resolution II, setting up a special consultative committee on security against the subversive action of international communism, was adopted by the vote of 19 to 1—Cuba—with Bolivia abstaining.

Resolution III, reiterating the principles of non-intervention and self-determination, was adopted by the vote of 20 to 1, the 1 being Cuba. I call attention to the fact that Cuba voted against this resolution and, in particular, voted against paragraph 2 of that resolution, which urged that American governments organize themselves on

the basis of free elections that express, without restriction, the will of the people.

Resolution IV, for the holding of free elections, was also adopted by the vote of 20 to 1. I again call attention to the fact that Cuba is against the holding of free elections.

Resolution V, endorsing the Alliance for Progress, was adopted by the vote of 20 to 1. Once again, as in the case of the Marshall plan, the Communists are against the idea of economic and social progress with freedom.

As to Resolution VI, relating to the self-exclusion of Cuba from the American system, as I have said, paragraphs 1 and 2 were adopted by the vote of 20 to 1, and 3 and 4 were adopted by the vote of 14 to 1, with 6 abstentions.

Resolution VII, excluding Cuba from the Inter-American Defense Board, was adopted by the vote of 20 to 1.

Resolution VIII, relating to the suspension of arms traffic with Cuba and charging the Organization of American States Council to study the desirability of suspending trade in other items, was adopted by the vote of 16 to 1, with 4 abstentions.

Resolution IX, relating to strengthening the statute of the Inter-American Commission on Human Rights, was adopted by the vote of 19 to 1, with 1 abstention.

In short, Mr. Chairman, Cuba received no support on anything. No one voted with Cuba on anything. Cuba joined the others in voting for only one paragraph of one resolution, and there was not a single negative vote, other than Cuba's, on any resolution or any paragraph of any resolution. In other words, the newest associate of the Communist bloc stood alone in the self-imposed isolation which its interventions and disregard of human rights have brought upon itself.

Now, these are the facts about Punta del Este, and they show that what is before this committee is not some bilateral issue between the Castro government and the Government of the United States but a broad multilateral problem involving a self-declared Communist regime's aggressive hostility against all of the free nations of the Latin American world. It is not a bilateral problem; it is a hemispheric problem.

My final answer to the representative of the Soviet Union is yes, the United States does believe in the principle of nonintervention in the affairs of other countries and we strongly recommend this

principle to the Cuban regime, especially with reference to its neighbors in this hemisphere.

And while we are on the subject of nonintervention, I would strongly recommend to the Soviet Union that our memories are not so short that we have forgotten some events of recent years which are still on our agenda.

I have heard during the past fortnight repeated contemptuous references to the Cuban patriots who have escaped from the oppression of the Castro dictatorship and the names of a few industrialists and land owners. But I have not heard mention of no less than 150,000 Cubans who have fled from tyranny to liberty—of 150,000 workers, peasants, shopkeepers, professional people, artisans, professors, and judges—many of them former comrades of Castro—who fled when it became clear to them that he had deceived them and betrayed their revolution. They are the fortunate ones who have escaped the knock on the door in the night and drumhead justice and the firing squads that have slaughtered so many of Castro's countrymen.

I read you a short list of Castro's own comrades who now know what he represents and have escaped to freedom: Castro's first Prime Minister, the first Provisional President of his revolutionary government, his Chief Justice, nearly two-thirds of the 19 members of his first Cabinet, his revolutionary commander of Camagüey Province, his appointees as presidents of the National Bank and the National Development Bank, the chief of his Air Force, his personal pilot, the General Secretary of the Cuban Trade Union Federation, the editor of the anti-Batista magazine *Bohemia*, the author of Castro's revolutionary exhortation "history will absolve me," and countless other editors, radio commentators, and public figures.

These are some of the millions who have fled Communist tyranny in search of freedom. We have heard some dissertations on the Marxist-Leninist ideology from a procession of Communist speakers during this debate. I certainly will not take up the committee's time to more than say that millions of voices will answer them—the voices not only of 150,000 Cubans but of 200,000 Hungarians, of 55,000 Tibetans, of 1,100,000 Chinese, of 2,500,000 East Germans, and many more who have risked their lives to escape from that ideology and that form of government to the free world. And the final confession of ideological bankruptcy is that it takes a wall through the heart of Berlin

not to keep the enemies out but to keep their own people in.

It has been suggested over and over that in some way the American Republics are interfering with Cuba's right of self-determination, the right of its people to choose their own government. This is not true. The American Republics believe in and practice self-determination. It is the Castro regime itself that has deprived the Cuban people of that right.

The Organization of American States' Charter states in article 5: "The solidarity of the American States and the high aims which are sought through it require the political organization of those States on the basis of the effective exercise of representative democracy." Through the Organization of American States, the American Republics in recent weeks have helped the people of the Dominican Republic to regain the right of democratic self-determination, with the happy result that the voice of the ancient Dominican people, long stifled by dictatorship, is now heard again.

The voice of the Cuban people has also been stifled by dictatorship, a dictatorship conceived in deceit and deception and now maintained by force. The voice we now hear is not the voice of the Cuban people but the voice of a master. His plaintive plea for the right of self-determination is in fact a cynical demand that he—and his foreign masters—do the self-determining and be left alone to shamelessly crush the will of the Cuban people and further the objectives of Communist imperialism throughout the hemisphere.

How can Castro, who first deceived his people and who now refuses to let them speak for themselves, speak for them as to the form of government they desire? How can a man who has betrayed his country and delivered it to an international conspiracy speak for a people to whom he denies the fundamental right of self-determination?

#### **What Castro Promised**

In Castro's first political statement from the Sierra Maestra in July 1957 I will tell you what he promised. He promised general elections at the end of 1 year. He promised an "absolute guarantee" of freedom of information, of freedom of press and all civil and political rights in accordance with Cuba's 1940 Constitution. In an article

in February 1958 he wrote that he was fighting for a "genuine representative government," "thoroughly honest" general elections within 12 months, "full and untrammelled" freedom of public information and public media, and the reestablishment of all the personal and political rights set forth in Cuba's 1940 Constitution. And the greatest irony of all—in that article he denies the charge of "plotting to replace military dictatorship with revolutionary dictatorship."

These were the promises that Castro made to the Cuban people. It is small wonder that those people welcomed the man who made them. Rejoicing in their release from the thralldom of Batista's military dictatorship, they looked forward eagerly to the freedom that Castro had promised. And what has he given them? He has given them the very dictatorship which he solemnly assured them he would not. He has given them a dictatorship under which free expression and free elections no longer exist. He has given them a government-controlled press. He has confiscated their property. He has terrorized their religion and suppressed all civil and political liberty. And to cap the climax, at Punta del Este he has voted against even the principle of free elections!

It must be clear to all that the present rulers of Cuba have engaged in a classic example of Communist subversion from within—indirect aggression. They sought to gain power over Cuba not to free Cubans but to enslave them, not to serve Cuban interests but the interests of that worldwide imperialism which wanted Cuba as a bridgehead for its ambitions in the rest of Latin America.

The free peoples of Latin America will not permit this, and that is the meaning of Punta del Este.

The free nations have sought by every means since the end of the Second World War to defend their freedom. This organization has dealt with many of these battles of what has come to be known as the cold war and of which Cuba and the debate here today is only the latest example. I had hoped when I came here a year ago that the United Nations could be used, and I so stated, as an arena not to fight the cold war but to pursue peace. And we had hoped in the Americas, as do others in other continents, to keep the intrusion of the cold war from our shores. But one of our American states has been subverted and is now being used as a vehicle for pressing the cold war

against us and our American friends. We have not brought the cold war into this committee; it is the Castro regime and its masters that have done so.

As the Secretary of State of the United States said at the Punta del Este meeting:

The cold war would have been unknown to us had the Soviet Union determined, at the end of World War II, to live in peace with other nations in accordance with its commitments under the Charter of the United Nations. The cold war would end tomorrow if those who control the Communist movement would cease their aggressive acts, in all their many forms. Nothing would be more gratifying to the citizens of my country than to have the Soviet Union bring about the revolution of peace by a simple decision to leave the rest of the world alone.

But the cold war is not a contest between the Soviet Union and the United States which the United States is pursuing for national ends. It is a struggle in the long story of freedom between those who would destroy it and those who are determined to preserve it. If every nation were genuinely independent, and left alone to work out its relations with its neighbors by common agreement, the tensions between Washington and Moscow would vanish overnight.

### **The Alliance for Progress**

Latin America is a continent in ferment. Its peoples voice a growing demand for social and economic changes that will bring to every man, woman, and child the technological benefits of our age. Its peoples want better education, better housing, better health, their own land, and economic and personal security. Its peoples are restless with hopes and aspirations.

To satisfy these hopes, to make these aspirations a living reality, we in the Western Hemisphere have embarked on a positive program of unparalleled magnitude in scope and effort—the Alliance for Progress.<sup>4</sup> We of the American Republics have set forth our goals of social advancement throughout the coming decade. We have pledged our joint resources. We are insisting on tax reform and land reform and industrial development. We have stated our convictions that investment in human resources—in the brains and skills of our peoples—should receive top priority. The United States is ready to contribute over a billion dollars a year to this great humanitarian undertaking and to do its full part in helping to re-create a new world for the peoples of Latin America.

This is the project which the Castro regime and

<sup>4</sup> See p. 539.

its Communist masters are trying to subvert and sabotage. It is for this that the Communist bloc in the closing days of our session have taxed our patience, abused our procedures, and unleashed all of their tired invectives and scattered groundless charges to arrest the forward march of the American Republics to a better life and democratic freedom.

I hope, Mr. Chairman, that this committee will resoundingly defeat any resolution that equates unsupported charges and the decisions of the American states to defend themselves from subversion and to work together for that better life in full conformity with the principles of the charter.

### **STATEMENT BY AMBASSADOR PLIMPTON<sup>5</sup>**

I would like to point out, by way of an introductory remark, that the title of this item has not been changed. It will be remembered that the title reads: "Complaint by Cuba of threats to international peace and security arising from new plans of aggression and acts of intervention being executed by the Government of the United States of America against the Revolutionary Government of Cuba."

The sponsor of the draft resolution now seems to be trying, by document A/L.385/Rev.1, to create the impression that the title of the item has been changed, obviously because the deliberately biased form of the title of the item clearly reveals its cold-war propaganda purpose. However, Mr. President, the title of the item has not been changed. The document itself refers three times to item 78—in the upper left-hand corner, in the heading, and in the first preambular paragraph. And item 78 still reads just the way it always has. The so-called "technical error" referred to in revision 1 is itself nothing but another parliamentary maneuver to obscure the fact that the draft resolution is still a draft resolution against the background and in the context of the completely unimproved Cuban charges, as set forth in the cold-war title of the item.

Mr. President, the Cuban charges of intervention and plans of aggression have been with us now for 6 months. My delegation voted long ago, last September, in favor of inscribing this item on

<sup>5</sup> Made in plenary on Feb. 20 (U.S. delegation press release 3928).

our agenda because of our commitment to the principle that any complaint, no matter how groundless, should receive a hearing in our organization. The First Committee dealt with the Czechoslovak-Rumanian draft resolution. [U.N. doc. A/C.1/L. 309].<sup>6</sup>

It is instructive to review briefly the fate of this Communist cold-war effort. Not one delegate outside of the 11 Communist representatives supported the unfounded accusation of United States interference in Cuban affairs. A clear majority of the First Committee also rebuffed the apparently harmless reference to peaceful settlement of international disputes because they recognized that in the context of the Cuban charges such an affirmation of a general principle would dignify and give substance to charges that are in fact crude, defamatory, and false. The First Committee also witnessed a striking demonstration of vigor and solidarity among the nations that make up our Organization of American States. We voted as one in defense of our common cause, and it is this fact more than any words I can say that testifies to the worthlessness of the Cuban charges.

Mr. President, over this weekend we were greeted by a new exercise in parliamentary legerdemain. This will, I am confident, be equally repudiated by this Assembly. Having failed to obtain any support for the baseless charges leveled against the United States in the First Committee and having failed to enlist the backing of a single one of the 93 non-Communist members of this body for its complaint of United States interference, the Communist bloc now is trying to bring in through the back door what was thrown out at the front door. That well-known authority on Caribbean affairs, that longtime friend and next-door neighbor of Cuba, the Republic of Outer Mongolia, has now appeared from central Asia

<sup>6</sup>The operative paragraphs of draft resolution A/C.1/L.309 were rejected by Committee I on Feb. 15, and the chairman therefore declared, pursuant to rule 130 of the rules of procedure, that the draft resolution as a whole was rejected. Operative paragraph 1, which appealed to the U.S. Government "to put an end to the interference in the internal affairs of the Republic of Cuba and to all the actions directed against the territorial integrity and political independence of Cuba," was rejected by a vote of 11 to 50, with 39 abstentions. Operative paragraph 2, which called upon the Governments of Cuba and the United States "to settle their differences by peaceful means, through negotiations, without recourse to use of force," was rejected by a vote of 39 to 46, with 15 abstentions.

and placed before us a resolution [U.N. doc. A/L. 385/Rev. 1] which purports to innocently reaffirm the principle of equal rights and self-determination of peoples and of noninterference in the internal affairs of any state. In voting on this parliamentary maneuver, the United States will take the following course:

First, we will vote for the preambular reference to the report of the First Committee. We welcome that report as demonstrating the fact that, after a fair hearing and thorough airing of the Cuban complaint, it was overwhelmingly rejected. We find it proper for the General Assembly to take note of this report.

Second, on the operative paragraph, which is substantially a repetition of the second preambular paragraph of the Czechoslovak-Rumanian resolution introduced in the First Committee, we shall again abstain. The obvious maneuver of Mongolia on behalf of the Communist bloc is to force other members of the Assembly into the apparent dilemma of either voting against self-determination or to pass a resolution with an unintended effect. There is no reason to fall for this trick. The United States, of course, subscribes to these principles. The United States reaffirms principles which were first set forth in our Declaration of Independence and in our Constitution, as well as in the conventions and agreements of the inter-American system and the United Nations Charter. In a separate vote on the operative paragraph, we will, therefore, not vote but will abstain in the light of the context of this paragraph under the unproved Cuban allegations which are still in the title of the item.

We shall, however, vote against the resolution as a whole, and we hope that the Assembly will do likewise. There is no reason to dignify the unproved charges presented by the Communist bloc by enveloping them in noble and historic principles of the charter. A vote against the resolution as a whole will properly repudiate this transparent parliamentary maneuver.

If such principles are to be reaffirmed, Mr. President, they should be proclaimed in the context of calling on the Cuban regime to stop intervening in the affairs of other American states. They should call on this regime to grant the Cuban people the right to choose freely their own form of government, to give them the right of self-determination. Those principles should voice the appeal of the free

peoples of the world for restoration to the Cuban people of those equal rights spelled out so clearly in the Declaration of Human Rights, the United Nations Charter, and the Charter of the Organization of American States.

Mr. President, when this item was inscribed last August, we recognized the competence of the General Assembly to concern itself with such grave charges. We welcomed the airing of those charges, the discussion of those charges. We were gratified by the display of hemispheric unity and the support of other members who repudiated those charges. We were gratified that not one of the 93 non-Communist members of this body voted with the Communist bloc to validate those charges. We trust, Mr. President, that this Assembly will act with the same sense of responsibility and will not be trapped by a transparent maneuver, such as the one we now have before us, and will vote against this draft resolution as a whole.<sup>7</sup>

## **U.S. Exchanges Tariff Concessions With GATT Contracting Parties**

White House press release dated March 7

The White House on March 7 announced the conclusion at Geneva of tariff negotiations with the European Economic Community, with the United Kingdom, and with 24 other countries.

### **Summary**

These negotiations, the largest and most complex in the 28-year history of the Trade Agreements Act, produced results of great importance to the United States. The commercial importance of the negotiations was matched by their political significance, since they constituted the first test of whether the United States and the European Economic Community—the so-called European Common Market—would be able to find a mutual basis for the long-run development of economic relations critical to both areas.

The European Common Market, created in 1957 by France, Germany, Italy, and the Low Countries [Belgium, Netherlands, Luxembourg] in the Treaty of Rome, establishes a giant economic community in Western Europe. It encompasses a

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<sup>7</sup> On Feb. 20 draft resolution A/L.385/Rev.1 was rejected by the General Assembly by a vote of 37 to 45, with 18 abstentions.

market whose imports are greater than those of the United States itself, with a growth rate well in excess of the current United States growth rate. In accordance with their treaty, the six member countries of the European Community are rapidly eliminating tariffs within the Community and are establishing a common external tariff for the Community which will apply generally to the products of outside countries including the United States. At the same time the six member countries are merging their separate national programs for the protection of domestic agriculture into an integrated Community-wide program known as the common agricultural policy. When this policy comes fully into effect, there will be a single Community-wide support price for each of a number of major agricultural commodities.

In the face of these developments the United States objectives in the negotiations were twofold: (1) to secure reductions in the common external tariff which would expand trade between the European Economic Community and the United States and (2) to insure that the common agricultural policy took account of the interests of United States agricultural exporters. These objectives were sought in the framework of the long-run United States policy of maintaining and expanding trading relations among free-world nations.

These results were achieved. In general the European Economic Community agreed to an exchange of concessions involving a phased 20-percent reduction in most of the industrial items making up its common external tariff. The Community's freedom to negotiate on certain agricultural items was hampered by the fact that its common agricultural policy was still in process of development. Nevertheless it agreed to various arrangements—including a number of important tariff cuts—which will insure for the present that most agricultural exports of the United States will be able to maintain their position in the Community's markets.

The United States, operating under the severely circumscribed authority of the present Trade Agreements Act, was unable to offer concessions of equal value to the Europeans. This was true even though the President went below the peril-point rates recommended by the Tariff Commission on a number of items. In spite of the inability of the United States to offer equivalent concessions, the Community agreed to close the negotia-

tions on the basis of the concessions finally offered by the United States.

An appended table summarizes the trade value of concessions exchanged with the EEC and other countries in terms of the amount of trade during 1960 in the items covered. In the exchange of new tariff concessions in the form of reductions or bindings at fixed levels, the United States received concessions on a trade volume of approximately \$1.6 billion in return for adjustments and commitments, to take effect in most cases on two steps 1 year apart, on United States tariffs covering commodities with a trade volume of \$1.2 billion.

In other negotiations for compensatory tariff adjustments, where contracting members of the General Agreement on Tariffs and Trade (GATT) had altered or withdrawn previous concessions, the United States received concessions on a trade volume estimated at \$2.7 billion to replace concessions withdrawn or modified in the amount of \$1.6 billion. The central feature of this phase of the Geneva negotiations was the replacement of tariff concessions granted by the EEC member states before they formed the Common Market with concessions to be incorporated in a new common external tariff. The EEC adjustments thus made in the Common Market tariff affect trade valued at \$2.5 billion.

Compensatory tariff concessions on the part of the United States were limited, covering trade valued at \$30 million.

The new tariff reductions obtained from the EEC include items of major importance to United States export trade to the Common Market area. Most of these concessions were reductions of 20 percent. There were, however, a number of reductions of more than 20 percent, the most important of these being reductions of 24 and 26 percent, respectively, in the common tariff on automobiles and parts; in dollar terms this reduction will average to about \$126 per automobile exported to the European market. Other categories of particular importance to the United States were chemicals and pharmaceuticals, industrial and electrical machinery, textiles, canned and preserved fruits, and fats and oils.

Principal concessions granted by the United States included automobiles, certain classes of machinery and electrical apparatus, certain types of steel products, and some classes of glassware. The United States automobile concession, which ac-

counted for a substantial part of the total amount of trade affected by the United States concessions, averages approximately \$21.50 per automobile imported into the United States market.

For various technical reasons it is impossible to make exact comparisons of the general tariff levels of different countries. Nevertheless it appears that, as a result of the negotiations just concluded at Geneva, the general tariff level of the European Economic Community is roughly comparable to that of the United States. In some items the United States level exceeds that of the Community; in other items the opposite is the case. The major difference in the two tariff structures is that the EEC has fewer prohibitively high tariffs than the United States as well as fewer extremely low tariffs.

The similarity in general levels provides an opportunity for even more effective tariff negotiation in the future. However, if the United States is to exploit this opportunity, it must be equipped with new statutory powers, since the President has now exhausted his powers to grant tariff concessions under existing law.<sup>1</sup>

In its negotiations for new concessions at Geneva the United States dealt not only with the EEC but also with Austria, Cambodia, Canada, Denmark, Finland, Haiti, India, Israel, Japan, New Zealand, Norway, Pakistan, Peru, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

Negotiations for compensatory concessions, in addition to those with the EEC, were held with Australia, Brazil, Canada, Ceylon, Finland, Haiti, Indonesia, Japan, the Netherlands Antilles, Pakistan, Peru, the Republic of South Africa, Sweden, and Turkey.

While negotiations by the United States with all the named countries except Spain have been completed, final agreements have not been concluded with some countries, which have either not completed their negotiations with other countries or have not yet completed the necessary domestic procedures. When all negotiations have been concluded, additional benefits will accrue to the United States from the concessions exchanged between other countries.

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<sup>1</sup> For text of President Kennedy's message to Congress on trade, see BULLETIN of Feb. 12, 1962, p. 231; for a summary of the proposed legislation, see *ibid.*, Feb. 26, 1962, p. 343.

## Further Details

The tariff conference, which opened in Geneva in September 1960,<sup>2</sup> was convened by the Contracting Parties to the General Agreement on Tariffs and Trade at United States initiative. The Geneva conference was open to all contracting parties to the GATT, 35 of which participated in the negotiations. Geneva was thus the scene of a major multilateral negotiation for the lowering of free-world trade barriers.

Nevertheless, attention was largely centered on the European Economic Community and its common external tariff. While customs unions are not a new thing in the world community, no customs union before the Common Market had so much significance for world trade and, indeed, for the shaping of future political and economic forces in the world.

The outlook on the whole was for a broadly liberal Common Market approach to international economic affairs. Even before the conference opened, there was outstanding an offer on the part of the European Economic Community to reduce by 20 percent most of its tariff rates on industrial products, conditional on the grant of reciprocal concessions by other countries. The United States was a principal supplier of most of the items affected.

Despite the generally propitious atmosphere in which the negotiations were begun, it was by no means certain that any useful agreement could be reached. United States negotiators came to the Geneva conference empowered with the limited authorities contained in the Trade Agreements Extension Act of 1958. Under the law the maximum tariff reduction they could offer was generally fixed at 20 percent. The negotiating list which they were authorized to use had been established after a rigorous screening by the interagency Trade Agreements Committee and after very substantial further eliminations as a result of the Tariff Commission's peril-point findings under section 3(a) of the Trade Agreements Act. Despite the fact that the United States had a very large export trade at stake and despite the major political opportunity offered by the negotiations, it was apparent when the United States negotiating instructions were originally drawn that the

United States would be unable on this basis to meet the EEC request for adequate reciprocity.

The negotiations with the EEC were of unrivaled complexity. They fell into two phases. The purpose of the first phase was to meet the requirement of GATT, article XXIV:6, providing for new tariff concessions by a customs union to replace those which had been granted previously by the member states. In preparing for this negotiation the American negotiators examined each item in the European common external tariff and compared the prospective incidence of the new rates with the previous national rates. Wherever the new rate seemed on the whole to have a different protective incidence than the old national rates, this difference had to be taken into account as a debit or credit in the subsequent negotiations. For agricultural products, however, special difficulties arose. Since the EEC nations were in process of developing the common agricultural policy called for in the Rome Treaty, they were restricted in their ability to negotiate on some of the tariff rates for agricultural products.

The outcome of this phase of the EEC negotiation brought direct commitments to the United States on common external tariff rates covering exports totaling \$2.5 billion in 1960, compared with a total of \$1.4 billion of trade that had been covered by concessions which the Common Market member nations had previously granted to the United States.

In the second phase of the negotiations, the so-called reciprocal round, the EEC confirmed the offer which had been provisionally put forward in May 1960. Specifically the Community offered a reduction of 20 percent on industrial tariff rates, subject to a few exceptions. The linear reduction offer did not apply to agricultural commodities, but in the course of the negotiations reductions on certain agricultural products were made.

As the negotiations proceeded it became clear that the United States bargaining position was inadequate to take advantage of the EEC offer. A deadlock ensued and a collapse of the negotiations was threatened, with all the adverse consequences that this portended for American economic interests and Western political cooperation.

The Tariff Commission's peril-point findings were, therefore, carefully reexamined, and a number of additional items were found in which it appeared possible to offer tariff reductions.

<sup>2</sup> For a statement made at the opening meeting by Clarence B. Randall, Special Assistant to President Eisenhower, see *ibid.*, Sept. 19, 1960, p. 453.

These were items in which the procedures and standards stipulated in the Trade Agreements Act had compelled the Commission to make unduly restrictive judgments or to make judgments unsupported by relevant evidence. In many instances tariff reductions of even a few percentage points had been precluded. In some instances peril points had been set on items where imports represented only a minor fraction of domestic production. In others peril points had been found at existing duty levels for specialty commodities which were produced abroad for a narrow and highly specialized market in the United States and which were not competitive with domestic production. In still other cases a single peril point had been set for basket categories of many items, even though the situation as between items in the category appeared to differ markedly. It was in cases of the foregoing character that it was decided that tariff reductions could be made.

A number of such items, covering \$76 million of United States imports, were selected to provide a new bargaining offer. This action broke the deadlock in the negotiations.

Appended are the messages from the President to the Congress<sup>3</sup> which give full details on the action taken with respect to the peril-pointed items in question.

Agricultural commodities exported by the United States were included in both the reciprocal and the compensatory phases of the Geneva negotiations with the Common Market. These negotiations involved special difficulties, primarily because the EEC was concurrently developing its common agricultural policy. These difficulties were an additional cause for the prolonged period of the negotiations.

In the understandings that were ultimately reached, the EEC made commitments on products accounting for approximately \$800 million of the United States agricultural exports to the Common Market in 1960. These commitments cover such major items as cotton, soybeans, tallow, hides and skins, and certain fruit and vegetable products. On cotton and soybeans, duty-free bindings replace tariffs in some of the member countries. The United States also obtained a reduction in the common external tariff on tobacco. For this item and vegetable oils, which together accounted for exports in 1960 of about \$125 million, the EEC

has entered into understandings with us envisaging negotiations for the further reductions in the common external tariffs.

With respect to another group of products, principally grains and certain livestock products, which will be protected by variable levies instead of fixed tariffs, the United States sought to obtain adequate assurances of access to the EEC market. Because of the many problems which were still unsettled among the EEC countries themselves, it was not possible to work out during the Geneva negotiations definitive arrangements for access. Therefore, agreement was reached by the two sides to reconsider the matter of trade access in the near future. This represented a fundamental change in the position of the EEC, which early in the negotiations announced its intention to withdraw existing concessions on these products without providing for future negotiations on access.

Specifically the EEC agreed to certain interim arrangements for wheat, corn, grain sorghum, poultry, and rice. United States exports of these commodities to the Common Market in 1960 were valued at about \$214 million. For corn, grain sorghum, ordinary wheat, rice, and poultry, the EEC has agreed to negotiate further on these items with respect to trade access arrangements and to maintain existing national import systems on as favorable a basis as at present until a common policy is put into operation.

In the case of quality wheat the EEC agreed to negotiate further on the trade access arrangements after the initiation of the common agricultural policy. Before this new system is put into operation, member countries will continue to apply existing national import systems on as favorable a basis as at present. Further, the EEC agreed that when the common policy on wheat is put into operation, and throughout the period covered by these negotiations, it will take corrective measures for any decline in United States exports of quality wheat resulting from the application of the common policy.

Since the common agricultural policy will take effect over a period of years beginning on July 1, 1962, in general it should not have adverse effects on the level of United States exports during the coming year. The maintenance or expansion of United States exports will depend upon future negotiations carried out under the authority of the proposed trade agreements legislation.

The negotiations for the reciprocal reduction of

<sup>3</sup> Not printed here.

tariffs involved 18 countries in addition to the Common Market. Of these, the most important were with the United Kingdom.

The United States received from the United Kingdom direct concessions on about 320 tariff items with a trade coverage of \$197.5 million. Included were automobiles and parts, aircraft and parts, machine tools, certain chemicals, Kraft board and paper, synthetic rubber, and dried beans. Most of the duty reductions followed the 20-percent pattern set by the EEC.

In return the United States gave concessions, also mostly at the 20-percent level, on 185 items with a trade volume of \$185 million. Among these items were machinery and vehicles, principally aircraft and parts, books and printed matter, flax, hemp, and ramie textile manufactures, certain food products, and Scotch whisky. The negotiations with the United Kingdom involved departures from Tariff Commission peril-point findings on items representing a trade volume of \$7 million.

Negotiations for new concessions with 17 other countries, some of which have not yet been formalized in final agreements, have resulted in additional concessions to the United States of about \$575 million in return for concessions totaling about \$450 million. These totals will be further augmented when the conclusion of all negotiations still in progress between other countries permits the calculation of indirect benefits that will accrue to the United States.

Agreements were also negotiated with 14 countries for compensatory concessions to replace other concessions which had been modified or withdrawn. The concessions to the United States that were modified or withdrawn by other countries involved trade of approximately \$220 million. Compensatory concessions granted to the United States by these countries covered about \$200 million of trade.

For its part the United States withdrew or modified concessions with a trade coverage of \$85 million and offered compensatory concessions on \$30 million of trade to seven countries, namely, Benelux, Denmark, the Federal Republic of Germany, Italy, Japan, Sweden, and the United Kingdom. These compensatory concessions were selected from the same list of items on which the United States delegation had been authorized by the interdepartmental trade agreements organization to make offers in the negotiations for new concessions. These items were therefore not avail-

able to the United States delegation for bargaining for additional new concessions.

In the table which follows there is summarized the trade coverage of the concessions exchanged by the United States with other countries during the Geneva conference.

RECAPITULATION OF TRADE COVERAGE OF CONCESSIONS  
EXCHANGED  
(Direct concessions: Estimates based on 1960 trade)

1. *Reciprocal negotiations for new concessions*

	<i>Trade value of concessions</i>	
	<i>Obtained by U.S.</i>	<i>Granted by U.S.</i>
With EEC	\$1,000 million	\$795 million
With other countries	\$575 million	\$430 million

2. *Article XXIV:6 compensatory negotiations with the EEC*

<i>Trade value of concessions</i>	
Previous concessions by member states, to be replaced by EEC concessions	\$1,400 million
Concessions granted by EEC	\$2,500 million

3. *Other compensatory negotiations*

<i>Trade value of concessions</i>	
Concessions withdrawn or modified by other countries	\$220 million
Compensatory concessions to the U.S.	\$200 million
Concessions withdrawn or modified by the U.S.	\$85 million
Compensatory concessions by the U.S.	\$30 million

Further details concerning the agreements concluded at Geneva are contained in a publication entitled *General Agreement on Tariffs and Trade: Analysis of United States Negotiations*, which has been issued in two volumes. Volume I (Department of State publication 7349, price \$1.25) describes the agreements with the EEC and the reciprocal agreements for new concessions. Volume II (Department of State publication 7350, price 35 cents) describes the compensatory negotiations. These publications may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

**DEPARTMENT AND FOREIGN SERVICE**

**Designations**

Richard D. Kearney as Deputy Legal Adviser, effective March 18. (For biographic details, see Department of State press release 157 dated March 9.)

## Appointments

J. Murray Luck as science attaché at Bern, Switzerland, effective March 19. (For biographic details, see Department of State press release 173 dated March 15.)

## TREATY INFORMATION

## Current Actions

### MULTILATERAL

#### Atomic Energy

Amendment to article VI.A.3 of the Statute of the International Atomic Energy Agency (TIAS 3873). Done at Vienna October 4, 1961.<sup>1</sup>  
*Ratification advised by the Senate:* March 13, 1962.

#### Automotive Traffic

Convention concerning customs facilities for touring. Done at New York June 4, 1954. Entered into force September 11, 1957. TIAS 3879.  
*Extension to:* British Guiana, February 5, 1962.  
Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.  
*Extension to:* British Guiana, February 5, 1962.

#### Fisheries

Declaration of understanding regarding the international convention for the Northwest Atlantic Fisheries of February 8, 1949 (TIAS 2089). Done at Washington April 24, 1961.<sup>1</sup>  
*Ratified by the President of the United States:* February 9, 1962.  
*Acceptance deposited:* United States, February 9, 1962.

#### Narcotics

Convention relating to the suppression of the abuse of opium and other drugs. Signed at The Hague January 23, 1912. Entered into force December 31, 1914; for the United States February 11, 1915. 38 Stat. 1912.  
*Assumed applicable obligations and responsibilities of the United Kingdom:* Nigeria, June 26, 1961.

#### Telecommunications

International telecommunication convention with six annexes. Done at Geneva December 21, 1959. Entered into force January 1, 1960; for the United States October 23, 1961. TIAS 4892.  
*Accession deposited:* Mali, February 26, 1962.

#### Trade and Commerce

*Acknowledged applicable rights and obligations of the United Kingdom:* Tanganyika, January 18, 1962, with respect to the following:  
Annex protocol of terms of accession to the General Agreement on Tariffs and Trade. Done at Annecy

October 10, 1949. Entered into force for the United States October 10, 1949. TIAS 2100.

Fourth protocol of rectifications to the General Agreement on Tariffs and Trade. Done at Geneva April 3, 1950. Entered into force September 24, 1952. TIAS 2747.

Fifth protocol of rectifications to the General Agreement on Tariffs and Trade. Done at Torquay December 16, 1950. Entered into force June 30, 1953. TIAS 2764.

Torquay protocol to the General Agreement on Tariffs and Trade and schedules of tariff concessions annexed thereto. Done at Torquay April 21, 1951. Entered into force June 6, 1951. TIAS 2420.

First protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva October 27, 1951. Entered into force October 21, 1953. TIAS 2885.

Second protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva November 8, 1952. Entered into force February 2, 1959. TIAS 4250.

Third protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva October 24, 1953. Entered into force February 2, 1959. TIAS 4197.

#### War

Geneva convention relative to treatment of prisoners of war;

Geneva convention for amelioration of condition of wounded and sick in armed forces in the field;

Geneva convention for amelioration of condition of wounded, sick, and shipwrecked members of armed forces at sea;

Geneva convention relative to protection of civilian persons in time of war.

Dated at Geneva August 12, 1949. Entered into force October 21, 1950; for the United States February 2, 1956. TIAS 3364, 3362, 3363, and 3365, respectively.

*Notifications received that they consider themselves bound:* Dahomey, January 9, 1962; Ivory Coast, December 30, 1961; Togo, January 11, 1962.

#### Weather

Resolution by the Third Congress of the World Meteorological Organization amending article 10(a)(2) of the convention of the World Meteorological Organization signed October 11, 1947 (TIAS 2052). Adopted at Geneva April 1-28, 1959.<sup>1</sup>  
*Approval advised by the Senate:* March 13, 1962.

### BILATERAL

#### Chile

Agreement further amending the agreement of March 31, 1955, as amended (TIAS 3235 and 4112), for financing certain educational programs. Effected by exchange of notes at Santiago November 17, 1961, and February 8, 1962. Entered into force February 8, 1962.

#### Korea

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 exchange of notes. Signed at Seoul March 2, 1962. Entered into force March 2, 1962.

#### Panama

Agreement relating to investment guaranties against inconvertibility and losses due to expropriation and war authorized by section 413(b)(4) of the Mutual Security Act of 1954, as amended (68 Stat. 847; 22 U.S.C. 1933). Effected by exchange of notes at Washington January 23, 1961.  
*Entered into force:* March 8, 1962.

<sup>1</sup> Not in force.

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†160	3/12	Cleveland: "The Practical Side of Peacekeeping."
161	3/12	Foreign policy briefings for public.
*162	3/12	U.S. participation in international conferences.
*163	3/12	Salute to new nations of Africa.
†164	3/13	Ball: House Committee on Ways and Means.
*165	3/13	Program for visit of President of Cameroon.
*166	3/14	Ambassador Williams: meeting of U.S. citizens at San Salvador.
†167	3/14	Treize: Fresno Chamber of Commerce, Fresno, Calif.
†168	3/14	White nominated to OAS Special Consultative Committee on Security (re-write).
†169	3/14	Ball: reply to U.N. Secretary-General on dissemination of nuclear weapons.
†170	3/15	Rostow: "American Strategy on the World Scene."
†171	3/15	Treize: "U.S. International Trade Policies."
172	3/17	Rusk: statement before 18-nation Disarmament Committee.
*173	3/15	Luck appointed science attaché at Bern (biographic details).
*174	3/16	Program for visit of President of Togo.
*175	3/16	Cultural exchange (Europe, Middle East).

\*Not printed.

†Held for a later issue of the BULLETIN.

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in

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July 1, 1959-June 30, 1960

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of

State

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# Bulletin

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OFFICIAL  
WEEKLY RECORD  
UNITED STATES  
FOREIGN POLICY

THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1189 • PUBLICATION 7360

April 9, 1962

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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. Urges Soviet Union To Join in Ending Nuclear Weapon Tests

*Statement by Secretary Rusk*<sup>1</sup>

I have asked for the floor this morning to comment on the interim report to which the chairman has just alluded. I do so because of the expressed wishes of a considerable number of foreign ministers to turn their attention urgently to this problem of the discontinuance of nuclear weapon tests before the foreign ministers begin to return to their respective capitals.

Let me say that the United States deeply regrets, in the words of the brief interim report, that it is not possible to report progress toward a treaty for the discontinuance of nuclear weapon tests, because the United States regards and will continue to regard a safeguarded end to nuclear testing as a major objective of its foreign policy. It also regards this as a major problem for consideration by this conference.

The reason is obvious. The moratorium which for almost 3 years has halted nuclear weapon tests was wrecked by the sudden resumption of testing by the Soviet Union last September.<sup>2</sup> The President of the United States has announced that the United States will resume testing in the atmosphere late in April, if by that time a safeguarded test ban treaty has not been signed. The reasons for this decision were set forth in his speech of March 2,<sup>3</sup> which we are asking be circulated as a document of this conference. The time is short, and this conference will understandably wish to

be sure that every possible effort is made to prevent a further intensification of the race to produce more and more deadly weapons of mass destruction.

I have asked for the floor this morning to comment on the interim report which the conference subcommittee on nuclear weapons testing has made to the conference. Unfortunately that interim report indicates that no progress has been made toward the conclusion of an effective treaty to prohibit nuclear weapon tests. The Soviet Union appears to be adamantly opposed to any international system of detection and verification which could disclose clandestine testing and thus serve to place an obstacle in the way of a potential violator of a test ban treaty.

We hope we have not yet heard the last word of the Soviet Union on this matter, though I must confess that we see little ground for optimism at the moment.

Because of the United States Government's great desire to put an end to all tests of nuclear weapons, we are willing to sign a safeguarded treaty, with effective international controls, even though the Soviet Union conducted over 40 tests last fall. However, we are willing to ignore these tests only if, in return, we can be assured that testing will actually be halted. We will not again make our security subject to an unenforceable and uncontrolled moratorium, whether this be in the form of a verbal pledge or a pseudotreaty such as the U.S.S.R. proposed on November 28, 1961.<sup>4</sup>

What we need above all in this field is confidence and not fear, a basis for trust and not for sus-

<sup>1</sup> Made before the 18-nation Disarmament Committee at Geneva on Mar. 23 (press release 186 dated Mar. 24). For text of a statement made by Secretary Rusk before the Committee on Mar. 15, see BULLETIN of Apr. 2, 1962, p. 531.

<sup>2</sup> For background, see *ibid.*, Sept. 18, 1961, p. 475.

<sup>3</sup> *Ibid.*, Mar. 19, 1962, p. 443.

<sup>4</sup> For background, see *ibid.*, Jan. 8, 1962, p. 63.

pcion. To get this is the major purpose of our insistence on effective international arrangements to insure that nuclear weapon tests, once outlawed, do not, in fact, ever occur again.

You will remember that the atmosphere for agreements on disarmament questions was not too favorable in 1958, especially after the collapse of lengthy negotiations in London during much of 1957.

Accordingly, in the search for a more promising approach to the issue of a nuclear test ban, the United States, the United Kingdom, and the Soviet Union decided to try to resolve the technical questions first before proceeding to a consideration of political questions. This path led to a conference in Geneva in July and August 1958 among the scientists of eight countries, i.e. of the three then existing nuclear powers plus France, Canada, Poland, Czechoslovakia, and Rumania.

On August 21, 1958, these experts unanimously agreed on the details of a control system which would be technically adequate to monitor a treaty ending all tests of nuclear weapons.<sup>5</sup> Before September 1, 1958, the recommendations of the scientists had been accepted *in toto* by the Governments of the United States, the United Kingdom, and the Soviet Union. Essentially these same technical provisions form the basis of the draft test ban treaty presented by the United States and United Kingdom on April 18, 1961.<sup>6</sup>

#### **Technical Aspects of Controlling Test Ban**

I believe it would be helpful to review some of the technical aspects of controlling a test ban.

The words "detection" and "identification" are the key to an understanding of the technical aspects of verification. A great many methods have been devised by scientists to record the innumerable happenings of a geophysical nature which take place around us. Earthquakes are registered by seismographs; hydroacoustic apparatus records sounds in the oceans.

I have mentioned these two particular types of instruments because they, along with various other devices, also happen to be capable of registering signals which are emitted by nuclear detonations.

<sup>5</sup> For background and text of report, see *ibid.*, Sept. 22, 1958, p. 452.

<sup>6</sup> For text, see *ibid.*, June 5, 1961, p. 870.

What we call detection is merely the capturing of these diverse signals.

Detection, however, is only half of the story; in fact, it is rather less than half. The primary concern is to know exactly what has been recorded or detected. For example, the signal received on a seismograph from an underground nuclear explosion looks like the signals received on a seismograph from many types of earthquakes. Signals which may come from a small nuclear detonation in the atmosphere may be difficult to detect. In each case the overwhelming difficulty confronting any control system monitoring a nuclear test ban is how to differentiate among the various recordings or detected signals, how to tell which is a natural phenomenon and which is a nuclear explosion.

This was exactly the issue that faced the scientists in Geneva in mid-1958. It is the very same issue that faces us on control today. The answer of the scientists was that, where doubt existed, the only way to clear up the mystery was to utilize some form of on-site inspection. This is still the only answer available to us.

In regard to underground tests, except for quite large ones like the Soviet blast of February 2, 1962, the technical situation is unchallenged by anybody and was even readily admitted by the Soviet Government on November 28 last when it put forward its new test ban scheme based on existing monitoring systems. For these underground events which are detected but which cannot be identified by expert interpretation of the seismic recording, the only way to determine what has happened is to send an investigating team to the spot. The events could be earthquakes or secret nuclear tests. And there could be some hundreds of such events per year in the United States and the Soviet Union.

There is no scientific method not involving inspection that can identify positively a seismic event as a nuclear explosion. If our Soviet colleagues have reason to believe otherwise, they should come forward with their new scientific evidence.

This technical situation provides a further important reason for including the Soviet Union in the worldwide control-post network. The spacing between the control posts in the Soviet Union should be exactly the same as it is in the rest of the world. In order to have the best chance to

eliminate a seismic event from suspicion without conducting an inspection, that is, by means of the interpretation of the seismic recording itself by experts, it is essential to have readings from control posts on a global basis, including those within the United States and the U.S.S.R. Without instruments in the U.S.S.R.—one-sixth of the land-mass of the globe—many more seismic events in that country become suspicious.

In connection with atmospheric tests, the conclusive means for identifying the true nature of a detected event is to acquire a sample of the air near that event. If the event was manmade this will show up during a chemical analysis of the air sample. For medium and large atmospheric nuclear detonations, the radioactive debris will become part of air masses that are certain to move beyond the boundaries of the country concerned. This method is not reliable, however, for small atmospheric tests.

In recognition of this the 1958 scientists recommended the installation of air-sampling equipment at every control post. Even then they anticipated that in certain instances some question of identification would still remain, and for this they proposed the use of special aircraft flights conducted over the territory of a specific country to capture air samples. Naturally, to the extent that control posts within a country did not exist where radioactive air sampling could take place, there would be just that much greater need of special air-sampling flights.

Although American scientists have for the past several years been actively seeking new methods of detection and, even more, of identification of possible nuclear explosions, and although there are some promising avenues of investigation which may be proven in the next few years, the fact is that very little has been discovered up to date to justify any significant modification of the conclusions and recommendations of the Geneva scientists of 1958. Soviet scientists essentially agreed with this at our last joint meeting with them on a test ban during May 1960 in Geneva. Therefore, when we contemplate the cessation of nuclear weapon tests by international agreement, we must still look to international control arrangements similar to those proposed in 1958 to give the world security against violations. But the faster we have tried to move toward the Soviets in these matters, the faster they seem to move away from their earlier positions.

The draft treaty which the United States and the United Kingdom proposed in April 1961 reflected the recommendations of the 1958 experts. It also incorporated into its terms a large number of political and organizational arrangements for the test ban control organization on which the three powers had already come to agreement at the test ban conference or which went far toward meeting previous Soviet demands. Eastern and Western nations were to have equal numbers of seats on the Control Commission, which also had places for nonaligned nations, and there were detailed provisions for an equitable division by nationality of the international staff, as the U.S.S.R. had sought. The fact that many of the administrative and organizational provisions for the future International Disarmament Organization, as set forth in the Soviet document tabled here on March 15, are similar to the provisions of the Anglo-American draft test ban treaty of last year demonstrates that the Soviet Union can have no serious objection to large portions of our proposal.

#### **No Basis for Fear of Espionage**

Indeed, when all is said and done, the fundamental Soviet complaint about the test ban control system to which it seemed to agree in 1958, 1959, and 1960, and which its own scientists had helped to devise, is that it would facilitate Western espionage against the Soviet Union. But the facts are otherwise. The proposed system would not have any potential for any espionage which would be meaningful in terms of present-day military requirements.

The truth is that under the United States-United Kingdom draft treaty control posts in the U.S.S.R. would be immobile units with fixed boundaries. No site could be chosen for a control post in the U.S.S.R. without the specific consent of the Soviet Government. No foreign personnel on the staff of any control post would have any official need to leave the boundaries of the post (except when entering and leaving Soviet territory), and it would be up to the Soviet authorities to decide whether such personnel should be permitted to leave the post. Within the post one-third of the technical staff and all of the auxiliary staff would be Soviet nationals, nominated by the Soviet Government. In these circumstances surely nothing taking place at the post could remain unknown to the Soviet Government.

The situation concerning on-site inspection teams would be equally devoid of espionage possibilities. The area to be inspected would be predetermined on the basis of seismographic recordings. There would be no random selection of the geographic site. To get to the site of the inspection the teams would have to use transport furnished by the Soviet Government. They could only carry specified equipment related to their immediate job. Although there would not be any Soviet national members of the inspection team, half of the team would be nationals of nonaligned countries and the Soviet Government would be invited to assign as many Soviet observers as it wished to verify the activities of the inspection team.

I should also stress that the size of the inspectable area would, in any event, be limited to the territory within a radius of about 8 or, in some cases, 13 kilometers from the point, the so-called probable epicenter, where the unidentified seismic event was presumed to have taken place. This radius would involve an inspectable area of 200 or, in some cases, 500 square kilometers. The Soviet Union has territory of over 21 million square kilometers. Therefore it can readily be seen that, even if there were 20 inspections per year in the U.S.S.R. and even if each of these inspections operated within a 500-square-kilometer area, less than one-twentieth of 1 percent of Soviet territory, i.e. less than one part in 2,000, could ever be subject to inspection in any one year.

Finally, no espionage would be feasible on the occasional special air-sampling flights which might take place over Soviet territory. The plane and its crew would be Soviet, and Soviet Government observers could be on board. The only foreigners would be two staff technicians from the control organization who would manage the equipment taking the air samples and who would insure that the plane actually flew along the route previously prescribed.

I have recounted these matters in some detail because it is easy to make generalized charges over and over again about the dangers of espionage in a test ban control system.

It takes careful explanation to show why such charges are completely groundless, even though it stands to reason that the U.S.S.R., which was just as sensitive about espionage in 1958 as in 1961, would never have accepted such a control system in principle in 1958 if it had then believed that the

system could have had the slightest real espionage danger for the Soviet Union.

It should be clear now that the explanation for Soviet behavior on the issue of a test ban must be sought elsewhere. There is no rational basis for Soviet concern about misuse of the control system for espionage purposes. There is no scientific basis for the Soviet desire to abandon the still indispensable control system which was recommended by the scientists in 1958 and approved by the governments of the then-existing nuclear powers. There is no political basis for any of us to believe that a test ban is any less urgent now than it was in 1958 or that the benefits which it would bring in improving the international climate would be any less.

### **U.S.S.R. Urged To Review Position**

My Government, therefore, is at a loss to understand the Soviet position unless it be that the U.S.S.R. has decided that it is still overwhelmingly important for it to be free to continue its nuclear weapon tests. This was what the Soviet Government said last September, when it referred to the tense international situation as a justification for its test resumption, and it may be that the U.S.S.R. feels a military need for another test series. If this is the case, then it is true that the easiest way for the Soviet Union to remain unhampered by a test ban treaty is to offer one which contains no provisions whatsoever for effective control and which the United States and United Kingdom could accept only at grave risk to their national security and to that of the free world.

I cannot urge the Soviet Government too strongly to review its position and to return to the previously agreed basis of negotiation, namely, the experts' recommendation of 1958. We ask the Soviet Union to cease its attempts to have the international community distort sound verification procedures to accommodate one state which is obsessed by a passion for secrecy. We call upon the Soviet Union to enter into genuine negotiations in the three-nation subcommittee set up by this Committee to consider the test ban problem.

There is today an interim report of this subcommittee. But, unfortunately, there are no grounds for encouragement. I should like to comment briefly on the events of the past few weeks which have led us to this point.

## Recent U.S. Proposals To Achieve Test Ban

The President of the United States on March 2 stated in referring to our conference here that:

... we shall, in association with the United Kingdom, present once again our proposals for a separate comprehensive treaty—with appropriate arrangements for detection and verification—to halt permanently the testing of all nuclear weapons, in every environment: in the air, in outer space, under ground, or under water. New modifications will also be offered in the light of new experience.

In fulfillment of this pledge the United States presented to the Soviet Union, first in an informal meeting on March 15 and this week in the subcommittee, new proposals of the kind indicated. We have indicated clearly in both formal and informal discussions that the United States is prepared to grant a point to which the Soviet Union has apparently attached great importance, namely, to drop the 4.75-degree threshold and to make the treaty from the outset complete in its coverage—banning from the beginning all tests in the atmosphere, outer space, underground, and in the oceans. We will do this without increasing the number of inspections or the number of control posts in the Soviet Union. We would seek, by common agreement, to allocate the quota of inspections in such a way that most would be conducted in a few areas of high seismicity and only a few would be allowable in a large region in the heart of the Soviet Union, where there are normally few seismic noises which would require investigation.

These moves have been made possible by increased experience and increased scientific knowledge. But our experience has also shown the need for provisions for safeguarding other states against the consequences of preparations for testing. This would consist, in large part, of periodic declarations on the parts of heads of state that there will be no preparations for testing, and agreed rights to inspect a certain number of times per year equal numbers of declared sites on each side.

Experience has also shown the need for provisions to shorten the time spent before the beginning of the inspection process. This would primarily be a question of the way the Preparatory Commission functioned and agreement to cooperate in speeding up, by all possible means, the establishment of detection facilities, including temporary control posts.

The United States has made clear that it still stands by its original treaty proposal of April 18, 1961, plus the amendments proposed in 1961, and will sign that treaty. It has also made clear that it is willing to negotiate along the lines I have described to update the treaty if the Soviet Union prefers.

The response of the Soviet Union thus far has not given us any hope. The Soviet delegation has told us that the U.S.S.R. will not accept a treaty with or without the amendments we propose. We are still confronted with the unmistakable reversal of the Soviet position which took place a few months ago after the Soviet Union had for 4 years asserted its willingness to accept a controlled test ban agreement and after 17 articles and 2 important treaty annexes had been negotiated. The roadblock to a cessation of tests is this reversal of the Soviet attitude. The U.S.S.R. was prepared to accept controls before the recent test series. Now, after 40 or more tests, it is not ready to do so. It is difficult for us to understand the reason.

The problem cannot really be espionage. For over 2 years in the test ban conference, as I have outlined in detail, we negotiated arrangements which would insure that the modest amount of control and inspection contemplated could not be misused for espionage purposes.

The problem also cannot be that the verification system is overly burdensome. As I have said, the system which we worked out was directly based on the estimate of the minimum technical requirements which was the product of an agreed analysis by Soviet and Western scientists. The technical basis for this system has never yet been challenged on scientific grounds by the Soviet Union.

The U.S.S.R. now seems to be telling us that under existing circumstances the idea of international verification is wholly unacceptable in any form whatsoever. It seems to be telling us that verification is not even necessary—that it is an insult to request it, even though this is a measure of disarmament. Unnecessary? Merely necessary to end nuclear testing. It seems to be telling us that there can be no impartial investigation, even when there has been a signal recorded from within the Soviet Union and when it is impossible, without such an investigation, to ascertain whether the cause of the signal was a phenomenon of nature or a manmade nuclear explosion.

We recognize that there are risks in any disarmament measure because no control system can give 100 percent certainty. But a study of our draft treaty with our proposed modifications will indicate that the United States and United Kingdom have been willing to accept a very considerable degree of risk. However, we cannot move to a treaty which is based on no adequate controls at all but solely on pure faith. We do not ask the Soviet Union to trust the word of other nations, and other nations cannot be asked to trust the Soviet Union's word on matters of such far-reaching significance.

In President Kennedy's words of March 2, "We know enough now about broken negotiations, secret preparations, and the advantages gained from a long test series never to offer again an uninspected moratorium." The same could equally be said about an unverified treaty obligation such as the U.S.S.R. is now proposing. We do not intend to be caught again as we were in the autumn of 1961, and there is no reason why we should have to be caught again by a unilateral Soviet decision to resume nuclear weapon tests. This is a risk to national and international security which the United States cannot and will not take. A test ban, or any disarmament measure, will be acceptable to us only when it is accompanied by adequate measures of verification.

#### **International Verification Essential**

In summary the essential element on which we must insist is that there be an objective international system for assuring that the ban against testing is being complied with. This means that there must be an international system for distinguishing between natural and artificial events. The April 18 treaty provided for such a system. Last week the U.S. and U.K. made some modifications of the proposed treaty in a way calculated to meet Soviet objections. These proposed modifications were rejected almost immediately by the Soviets on the grounds that international verification was not necessary. This refusal to accept any form of verification strikes very hard at our efforts to guarantee the world against resumption of nuclear tests. The key element in the U.S. position is that there must be effective international verification of the obligations undertaken in any such treaty.

Let there be no misunderstanding in this Com-

mittee. A nuclear test ban agreement can be signed in short order. There are no hidden difficulties; there are no mysterious obstacles in the way. No time-consuming negotiations need be required. The groundwork has all been laid. Only one element is missing: Soviet willingness to conclude an agreement.

The United States will consider any proposal which offers effective international verification, but the United States cannot settle for anything less.

We urge the Soviet Union to reconsider its attitude and join in putting an end to nuclear weapon testing—a total end, a permanent end.

### **Foreign Policy Briefing Conference To Be Held at Toledo, Ohio**

Press release 184 dated March 23

The Department of State, with the cooperation of the *Blade* and the Toledo Council on World Affairs, will hold its next regional foreign policy briefing conference at Toledo, Ohio, on April 24 and 25. Representatives of the press, radio and television, nongovernmental organizations concerned with foreign policy, and community leaders from the States of Michigan and Ohio are being invited to participate.

This will be the seventh of the series of regional conferences which began in July 1961 at San Francisco and Denver. The purpose of these regional meetings is to provide opportunity for discussion of international affairs between those who inform the public on issues and the senior officers of the executive branch who have responsibility for dealing with them.

Among those officers of the Government participating in the conference will be Charles E. Bohlen, Special Assistant to the Secretary of State; Chester Bowles, the President's Special Representative and Adviser on African, Asian, and Latin American Affairs; Harlan Cleveland, Assistant Secretary of State for International Organization Affairs; Robert J. Manning, Assistant Secretary of State-designate for Public Affairs; George C. McGhee, Under Secretary of State for Political Affairs; J. Robert Schaetzel, Special Assistant to the Under Secretary of State; and Thomas C. Sorensen, Deputy Director (Policy and Plans), U.S. Information Agency.

## The United Nations Decade of Development

### 12TH ANNUAL CONFERENCE OF NATIONAL ORGANIZATIONS CALLED BY THE AMERICAN ASSOCIATION FOR THE UNITED NATIONS

*Following are addresses made before the 12th annual Conference of National Organizations at Washington, D.C., on March 13 by Adlai E. Stevenson, U.S. Representative to the United Nations, and on March 12 by Harlan Cleveland, Assistant Secretary of State for International Organization Affairs, and Richard N. Gardner, Deputy Assistant Secretary for International Organization Affairs.*

#### ADDRESS BY AMBASSADOR STEVENSON

U.S./U.N. press release 3937 dated March 12

##### **An Adventure in Human Development**

What a fine and hopeful note this conference has struck in taking as its theme "A United Nations Decade of Development"! You hardly need me to tell you in these 30 minutes what you have been telling each other so well for the past 2 days—that the United Nations today, after a year of trial and testing, is feeling a new surge of hope.

All the concrete embodiments of that hope which your speakers have laid before you—all the plans and possibilities in the fields of disarmament, of economic and social growth, of the growth of a world community of peace and law—all these must face the hard tests of diplomatic and political reality. We cannot tell which will succumb and which will prosper. But to the spirit that underlies them all—the spirit of daring and of faith in the community of man—to that invincible spirit I say "Amen!" And mine, I know, is but one in a great chorus of "Amens" from all across this nation.

A year ago, when I had only recently taken up my duties at the United Nations, I could scarcely

have spoken to you in this vein. We faced trials and dark prospects at the U.N. whose outcome no man dared to predict, least of all myself. Indeed, in the staggering loss of Dag Hammarskjold we were to face a trial severer than any we had guessed.

But today we can see that the United Nations has overcome the worst of that trial, and in doing so the great majority of its members have shown a serene solidarity and a deep sense of common purpose. Whatever perils may lie hidden in the future, this dangerous voyage at least has been passed in safety. Surely this is reason enough to be thankful and confident in the future!

For these thoughts there is a happy parallel in the mood of our own nation. Never have Americans shown more confidence and eagerness. I believe that mood was not so much created as it was revealed by the astonishing drama that began at Cape Canaveral 3 weeks ago. And because that drama and that revelation seem to me to have a great significance, I am going to ask you to consider it with me.

##### **Significance of Colonel Glenn's Space Flight**

Since that memorable morning the Nation has had its eyes on a quiet, unassuming marine—who also happens to be the first American to ride in outer space and see four sunsets in a single day. Colonel Glenn and his exploit have too many different meanings for us and for our national life for tumultuous rejoicings and ticker-tape parades to be the sum of our response. He has jolted us into a new awareness of confidence and hope.

I believe profoundly that confidence and hope are the natural, historical expression of our great

## President Greets American Association for the United Nations

*Message From President Kennedy*

White House press release dated March 13

MARCH 12, 1962

The Twelfth Annual Conference of National Organizations called by the American Association for the United Nations comes as a propitious reminder of the range and depth of this country's support of the United Nations.

Both by its promise and by its actions, the U.N. has justified that support over the years.

The Sixteenth Session of the General Assembly ended last month with a matchless record of solid accomplishments.

It rejected emphatically a powerful attack against the integrity of the Secretariat and went on to a series of positive steps which are admirably summarized in the theme of your conference, "The U.N. Decade of Development."

In the course of its work the Sixteenth General Assembly adopted a set of guiding principles and agreed to the new approach to general and complete disarmament which will get under way in Geneva on Wednesday [March 14]. It extended the Charter of the United Nations to outer space and established a new Committee on the Peaceful Uses of Outer Space which begins its work next week. It adopted a resolution calling for an expanded and intensified program for economic and social progress in the less developed world in the decade ahead.

We can be proud of our initiatives and of the U.N. response in those three critical areas of disarmament, outer space, and rapid modernization of the emerging nations. If real progress can be made in these three areas, the present decade can be the most exciting and rewarding time in history.

To sustain its present initiative as a force for peace and human progress the U.N., of course, must regain a sound and orderly financial position. The three-point financial plan approved by the General Assembly is the only proposal put forth at the U.N. or elsewhere which will meet the requirements and is the only one which has the approval of the General Assembly. The U.N. bond issue,<sup>1</sup> which is the key part of the financing plan, has become the symbol and substance of support of the United Nations by its members.

Last week Finland and Norway purchased the first of the U.N. bonds. A dozen more nations will follow shortly. The world is now watching to see whether the United States will continue to play its full part in helping the United Nations to make this a decade in which the world moves dramatically toward the peaceful and progressive world foreseen in the Charter.

I look forward to meeting with your leaders at the White House tomorrow, and I welcome the evidence offered by your organizations that bipartisan support for the U.N. in its present financial crisis is stronger than ever. Please accept my best wishes for a most productive conference.

JOHN F. KENNEDY

MR. HERMAN W. STEINKRAUS, *President,*  
*American Association for the United Nations,*  
*12th Annual Conference of National Organizations,*  
*c/o Statler Hotel,*  
*Washington, D.C.*

<sup>1</sup> For background, see BULLETIN of Feb. 26, 1962, p. 311.

nation's stance in world affairs. The belief that a new kind of society—without privilege and oppression—could be built on earth inspired the Founding Fathers. Since their day all our greatest leaders have expressed in some way their confidence that something special and something new could be achieved in and by America—a society without slavery, a society without poverty and insecurity, a society which might play its part in leading the nations to a world without war, a wealthy and bountiful community able to extend

to all mankind its own principle of "the general welfare."

These have been great dreams, and they have fostered great initiatives. Yet we have not always lived by our best dreams. Some of us, on the contrary, have talked as if mankind were at the mercy of the drift of history, powerless to influence his fate, moving like a sleepwalker to some apocalyptic atomic doom—a mood as far removed from the earlier youth and optimism of our Republic as is St. Paul from Jeremiah.

Some of us—alas! among the most vocal—have yielded to still another nightmare, one in which *we* are always doing badly, while our adversaries march from one triumph to the next. From this bad dream come the cries of extreme rightists about an ever-encroaching Communist conspiracy which, if we were to believe them, has not made a single error in 40 years.

This picture excludes a whole universe of facts: the fact of unrest in Eastern Europe, the fact of waning Communist belief in Western Europe, the fact of ideological differences between Moscow and Peiping. It excludes a whole series of recent Soviet setbacks in the Congo and elsewhere in Africa—and at the United Nations. It excludes the failure of Soviet state capitalism to compete in the production of consumer goods or to work at all in agriculture.

I suggest that, in lashing out at a vast, overwhelming, irresistible Communist “takeover,” the rightists are not only overselling communism. Worse, they are underselling America—and underselling as well the stubborn will to be free which is communism’s worst obstacle in every continent.

Let us, therefore, be grateful for that image of Friendship 7, carrying round the earth one of the most buoyant and manly personalities and one of the clearest, most light-of-day minds ever “orbited” into the national consciousness. For it has already begun to replace some of the images of unreasoning fear to which we have been treated recently. Let it correct, too, the more widespread miasma of doubt about the ability of Americans in particular, and men in general, to master the incredible forces of nature which human intelligence has unlocked in our time.

To me there is something superbly symbolic in the fact that an astronaut, sent up as assistant to a series of computers, found that he worked more accurately and more intelligently than they. Inside the capsule *man* is still in charge. Let that be called Glenn’s Law!

Let us now, with new courage and zest, apply Glenn’s Law to this little capsule of the world, spinning through space. Let us do so in the consciousness that America is a great and inventive society, that its occasional tendency to torpor is an essentially uncharacteristic response to the enormous challenges of the contemporary universe.

Communism, like outer space, may be hostile. But it can be lived with and controlled by the same

patience, skill, hard work, and generous resources that went into Project Mercury. Moreover, like space, it can also be seen as a creative challenge. Would we not have slumbered under the weight of our gimmicks and gadgetry if the cold challenge of outdoing and outthinking the Communist order had not stiffened our backs and our minds?

So, we may conclude, this competitive nation can still compete and even relish the competition. Moreover, I believe Colonel Glenn’s space journey points to the kind of victory for which we hope to strive.

### **A New Fellowship for Peace**

I am sure you have heard talk and criticism recently of the Government pursuing a “no win” policy. Now I am not sure that I altogether understand what the critics have in mind. Do they mean that the administration is unready to launch a nuclear war to speed the liberation of countries under Communist rule? Or do they mean the United States should send Marines to take over Cuba—and throw away the confidence of most of Latin America? I do not know. The critics do not spell out what they want, and so we do not know whether they accept the basic facts of our age—that in a nuclear war there would be not only “no win” but no winners.

From these anxious years our people have been slowly learning a new truth, and it is this: Democracy has no need of enemies or of hatred, and the victories it cherishes most are the victories of peace in which no one suffers defeat and no one nourishes dreams of vengeance in a future war.

Our orbital flight is such a victory. In it all men are winners. It has elicited from Mr. Khrushchev the immediate suggestion that America and Russia should cooperate closely in the further exploration of outer space.<sup>1</sup> As you know, the United States has been trying for years to promote an international approach by which these vast new oceans of space would not have to witness the tribal conflicts of earthbound creatures or be sullied by engines of war. Now with our orbital flight we have more chips on the bargaining table with which to pursue those universal goals.

Next Monday [March 19] the Outer Space Committee of the United Nations will meet at last. The 2-year Soviet boycott is over. The Commit-

<sup>1</sup> For background, see BULLETIN of Mar. 12, 1962, p. 411, and Apr. 2, 1962, p. 536.

tee will be guided by a unanimous resolution of the General Assembly<sup>2</sup> approving the vitally important principle that outer space and the bodies in it are not subject to national appropriation and are subject to international law, including, specifically, the United Nations Charter. The same resolution also endorsed worldwide collaboration in the use of outer space for the advancement of weather forecasting and even weather control, and for worldwide radio and television communications by satellite.

Before we succumb to pessimism about the chances of any agreement on these measures, let us remember that, 2 years ago, a year of scientific cooperation on geophysical problems between all the nations of the world led to a treaty of neutralization and national self-restraint in Antarctica.<sup>3</sup> This treaty was a substantial effort to bring all the nations into war-reducing activities. Now it provides a model for the broader attempt to free outer space from the burdens and horrors of the arms race.

When we face the dark wall of Soviet hostility and irrationality, we are a little like scientists faced with the infinitely complex problems of penetrating the lethal secrets of radiation or probing the layer upon layer of mystery that surround both stars and atoms. At times these scientists must despair. At times they must wonder whether the small toeholds they have in cosmic research will ever lead on to wider vistas and broader paths. Small wonder that we, being faced with Mr. Khrushchev's threats and blandishments and his retreat from an agreement on atomic testing, find Soviet policy even more mysterious and hostile than the hazards of space!

How inventive and resourceful they are, those engineers who put John Glenn, Alan Shepard, and Virgil Grissom into space. If a valve doesn't function, they invent another. If one device disappoints them, they design a new one. The search for solutions and the certainty that there *are* solutions continue unrelentingly.

In just such a way we must react to the still more complex task of creating a viable human order. Frustrated in one place, we must try another way

round. If agreements "leak," new and better ones must be sought. If we bog down in our efforts to organize joint space research, all the more reason for trying harder. If the issue of inspection and control proves the toughest nut to crack in disarmament negotiations, let us work all the harder on that.

But we are hard to discourage. Even though the Russians reject once again all offers of a reasonable test ban treaty at Geneva, and thus compel us to resume testing, we are not on that account giving up the search for a breakthrough in arms control. In fact we must give to our research in this science of survival the same ingenuity—and the same scale of resources—that go into our defense and space research. For remarkable feats of imagination will be needed before we can adequately penetrate the thicket of technical, diplomatic, and psychological mysteries in which the arms race and the cold war have their being.

We do not know the whole truth about our adversaries—any more than we know everything about the Van Allen radiation belts. We know both can be dangerous and treacherous. But we don't stop seeking a way through. Let our approaches to Russia be made with the same ultimate confidence, with the same rejection of fatalism, with the same readiness for work, for disappointment if need be, and for renewed effort.

To me one of the primary advantages of such partial "breakthroughs" as a joint geophysical year or a joint program in outer space is that they give us the chance to begin to attempt the only final solution to our profound differences with Russia—the solution that lies in some kind of interpenetration and meeting of minds. If we can create communities of men—astronauts, scientists, doctors, geologists, artists, musicians—who have shared tasks of common discovery, we can at least hope that their discoveries will include some of the truth about themselves and each other. A Glenn or a Gagarin, working together in some hazardous yet exhilarating space project, could scarcely emerge from this experience with all the veils still drawn down. And if the Soviet closed society opened enough so that in both societies there came to be men and women who understand in depth the hopes and fears of their opposite numbers, we should have opened many windows to the light and set many candles burning in the gloom of ignorance.

<sup>2</sup> For a statement by Ambassador Stevenson in Committee I on Dec. 4, 1961, and text of the resolution, see *ibid.*, Jan. 29, 1962, p. 180.

<sup>3</sup> For background and text of treaty, see *ibid.*, Dec. 21, 1959, p. 911.

"How beautiful is our earth!" exclaimed Major [Yuri] Gagarin as he came down from space. And you remember when Colonel Glenn, looking at the same view shouted: "Man, that view is tremendous!" I think those two men have more in common than either has with the ideologists of conquest.

Do not think this is simply Pollyanna talk. Wars start in the blind, angry hearts of men. But it is hard to hate those who toil and hope and discover beside you in a common human venture. The Glenns of our world could be new men in a quite new sense—the new men who, having seen our little planet in a wholly new perspective, will be ready to accept as a profound spiritual insight the unity of mankind.

When I had the good fortune to conduct the astronauts and their families around the United Nations and to witness the thunderous, spontaneous welcome that roared from room to room among all the nations, I had a sense that men such as these belong to a new fellowship which could one day be a great strand in the web of peace. And I believe they felt the same. Colonel Glenn said, if you recall:

As space science and space technology grow . . . and become more ambitious, we shall be relying more and more on international teamwork . . . we have an infinite amount to learn both from nature and from each other. We devoutly hope that we will be able to learn together and work together in peace.

These are the words of our "new men"—not a narrow arrogance but a generous vision of the great human family. Let no obstacles, however forbidding, ever blind us to that vision.

### **Strategy of Development**

This same spirit must animate us in other realms. I am deeply convinced that the tranquillity of the human family in the next three or four decades depends upon bridging the great and growing gap between the wealthy, industrialized, developed Northern Hemisphere and the underdeveloped, poverty-ridden south.

After a decade of fairly sustained effort, we are beginning to learn that to move out of the cramped, ignorant, pretechnological conditions of a static tribal or feudal society is fully as difficult as breaking the bounds of space. All the forces of tradition, all the gravity of ancient habits hold the nations back. Each national "capsule," small or

large, has to find its own idiosyncratic way into orbit, and a lot of them are still on the ground.

The process of modernizing nations involves an exceptionally complicated and difficult set of interlocking actions, decisions, and discoveries. There will therefore be delays and disappointments. Some projects, like some rockets, will explode in midair. Some will take paths that were not in the plans. Yet failure is often the prelude to success.

In the matter of international assistance we can say without doubt that we know more than we did. Our techniques are wiser, our sense of what we have to do more sure. Some underdeveloped areas—one thinks of parts of India and parts of west Africa—are beginning to show unmistakable signs of momentum. This is no time to write the program off as a costly failure. We are learning by doing, and results are already beginning to show.

To you who have observed the U.N. for many years let me say also that the peculiar merits of multilateral aid programs under U.N. auspices are being recognized more widely than ever. This is especially true in the new nations of Africa. I am told that the delegates to the recent meetings of the U.N. Economic Commission for Africa, in Addis Ababa, were unanimous and emphatic in their desire to see the U.N. become a major partner in their development program.

None of this can be done quickly. Changing an economy means in fact changing a whole generation of men. I doubt if that can be done in less than two decades. So I would say: Look on the fateful program of modernizing what the French call the "third world"—the world of the poor and dispossessed—as you look on the program for probing the planets. Expect failures. Rejoice in successes. Never doubt the job can be done. Indeed it must be done if misery is not to turn to despair, and despair to wars, and war to ruin for us all.

So vital is this strategy of development to our country's future security that I never stop being amazed at the way in which this nation—which cheerfully pays \$50 billion a year for arms and may pay billions to reach the moon—can begrudge the two billions a year that go to economic development abroad—a program which in human terms must be judged one of the world's greatest adventures. Yet we still hear the argument that we

cannot afford more, that our national resources can't stand it. Yet we are growing richer all the time.

No, the real basis for hesitation about economic aid is not scarce resources but scarce imagination. There are some citizens whom the prospect of ending the age-old tyrannies of hunger and disease does not stir as does the glamour of space travel or the fear of military defeat. Their dreams—and their nightmares—tend to be those of the rich and the satisfied and the possessors!

Yet how dangerous those dreams are! For the rich are a small minority in this world, and their ultimate security can only be found by making common cause with the far different hopes and dreams of the many poor. Only thus can we hope to prevent the despair which communism exploits and which so imperils our own security. To forget this truth is to be wrong—fatally wrong—about our national strategy.

But it is also wrong at a much profounder level: wrong to leave children to starve who could eat with our help, wrong to let youngsters die when medical skill can save them, wrong to leave men and women without shelter, wrong to accept for others, in the midst of our own abundance, the iron pains of degrading want.

These are moral decisions. We are not bound to such evils by necessity or by scarcity. Our modern technology of abundance gives us the freedom to act—if we so decide. There are no restraints now except the restraints of a blind eye and an unfeeling heart.

I think we should rejoice as we have been given the extra dimension of freedom, for I profoundly believe that at bottom there is here in America a good and generous and moral people. Yet some of the elements in our way of life—as in all the burgeoning affluent societies of the West—tend to make us allergic to self-denial, to altruism, and to difficult endeavor. All around us are voices which rouse the clamor of desires and claims which can stifle our imaginations and douse our sense of pity.

The more we concentrate on our own needs, the less we can measure the needs of others and the more the gap will grow between the overfed, overdressed, overindulged, overdeveloped peoples of the Atlantic world and the starving millions beyond the magic pale.

### **“Great Deeds Demand Great Preparation”**

I would like to end where I began—with the image of Colonel Glenn, astronaut, citizen, dedicated man. I believe that his courage and humility and high good humor are the qualities we really admire. In a slack age we can still be moved by the prospect of discipline and dedication. And in an age in which so many people seem to be condemned to wander lost in their own psychological undergrowth, we can still recognize and acclaim a simplicity of doing and being and giving from which great enterprises spring.

We cannot enter with emotion and sympathy into the vast drama of “haves” and “have nots” unless some image of discipline, I would say even of a certain asceticism, releases us from the pressures of smash and grab, of “me first,” of “you’ve never had it so good.” Some sudden new light on the ways in which human beings can live is needed to release us from the obsessions of our “getting and spending,” our immense preoccupation with “what there is in it for me,” and of what in short-term thrills or benefits I can extract from this day for my very own.

Perhaps there is salvation in the new image of the immense patience and discipline and stripping down of desires and wants that are necessary in the life of those who are fit enough and tough enough to venture out into the new dimension of outer space. Here we can perhaps glimpse some reflection of the kind of discipline and restraint which we all need in some measure if our generation is to achieve great tasks, not only in the upper air but here and now in this bewildered and floundering world.

The sense that something more is required of us than a happy acquiescence in our affluence is, I believe, more widespread than we know. The thousands of young people who volunteer for the rigors and discomforts of the Peace Corps, the uncomplaining reservists, the growing body of students with a passionate concern for world peace or for the end of racial discrimination, the unsung citizens all over this continent whose love and service and neighborly good will are the hidden motive forces of our Republic—all these people will see reflected in the discipline and dedication of Colonel Glenn and his comrades the proof that great deeds demand great preparation and that no country can hope to master the challenge of

our day without a comparable readiness to cut away the trivialities and achieve the freedom which comes from being no longer "passion's slave."

To this kind of greatness we are all called, for even daily life cannot be lived with grace and dignity without some sense of others' needs and of the claims they may make on our sympathy and good will. How much more must the great public life of a whole nation be informed with discipline and vision if its generosity is to shine forth and its courage to lie beyond all shadow of doubt!

I do not believe that in the last decade our Republic has always equaled the brilliant image of youth and energy and regeneration which was once projected to the world when, as a community dedicated to a proposition and an ideal, it stirred to life two centuries ago in these United States. Nor do I believe we can fulfill our role in history without a recovery of the original dream.

Therefore I pray that, like our young astronauts, we soar to the stars in mind as well as body and recover that sense of our vocation and dedication without which this people, founded and created in a great vision, will not finally endure.

#### **ADDRESS BY MR. CLEVELAND**

Press release 160 dated March 12

##### **The Practical Side of Peacekeeping**

We are meeting, it seems, to discuss a vision: a disarmed world under law. It is the subject of much oratory and many books. A few statesmen have added their endorsement to those of poets and professors. But I think it is fair to say that until very recently most practical politicians haven't bothered very much about disarmament. As practitioners of the possible, they knew that disarmament, like congressional reapportionment or a wholly new farm policy, was simply not going to happen.

Yet suddenly, in the past few months, some of the world's toughest and most practical politicians have turned their close attention to the dismantling of national warmaking capabilities and the building up of an international peacekeeping force. Their attention has been captured by a temporary and dramatic conjuncture of events:

First, the great-power confrontation that began in Iran 16 years ago has just about exhausted all

room for further territorial maneuver. From Berlin to Korea and Viet-Nam, this stalemate is symbolized by temporary frontiers hardened by the armed forces of the great powers.

Second, the Soviet Union faces agonizing decisions in its foreign policy. Weakened by agricultural troubles at home, the men in the Kremlin face increasing restiveness all through the bloc, the gradual decay of East Germany, and the overt breakaway of the Chinese Communists. The combination of pressures from the Chinese, from Stalinist elements in Russia, from the success of the Common Market and the prospect of Atlantic partnership, from Soviet failure in the Congo and growing U.S. determination in Viet-Nam, must be raising new questions in the Kremlin about the viability of their traditional policies.

Third, in U.S.-Soviet relations there is not much time to prevent

—another indefinite succession of appallingly complex and costly stages in the nuclear arms race—from missiles to antimissiles to more missiles to more antimissiles;

—the spreading of nuclear weapons to other countries—and the multiplying of the number of fingers on the nuclear trigger;

—a runaway competition for leadership in outer space.

Fourth, there is a general sense of political flux, made possible by military stalemate—and made precarious by the technological instability of that same stalemate.

##### **Ways and Means in the Search for Peace**

And so we gather here in Washington this morning just as the curtain goes up on a month of vigorous diplomacy, with the possibility of a summit meeting hanging in the air.

The Secretary of State is meeting in Geneva with the Foreign Ministers of the Soviet Union and Great Britain to discuss the great issues which divide the Communist and non-Communist worlds.

On Wednesday [March 14], also in Geneva, the 18-nation Disarmament Committee opens its meeting—with 17 members present<sup>1</sup>—to begin talks about "general and complete disarmament," including the creation of new and improved institu-

<sup>1</sup> France declined to participate in the meeting.

tions to keep the peace and provide for peaceful change under accepted rules of conduct.<sup>5</sup>

A week from today [March 19] the U.N. Committee on Peaceful Uses of Outer Space will convene in New York to talk about the rule of law in outer space—and its peaceful and cooperative exploration. These discussions open with the knowledge that President Kennedy and Chairman Khrushchev have just exchanged letters on cooperation in outer space and that the President has made specific suggestions to the Soviet leader for international cooperation on certain space projects of dramatic potential. U.S. policy is clear—to secure the benefits of space science to all mankind.

Pursuant to that policy, agreed now with others, the World Meteorological Organization is working on a worldwide weather reporting and forecasting service, taking advantage of weather-watching earth satellites. The International Telecommunication Union is preparing to work on communications satellites.

Meanwhile the International Court of Justice is about to hear arguments on its advisory opinion about financing the peacekeeping operations of the United Nations.<sup>6</sup>

At dozens of places in dozens of ways, in 51 international organizations and more than 400 inter-governmental conferences this year, larger and smaller groups of nations are working away at the intricate process of knitting together the fabric of international life and working out the rules for conducting more and more of the world's business under agreed codes of conduct.

Some of us are wont to say that our political and social institutions lag dangerously behind the brilliant advances of the material sciences—and with good reason. We are fond of noting that doctrine inherited from decades past is all too likely to be obsolete in the 1960's. We raise with alarm the question of whether conventional wisdom which had led nations to a long series of disastrous wars is safe in an age in which, as President Eisenhower used to say, "there is no alternative to peace."

The alarm is well founded. But something quite startling—and potentially hopeful—has happened in the recent past. Time was when the subject of peace was reserved to poets and propa-

gandists, to ministers and mothers, to college students and other dreamers, and to occasional bursts of high-flown rhetoric shortly before national elections.

Peacekeeping, of course, has always been endowed with unassailable moral, ethical, religious, and semantic values—which have normally failed to stop men and nations from fighting each other. But somehow the subject of peace and peacekeeping has never been considered quite practical, especially by men who pride themselves on being practical.

But in recent months, while the astronauts have been preparing for the most visionary project in history, man's oldest adventure, the search for peace, has been quite suddenly brought down to earth. It has moved from the realm of dream and rhetoric to the realm of ways and means. In the process peace and peacekeeping has become the major business of the U.S. Government. There are no stars in the eyes of Federal bureaucracy. We know that it takes two to make peace, just as it takes two to make a fight. But on our side at least, we are settling down to it in a practical way.

#### **Working Toward a Disarmed World**

It started last September, when a most pragmatic President of the United States addressed the 16th General Assembly of the United Nations.<sup>7</sup> He called for a U.N. Decade of Development, a concentrated program of peaceful change in the economic and social field, which the General Assembly later adopted.

He also called for the extension of the rule of law to outer space and offered to cooperate with the Soviet Union and other nations in the exploration and development of space. This, too, found response in a General Assembly resolution and in the formation of the new Committee on Peaceful Uses of Outer Space, which meets in New York on the 19th of March.

Finally the President outlined a comprehensive plan for general and complete disarmament.<sup>8</sup> Meanwhile, in bilateral negotiations, the U.S. and the Soviet Union agreed on the principles to guide disarmament discussions<sup>9</sup> and on the 18-nation forum now about to convene in Geneva.

<sup>5</sup> For a statement by Secretary Rusk, see p. 571.

<sup>6</sup> For background, see BULLETIN of Feb. 26, 1962, p. 311, and Mar. 12, 1962, p. 435.

<sup>7</sup> *Ibid.*, Oct. 16, 1961, p. 619.

<sup>8</sup> For text, see *ibid.*, p. 650.

<sup>9</sup> For text, see *ibid.*, Oct. 9, 1961, p. 589.

Shortly after the President addressed the General Assembly, the Congress approved his proposal to establish a full-time, major U.S. Government agency to concern itself exclusively with the problem of arms control and disarmament—the first such agency in the history of any government. It is now engaged in an extensive program of serious research on the practical technical problems of working our way toward a disarmed world under law.

It would be foolish, of course, to predict the outcome of the Geneva meeting of the new Disarmament Committee or the outer space group in New York. Significant progress at the technical level may be very difficult without a prior political agreement having been reached between the great powers.

Yet in his television address to the Nation on March 2,<sup>10</sup> the President laid the doctrinal basis for progress on disarmament when he said that “. . . in the long run, the only real security in this age of nuclear peril rests not in armament but in disarmament”—and when he later added, “Our foremost aim is the control of force, not the pursuit of force. . . .” If the Soviet Union were seriously to adopt a parallel doctrine, the first disarmament steps would become at once a matter of very practical politics.

But, as President Kennedy said,<sup>11</sup> “To destroy arms . . . is not enough. We must create even as we destroy—creating worldwide law and law enforcement as we outlaw worldwide war and weapons.”

This critical point was further developed by Ambassador Stevenson when he opened the disarmament debate in the General Assembly last fall.<sup>12</sup> He said then that a disarmed world will not be a placid world:

Conflicting ideologies would still be with us.

Political struggles would still take place.

Social systems would still be subject to disruptive pressures from within and without.

Economic strength would still be a factor in, and an instrument of, national foreign policies.

And the world would still be the scene of peaceful transformations—for it cannot and should not remain static.

. . . Disarmament alone will not purify the human race of the last vestige of greed, ambition, and brutality, of

<sup>10</sup> *Ibid.*, Mar. 19, 1962, p. 443.

<sup>11</sup> *Ibid.*, Oct. 16, 1961, p. 619.

<sup>12</sup> For a statement made by Ambassador Stevenson on Nov. 15 in Committee I and text of a resolution on disarmament, see *ibid.*, Dec. 18, 1961, p. 1023.

false pride and the love of power. Nor will it cleanse every last national leader of the least impulse to international lawlessness. No sane and honest man can pretend to foresee such a paradise on earth—even an earth without arms.

That is why, in the United States plan for disarmament, international peacekeeping was treated as the handmaiden of arms control and disarmament. The preamble of our plan contains the following key sentence:

As States relinquish their arms, the United Nations shall be progressively strengthened in order to improve its capacity to assure international security and the peaceful settlement of differences as well as to facilitate the development of international co-operation in common tasks for the benefit of mankind.

It's not exciting prose, but there is nothing unexciting about the idea.

### **What an International Peace Force Could Do**

The world has little practical experience with the dismantling of the national capacity to make war. But on the other side of the disarmament equation—the building of an international peace force—there is some useful experience on which to draw.

We can focus, not on the theoretical kind of peace force which the framers of the U.N. Charter seemed to have in mind, but on the actual peace tasks which the international community has undertaken since the charter was adopted.

You will recall that the original idea in 1945, when the U.N. Charter was signed, was that the United Nations should have a standing force provided by the great powers to deal with breaches or threatened breaches of the peace. But we have found from experience that each crisis requiring peacekeeping forces arises in a different form and therefore requires a different kind of force.

In actual experience the United Nations has engaged in eight peacekeeping operations—in Indonesia, Greece, Palestine, Kashmir, Korea, the Middle East, Lebanon, and the Congo. Each time the mission was different. Each time the number and type and training and nationality of the forces were somewhat different—and the supply and logistical problems were different too.

In most cases the standing force envisaged by the framers of the charter would have been the wrong kind of force to deal with the actual situations the U.N. has had to tackle. The political composition would have been wrong, or the mix

of weapons systems would have been inappropriate.

One lesson is clear from the scattered experience to date: We cannot run the risk of throwing together scratch teams with no training at a moment's notice—emergency forces which are, as the President described them in his U.N. speech, “hastily assembled, uncertainly supplied, and inadequately financed.” So entirely new ideas of identifying, training, commanding, transporting, and supplying special units for special jobs will have to be worked out against future emergencies.

From the modern world's own experience, then, we can begin to learn what an international peace force could usefully do:

It could send observers to potential areas of conflict;

It could watch over the carrying out of international agreements;

It could administer particular areas or special functions which have been given an international character by the decision of those competent to make the decision;

It could be interposed between combatants to enforce a cease-fire—inside a turbulent country (as in the Congo) or between turbulent countries (as in the Middle East);

At a later stage a larger international peace force with some experience behind it might be able to cope with actual hostilities between well-armed secondary powers.

Only in the final and faraway stage of general and complete disarmament could an international force interpose itself in a conflict between great powers. But by making it more difficult for brush fires to break out, and by reducing the temptation for big powers to intervene when brush fires do break out, even a small, highly mobile police force could render more unlikely the escalation of little wars into big ones.

The practical questions that arise are many and quite fascinating to think about:

What should be the political makeup of the force and its color composition?

To what extent should it consist of a permanent cadre of regular forces, and to what extent should the U.N. depend on a rapid callup system of national forces tentatively earmarked for international duty in an emergency?

What weapons should it have, and what admixture of air, sea, and ground forces? Should it have bombers or only fighters, surface vessels or sub-

marines? And what about tactical nuclear weapons?

By what military law should the troops be disciplined? What advance training should the officers have together? How can a peace force have an adequate intelligence arm? What should it do about its own public relations?

How should an international peace force be financed? The rapid increase in the U.N.'s budget for peacekeeping operations has already produced one major financial crisis at the United Nations. The U.S. Senate may decide this week whether the President should have the resources he has asked for to do our part—our necessarily leading part—to meet that crisis. But the amounts of money involved in the Middle East and the Congo are, of course, small compared to the sort of international peacekeeping force that would be required in stages II and III of the U.S. disarmament plan. Where will the money come from to support them?

And finally, the most inclusive and most difficult political question: How should the international force be commanded and controlled? How can the views of great powers, which under a disarmament agreement would be progressively giving up their reliance on national forces and contributing disproportionately to international forces, be given appropriate weight in the command and control system for an international force, without doing violence to what the charter calls “the equal rights . . . of nations large and small”?

These are the questions beyond the questions at Geneva. On a small scale they are inherent even in the U.N.'s present peacekeeping role. But before most of them have to be answered outside of books—for real—we have to learn whether the Government of the U. S. S. R. agrees with the President of the United States that “Our foremost aim is the control of force, not the pursuit of force. . . .”

#### ADDRESS BY MR. GARDNER

Press release 159 dated March 10

#### Extending Law Into Outer Space

I want to talk to you today about what may appear to some to be an esoteric subject—the rule of law and outer space.

Let me make it clear that I do not pretend to the title of “space lawyer.” A space lawyer is

someone you go to if you are ever sued by a Martian. I am talking about a different kind of law. A former colleague of mine once described law as "eunomics"—the science of good arrangements. This is what I propose to discuss today—good arrangements for international cooperation in the peaceful uses of outer space.

The subject could scarcely be more timely. Next week will be the first meeting of the United Nations Committee on the Peaceful Uses of Outer Space. The United States, the Soviet Union, and 26 other countries are participating. There is no doubt that the Committee will get off its launching pad. The real question is whether it will achieve a useful orbit.

Experience has taught us to appreciate the difficulties as well as the possibilities inherent in cooperative space activities. The dawn of the space age fostered unrealistic notions of how technology might heal the breaches of the cold war. Outer space, however, cannot be regarded as a realm divorced from the political realities of life on earth. As one of our leading space experts likes to say, "Space is a place, not a topic." The things nations do in space are largely extensions of their earth-bound activities; they will inevitably reflect military, political, economic, and scientific interests. Early difficulties in developing a U.N. program of outer space cooperation provide convincing evidence of this fact.

Yet recent events justify a mood of cautious optimism. In his letter to President Kennedy of February 21 congratulating the United States on the successful orbiting of Lieutenant Colonel John H. Glenn, Premier Khrushchev noted significantly:

If our countries pooled their efforts—scientific, technical and material—to master the universe, this would be very beneficial for the advance of science and would be joyfully acclaimed by all peoples who would like to see scientific achievements benefit man and not be used for "cold war" purposes and the arms race.

The next day the President replied:

I am instructing the appropriate officers of this Government to prepare new and concrete proposals for immediate projects of common action, and I hope that at a very early date our representatives may meet to discuss our ideas and yours in a spirit of practical cooperation.

The significance of this exchange is enhanced by the basis for cooperation which has been laid in recent months. The United States, of course, has called for cooperation with the Soviet Union

in outer space on many occasions. This offer was eloquently restated by President Kennedy in his first state of the Union message on January 30, 1961.<sup>13</sup> Further impetus was given to the idea when, on September 25, the President laid before the United Nations a four-point program of space cooperation under United Nations auspices. The program called for a regime of law and order in outer space, the registration of satellites and space probes with the United Nations, a worldwide program of weather research and weather forecasting, and international cooperation in the establishment of a global system of communications satellites. A resolution embodying the President's program, cosponsored by the United States and several friendly states, was placed before the United Nations on December 4. The Soviet Union, after some apparent hesitation, decided to cosponsor the resolution—with only a few minor amendments. Moreover, it cooperated in the solution of the procedural difficulties which had hitherto prevented the Outer Space Committee from beginning its work.

What happened to produce this modest advance in U.N. space cooperation? How substantial a cooperative venture does it portend?

To answer these questions we must take a closer look at the program which was recently approved by the General Assembly.

#### **Framework for International Cooperation**

The first part of the program looks toward a regime of law and order in outer space on the basis of two fundamental principles:

1. International law, including the United Nations Charter, applies to outer space and celestial bodies.

2. Outer space and celestial bodies are free for exploration and use by all states in conformity with international law and are not subject to national appropriation.

The General Assembly did not seek, quite rightly in the judgment of the United States, to go beyond these two principles and to define just where air-space leaves off and outer space begins. It has been the general view, not challenged by any nation, that satellites so far placed in orbit have been operating in outer space. But the drawing of a precise boundary must await further experience and a consensus among nations.

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<sup>13</sup> *Ibid.*, Feb. 13, 1961, p. 207.

## U.S. Supplies Information to U.N. on Its Space Launchings

U.S./U.N. press release 3933 dated March 5

*Following is the text of a letter from Ambassador Adlai E. Stevenson, U.S. Representative to the United Nations, to U Thant, Acting Secretary-General of the United Nations.*

MARCH 5, 1962

DEAR MR. SECRETARY GENERAL: In accordance with Section B.1. of General Assembly Resolution 1721 (XVI)<sup>1</sup> I enclose registration data<sup>2</sup> concerning objects launched into sustained orbit or beyond by the United States. This report presents a chronological census of seventy-two United States space vehicles and associated objects in sustained orbit or space transit as of February 15, 1962. The United States plans to submit reports on a bi-weekly basis to keep this information up-to-date.

These periodic reports are submitted for the information of the United Nations and to enable you to maintain a public registry of orbiting objects in accordance with Section B.2. of Resolution 1721 (XVI). The establishment of such a registry marks another step forward in the direction of open and orderly conduct of outer space activities. Outer space is the province of all mankind and the United States believes that the benefits of the exploration and use of outer space should accrue to all. We therefore particularly welcome the establishment of this registry in the United Nations and are pleased to supply this information to open it.

As you are aware, the United States is also supplying information on launching vehicles and space craft of special interest to the Committee on Space Research of the International Council of Scientific Unions as well as directly to states which are participating with the United States in specific cooperative space activities. We hope of course that comparable information will be made available by others in accordance with Resolution 1721 (XVI), as the value of the registry will depend largely on the cooperation of all concerned.

Sincerely yours,

ADLAI E. STEVENSON

<sup>1</sup> For text, see BULLETIN of Jan. 29, 1962, p. 185.

<sup>2</sup> U.N. doc. A/AC.105/INF.1.

The U.N. program takes international law and the U.N. Charter as the standard for space activities. Mankind would thus be free to use space on the same basis as it uses the high seas—free of any restraint except those on illegal activity such as aggression and exclusive use. This formula is designed to promote the maximum exploitation of space technology in the service of human needs.

It is designed to prevent space and celestial bodies from becoming the objects of competing national claims.

Within this general framework the Outer Space Committee, through its technical and legal subcommittees, will now seek to develop further standards for the conduct of space activities which will serve the interest of all nations—standards covering such matters as liability for injury caused by space vehicles and the return of space vehicles and personnel.

### Registration of Objects in Orbit

A second aspect of the new U.N. program is the registration of objects launched into orbit or beyond. Under the resolution information on these objects is to be furnished promptly to the Outer Space Committee through the Secretary-General for the use of all members of the United Nations.

To fulfill its obligations under this part of the U.N. resolution, the United States has submitted a comprehensive inventory of all U.S. satellites in sustained orbit and will keep this initial registration up to date by the periodic filing of new information.

The establishment of a complete registry of space vehicles marks a modest but important step toward openness in the conduct of space activity. It will benefit all nations, large and small, interested in identifying space vehicles. It might make a modest contribution to the eventual establishment of a system of prelaunch inspection as part of a comprehensive disarmament agreement.

### Weather Research and Prediction

The third part of the new space program looks toward a worldwide program of weather research and weather prediction.

The space age has brought a revolutionary advance in meteorology. Orbiting weather satellites, supplementing other advances in meteorological technology, such as sounding rockets, radar, and electronic computers, make it possible now for the first time to keep the entire atmosphere of the earth under constant observation.

The United Nations program calls upon the World Meteorological Organization (WMO), in collaboration with UNESCO (United Nations Educational, Scientific and Cultural Organization) and the scientific community, to develop two kinds

of proposals. The first is for an international research program to yield information essential for improved weather prediction and perhaps eventually weather control. The second is for an international weather service program—a global network of regional weather stations to receive, process, and transmit meteorological information from orbiting weather satellites as well as earth-based instruments.

The United States has offered to make the weather data received from U.S. satellites available for this international program. Indeed we are already making available to other countries the information received from our Tiros satellites and are developing methods to permit direct transmission of satellite cloud photography to any part of the world.

The worldwide program of weather forecasting and weather research could lead to the saving of billions of dollars in the United States alone. It holds special promise for countries in the tropics and the Southern Hemisphere, where vast areas cannot be covered by present techniques.

More accurate prediction of storms, floods, rainfall, and drought will bring major savings in life and property. Significant increases in farm production will be made possible as the nature and timing of crop planting are adjusted to take account of future weather patterns. Increased knowledge of the atmosphere may lead to new solutions to air pollution above our cities. Eventually it may help us break up dangerous storms and achieve some control over climate and rainfall.

The cost of the worldwide weather program is small compared to its potential benefits. The challenge to the U.N. is to develop a program which will encourage the necessary cooperation among nations in research, in the training of weather experts, in construction of weather stations, in the tracking of weather satellites, and in the exchange of weather information.

### **Global System of Communication Satellites**

The fourth part of the U.N. program of space cooperation looks toward the establishment of a global system of communication satellites.

Space technology has opened up vast possibilities for international communications. According to many current estimates, it should be technically possible by the end of this decade to have in

operation a global system of telegraph, telephone, radio, and television communication. The cost of an initial system is estimated at upwards of \$200 million. Its benefits would be impressive.

With the aid of satellites, telephone communication between continents will become immeasurably easier. Communication satellites can offer 20 times the number of telephone channels available in our existing undersea cables. If intercontinental telephone communication increases sufficiently to fill this huge capacity, it may someday be possible to place a call to any place in the world for approximately the same charge as to another city in the United States.

Intercontinental radio and television open even more dramatic prospects. According to David Sarnoff, chairman of the board of the Radio Corporation of America, there are now some 100 million television receivers in use in 75 countries of the world. By the end of this decade, when a communication satellite network could be operating, there will be some 200 million receivers. Programs will have a potential audience of nearly 1 billion people.

This fundamental breakthrough in communication could affect the lives of people everywhere. It could forge new bonds of mutual knowledge and understanding between nations. It could offer a powerful tool to improve literacy and education in developing nations. It would enable leaders of nations to talk face to face on a convenient and reliable basis.

Some time in the future lies the prospect of direct broadcast radio and television. When this day comes, it may be possible to beam programs from communications satellites directly into people's homes.

The satellite system likely to be in use within this decade, however, will be for point-to-point relay between central installations in different countries. This means that the benefits of space communications can be made available to all peoples only through political as well as technical cooperation.

### **Rationale of U.N. Program**

The United Nations program represents a modest step toward worldwide cooperation on these problems. It starts from a principle now unanimously endorsed in the U.N. resolution—that satellite communication should be available to the

nations of the world as soon as practicable on a global and nondiscriminatory basis. This is a valuable recognition that, in principle, efforts should be made to develop a single commercial system for all nations of the world rather than competing systems between contending political blocs.

A second principle underlying the program is that the United Nations should be able to use communications satellites both in communicating with its representatives around the world and in broadcasting programs of information and education. Within the next year or two the United States will be able to offer its satellites, on an experimental basis, for live TV transmission across the North Atlantic of brief broadcasts from the United Nations.

A third principle is the importance of technical assistance and economic aid to develop the internal communication systems of the less developed countries. A country with an inadequate telephone and radio system and no television at all cannot participate fully in a global network of communications.

Beyond these principles there is general agreement on the important role in space communications that should be played by the United Nations and its interested specialized agencies. The International Telecommunication Union has already laid tentative plans to call a special conference in 1963 to make allocations of radio frequency bands for outer space activities. It is now proposed to broaden the scope of this conference to include consideration of other aspects of space communication in which international cooperation will be required.

Meanwhile the ITU, like the WMO in the weather field, is charged with the responsibility of framing more specific proposals for consideration by the Outer Space Committee, the Economic and Social Council, and the General Assembly.

While the ITU study is under way, the United States is developing the foundation for a program of international cooperation. On February 7 the President submitted to the Congress S. 2814, a bill to establish a communications satellite corporation, which would be the instrument for U.S. participation in a global satellite system.<sup>14</sup>

<sup>14</sup> For text of President Kennedy's message transmitting the proposed legislation to Congress, see White House press release dated Feb. 7.

We do not, of course, envisage that other countries will satisfy their interest in satellite communications by means of purchase of shares in the proposed U.S. satellite corporation. Existing U.S. law prohibits more than 20 percent foreign ownership in any U.S. communications corporation and will apply in this case. In order to obtain global participation it appears desirable that there subsequently be negotiated and established an international arrangement which would provide for broad ownership and participation on a worldwide basis. With our present knowledge of the active interest of foreign countries in establishing communications via satellite and their natural desire to operate their own ground stations as well as participate in the ownership of a global system, the establishment of a truly international satellite arrangement would appear to be necessary.

The international nature of a satellite communications system is dictated by a number of commonsense considerations. The satellites will be primarily useful for communicating with other countries, and we thus must agree with those sovereign countries on the arrangements for talking with them. Much of the traffic will be between other countries not involving the United States at all. In view of the importance of communications to all states, many other countries will wish to have a voice in the operation and management of the system. For our part we should welcome this interest in cooperation and participation by other countries both as a sharing of the burden of establishing and maintaining the system and as a venture in international cooperation which will have value in itself.

#### **Practical Value of Program to All Nations**

This review of the details of the program of space cooperation sponsored by the United States in the United Nations suggests some tentative answers to the questions asked earlier. It suggests that the program was endorsed by all U.N. members because it promised practical benefits to many nations—so much so as to be immune from effective partisan attack. It suggests that the program will achieve results so far as the specific proposals of cooperation commend themselves on a basis of national self-interest.

A program of space cooperation under U.N. auspices serves the national interest of the United States and other countries for three main reasons:

In the first place it provides a way, despite political differences, to exploit the enormous possibilities which the space age opens for all mankind. The need for cooperation across political lines is supported by solid practical considerations. It is in the interest of all countries, whatever their ideology, that space and celestial bodies should not be the subject of competing national claims, that a comprehensive public registry of orbiting vehicles be maintained, that worldwide weather services be developed, and that communications among nations be improved.

To be sure, the deep political divergencies of our time have placed an upper limit on the extent of cooperation. But it is noteworthy, for example, that the Soviet Union, after years of resisting rules for frequency allocations and usage for radio communication, finally accepted the frequency allocations of the ITU for its own broadcasts in order to avoid interference and other difficulties in the operation of its radio circuits. Hopefully the national interest of the Soviet Union will encourage it to cooperate from the outset in space communications.

Beyond these practical considerations the unique impact of outer space on the mind of man can be used to widen and deepen international cooperation. There is a widespread feeling that somehow man must venture beyond the globe in a spirit of cooperation rather than conflict, that activities in space should serve the interest of mankind as a whole. Our challenge is to use the drama attendant upon space technology to open doors of cooperation that might otherwise be locked.

In the second place the U.N. program has value quite apart from encouraging valuable cooperation with the Communist bloc. The assistance of many nations is needed if our national space program is to be successfully carried on. In weather and communications, for example, the technology of the United States can yield dividends to ourselves and others only if many nations join in allocating radio frequencies, in tracking and communicating with space vehicles, and in placing necessary ground installations on their territories. The United Nations can do much to facilitate cooperation on a free-world basis even if universal participation is not achieved. A good start has already been made in such cooperation through the activities of the National Aeronautics and

Space Administration, which has cooperative ventures with some 40 countries involving tracking stations, exchanges of personnel, and joint space experiments.

In the third place the program of space cooperation has deep significance for the U.N. itself. The United Nations and specialized agencies such as the ITU, WMO, and UNESCO will have new responsibilities for registering space vehicles, studying problems of space cooperation, and assisting in the development of worldwide weather and communications services. Such activities cannot fail to strengthen the United Nations as a force for peace by binding its members to it through ties of common interest. This is particularly true for some of the developing countries which stand to derive some of the greatest benefits.

All of these considerations lay behind these concluding words of Adlai Stevenson when he presented the outer space program to the last General Assembly:

“There is a right and a wrong way to get on with the business of space exploration. In our judgment the wrong way is to allow the march of science to become a runaway race into the unknown. The right way is to make it an ordered, peaceful, cooperative, and constructive forward march under the aegis of the United Nations.”

## **General White Nominated for Special OAS Committee on Security**

The Department of State announced on March 14 (press release 168) that the United States has nominated former Air Force Chief of Staff Gen. Thomas D. White for membership on the new Special Consultative Committee on Security of the Organization of American States.

Resolution II of the recent meeting of foreign ministers at Punta del Este, Uruguay,<sup>1</sup> called for the establishment of this committee of experts on security against the subversive action of international communism. The committee is to submit an initial general report with recommendations to the Council of the Organization of American States not later than May 1, 1962, and also to submit reports to member governments that may request such assistance.

<sup>1</sup> For text, see BULLETIN of Feb. 19, 1962, p. 279.

## Meeting the Soviet Economic Challenge

*by Philip H. Trezise*

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Today is the Ides of March, a date suggestive of fate and doom. I will take for my text an appropriately somber quotation: "American capitalism has passed its zenith and is going down." The author of this statement is the Chairman of the Communist Party of the Soviet Union, Mr. Khrushchev. He has also been quoted, on another occasion, as saying, "Whether you like it or not, history is on our side. We will bury you!"

Soviet abilities in the mortuary field are perhaps subject to some discount. After all, they have had to bury Stalin twice. And to judge from the discussions taking place within the Communist bloc, Stalinism itself is far from a dead and buried issue.

However, when Khrushchev speaks of the decline of capitalism, he is taking the role of historian and prophet. He is offering the prediction—and no doubt his firmly held belief—about the future. At the same time he is issuing a challenge. We must examine the challenge soberly and carefully. If we take it seriously, as we should, he is defining one of the terms of an historic contest between systems of government and ways of life.

### Factors Motivating Soviet Claims

When Khrushchev predicts the doom of capitalism, he is of course echoing a traditional point in Marxian dogma. Marx taught that capitalism is doomed, that it must inevitably be supplanted by a new system, namely, the Communist society.

Then, too, the Soviets have long been concerned with building a strong economy for military reasons. Lenin in 1919, when the Soviet Union was in the throes of civil war, said, "We must either perish or overtake the advanced countries and surpass them also economically." And Stalin in 1931 took the same tack: "We are fifty or a hundred years behind the advanced countries. We must make good this distance in ten years."

It seems likely, nevertheless, that Khrushchev has more than doctrine and tradition in mind. There are shrewd and practical considerations of foreign and domestic policy which could motivate him to lay down the challenge of an economic competition with the West.

In the international arena power or prospective power continues to be a key factor. Governments make their calculations and decisions in part on the basis of the strength or the prospective strength of the major nations. If the Soviet Union can convince other countries that its economic growth will exceed that of the United States, this will register on political choices and decisions around the world. A few years ago the government of a nation friendly to us prepared an official report containing the amazing prediction that by 1980 the Soviet would have caught up with and greatly outstripped the United States in total production. We were able to disabuse that government of this remarkable belief. But you may be sure that foreign offices and political leaders in many countries will continue to reflect most seriously about the power relations likely to exist between the United States and the Soviet Union 5, 10, and 20 years hence and how this will bear upon the role of their nations in world affairs.

<sup>1</sup>Address made before the Chamber of Commerce of Fresno, Calif., on Mar. 15 (press release 167 dated Mar. 15).

So Mr. Khrushchev no doubt has in mind the impact on third countries of his assurance that the Soviet Union will overtake the United States in the economic field.

There is probably another motive and one that strikes closer to home. This has to do with the impact of relative living standards on the political situation within the Soviet bloc. The theme of Soviet victory in an economic race began to dominate Khrushchev's speeches beginning in 1957, a period of crisis within the Soviet sphere. The Hungarians had rebelled, and the Poles had shown great restiveness. There was obviously grave dissatisfaction within the Soviet Union itself. The living conditions of the Soviet people had risen from the low levels of the 1940's, but the pace of improvement had been very slow. There was enough knowledge about higher living standards in the West—knowledge gained from the Western press and from Western broadcasts—so that Soviet citizens were led to ask how it was that they, with an allegedly superior economic system, lived so much less well than the workers in the decadent capitalist countries.

Khrushchev was ready to concede that affluence equals influence. He said at the time, "We will insure the production of consumers' goods at a higher rate. It will be soon. We shall see. Not very much time will pass. We will jump the obstacle of the highest capitalist country, which is the United States. Then, my dear people, what will you have to say? We will see who eats the most and who has the most clothes." In other words, one more giant effort and the Soviet Union would be the most powerful and also the most affluent nation.

#### **U.S. and Soviet Rates of Growth**

It would seem, then, that Khrushchev speaks not only out of Marxist conviction but out of direct political compulsions. He is anxious to influence other countries in their policies, and he is desirous of impressing his own people and the people of the Soviet bloc with the superior promise of the Communist system. Even so, his challenge is in some respects a very bold one. The Soviet bloc, including Communist China, at this time produces far less than the free world. Using the rather rough estimates that are available, the Communist countries' total output in 1960 was roughly \$400 billion as against the free world's total of

\$1,000-\$1,100 billion. This is a tremendous margin to overcome.

It may be more reasonable to make the comparison on a narrower base, the Soviet Union versus the United States. Still, the task before the Soviet Union would be a huge one. Our total production in 1961 was valued at \$521 billion, while the Soviet Union was producing only about \$240 billion. To reduce this margin significantly the Soviet Union would have to expand very much more rapidly than the United States. In fact, to believe that the Soviet Union will overtake and surpass the United States or the West, one must also believe that Western capitalism will be afflicted with a kind of stagnation.

Such a belief would imply that the dynamic elements in Western economic life are few and are declining. The notion would be that our system is about to run out of steam whereas communism retains tremendous vitality. The implications of this, as you see, go far beyond mere economic questions and to the very heart of our differing political and social systems. If the evidences for Mr. Khrushchev's proposition were found to be strong, then we would indeed have reason for despair.

What are the facts? And what do we see in the world scene to justify or to contradict Mr. Khrushchev's point of view?

First we must recognize in all candor that the Soviet Union has shown a capability for quite high rates of overall economic growth. The motor force behind this has been a high rate of forced savings and of forced investment in the industrial sectors where the Soviet Government chose to concentrate its efforts. If we take 1953 as the first more or less normal year after the period of postwar reconstruction and rehabilitation, the Soviet Union seems to have had an annual rate of growth of 6 to 6½ percent, which is quite respectable as these things go. This is not to say that the Soviet economy was run efficiently, for in fact Soviet methods of organization and management create innumerable forms of waste. Nor, obviously, does it suggest that the Soviet people received benefits commensurate with the rate of growth. In fact living standards rose very slowly. Even so basic a commodity as food still is in short supply in Soviet cities.

The sacrifices imposed on the Soviet citizens to achieve high rates of growth become the more notable, however, when it is remembered that many

other countries expanded more rapidly than the Soviet Union without the need for the grim brutality of the Soviet system. Japan, with its very limited land area and with scarce natural resources, had a growth rate of more than 7 percent during the 1953 to 1960 period. Japanese living standards during these years showed a spectacular improvement. West Germany had a rate of growth of more than 7 percent while Italy, which once was considered to have a hopelessly stagnant economy, grew at about 6 percent or roughly the same rate as the Soviet Union. In Latin America, Venezuela, Brazil, and Mexico all showed rates of growth as high as or higher than the Soviets. In none of these cases did the government indulge in forcible measures to expand the economy. For the most part they depended on the efforts of private citizens impelled by a desire for higher incomes and better standards of life, that is, the motivations of the private enterprise system.

For the United States, it is true, the 1950's were years of relatively slower progress. We seemed to be resting a bit after the extremely rapid expansion during the 1940's. We did not, of course, have any postwar reconstruction task at home to give special stimulus to our economy, and we had several brief but retarding recessions. Nevertheless, in a period that was very far from typical of the potential performance of our economy, the United States increased total output by an average of 2½ percent per year. In absolute terms we were producing in 1960 \$80 billion more real goods and services than we were in 1953. In 1961 the country's total production rose by 3.6 percent, and this year it is expected to grow by 9 or 10 percent. If we have not been doing quite as well as we would have liked, we have certainly not been stagnating.

For the future it seems that our economy could probably, without any unusual stimulus, average a rate of expansion of 4½ percent or so. The Soviet Union in 1961 seems to have fallen below that level, down to about 4 percent, primarily because of increases in the military budget and because of mistakes in planning and management on the part of the cumbersome Soviet bureaucratic system. We should count, to be on the cautious side, on the Soviets' doing somewhat better than that in most years in the future. A 6-percent average annual rate of growth might be the likely one for some years to come. If we do not do better than 4½ percent on the average—and this should be a fairly

comfortable rate—the Soviet Union is not going to narrow the margin between us by very much during the next decade. At these rates the U.S.S.R. in 1970 would be producing about 48 percent as much as we are, as against 44 percent today.

#### **Comparison of Various Sectors of Economies**

These overall rates of growth are interesting and pertinent, and we should not ignore them. They give a measure of the broad performance of an economy in terms of total amount of goods and services that it generates. They tell us very little, on the other hand, about the performance in the various sectors of the economy or about the changes in standards of living that have come about. It is useful, therefore, to make some other comparisons.

One is in the agricultural field. Here the comparison between the United States and the Soviet Union, or other Communist nations, is so unfavorable to the Communist system that one wonders why Khrushchev from time to time even refers to the possibility of catching up with us. We have roughly 8 percent of our labor force engaged in farming; the Soviet Union has close to 50 percent. Just a few days ago Khrushchev observed that the entire economy is in danger of being wrecked because of a lagging agriculture. There are admittedly shortages of meat and milk in the U.S.S.R. We have on the whole the most varied and at the same time the least expensive diet in the world.

These enormous differentials cannot be attributed to differences of natural endowments alone. There seems to be no technical reason why Soviet agriculture should necessarily be so grossly less productive than our own. The difference seems to go straight back to social systems. Ours is a farm economy built around private ownership and the incentives of the private system. Soviet agriculture, for its part, is a state system in which the individual is given little reason to use his talents to the full and in which the state, as a matter of policy, systematically withholds from agriculture the equipment and working capital that would make it more efficient. The travel of Soviet leaders about the countryside offering advice about what needs to be done is certainly no substitute for a decision to give the individual Russian farmer an opportunity and an incentive to work his land fully and efficiently.

It might be said that the comparison between

the United States and the Soviet Union is not an entirely fair one, that our agricultural technology is really a special case, and that the performance of the Soviet farm economy might better be compared with that in less advanced countries than the United States. This is not what Khrushchev asks, of course, but it can be observed in any event that in Japan, which is a country of extremely small farms, where modern technology has to be applied in a very special way, there has been a succession of bumper rice crops to the point where the country is just about self-sufficient in its basic foodstuff. This was accomplished, mind you, under far less favorable natural conditions than exist in the Communist states. The accomplishment must be attributed to the way in which the individual small farmer was willing and able to adapt modern methods to his tiny plot. Elsewhere in the world, in Western Europe, farm output is booming. Among the industrial countries, at least, the economies of agricultural scarcity are confined almost entirely to the Soviet Union. Elsewhere we have achieved or are in sight of achieving what the Communist utopia promises at some distant future date, that is, an economy of abundance and, with us, an economy of abundance that is sometimes embarrassing.

At the far end of the scale is Communist China. There the authorities tried an experiment in rapid and total communization which startled and alarmed even the U.S.S.R. The results, for those of us who believe in the importance of the individual, have been highly instructive. So far as can be determined, the experiment in rural communism in China was a total and unmitigated disaster for the Communists. In a country with 80 percent of the population engaged in farming, there is widespread hunger and even, we may suppose, many pockets of starvation. The Chinese Communists are using their scarce reserves of foreign currencies to buy wheat from the capitalist farming nations. The retreat from immediate communism on the farms has been a rout.

If we look at the amenities that contribute to the comfort or pleasure of life in the Western countries, we find them to a large extent absent in the Communist bloc. Most important is the shockingly low standard of housing that still prevails in the U.S.S.R. The floor space nowadays available to Soviet city folks is at best 66 square feet per person; may I mention that the Federal

prisons in this country supply their inmates a *minimum* of 60 square feet. Shopping in the U.S.S.R. is most burdensome because of perennial shortages and a complete absence of the service concept in a bureaucratic retail trade setup. Need I add that most of the consumer durables and consumer services that in this country are taken for granted are but a dream to the Soviet citizen. Take automobiles. The private automobile, which has made us so mobile a people, is a rare phenomenon in the Soviet bloc. Among all of the 220 million Soviet people, there are 640,000 automobiles, as compared with the 61 million cars that cover our highways. A great many of the service industries that we take for granted, such as dry cleaning, are all but unknown in the U.S.S.R.

In fact Soviet development has been concentrated narrowly on industrial power and particularly on heavy industry. There is no doubt about Soviet advances there. Machinery and equipment is in many cases the equal of advanced equipment in the West. Soviet achievements in space testify to a high degree of engineering as well as scientific skill. We should not make the mistake of discounting this. But we should be equally careful not to make the mistake of overestimating the dynamics of a society which has focused its efforts so narrowly on a few selected fields.

### **Looking to the Future**

What of the future? Will the Western private enterprise system be able to maintain and even to increase its margin over the Soviet bloc? And will it be able to provide the capital assistance and access to markets that will make it possible for the nonindustrial countries in Asia and Africa and Latin America to make progress under free societies?

The answer, needless to say, lies with ourselves and with our friends. We obviously have the resources and the capabilities if we use them with any degree of wisdom. There are very encouraging indications that we are likely to do so. It is entirely possible that the free nations are on the verge of a new burst of economic creativeness. In Western Europe the appearance of a Common Market among great industrial states promises to bring about an economic unit very much like the United States. It will probably have more people than the United States. They are highly skilled

and thoroughly acquainted with the processes of modern industry and science and technology. As they tear down the national barriers that separate their economies, they will become part of a great economic unit, much like that in the United States. This is likely to give enormous impetus to business activity, for the possibilities of producing for a market of more than 200 million people obviously will call for development and organization of new kinds of industrial and business enterprise.

The dynamic of the Common Market could also transfer itself to the United States. The European nations, joined together, are likely to undergo the kind of development in living standards that we have had. When looked at in terms of ownership of automobiles, refrigerators, washing machines, and other durable goods, Western Europe is where we were in 1935, or even earlier. There is going to be a vast potential in Europe for export goods. We can, if we are alert to the opportunity, get for our own economy the stimulus of a rapidly developing new market in Western Europe.

The ripples of European expansion need not stop with the United States. Rapid growth in Western Europe could have its effects all over the free world, in Japan, in Canada, in Australia and New Zealand, and in the less developed countries of Asia, Africa, and Latin America. The way is opening, it seems, to a strong push forward in the free-world economy.

For this to happen, however, we shall have to make certain that obstacles and barriers are not allowed to hinder it unnecessarily. We need to make every effort to be sure that the European development is an open one, that the expanding market of Western Europe is not artificially limited to European producers, that the prospect for free-world expansion not be choked off by the creation of separate trading blocs.

The thrust of President Kennedy's trade proposals before the Congress<sup>2</sup> is to give this country the means to leadership in bringing the free-world economy forward. The President is asking for

the essential bargaining means to work with the Common Market. We can hope, if the President is given the authorities he asks, to assure that the Common Market will be outward-looking in its economic policies and that the net effect in the free world of this great change on the European Continent will be to bring a spurt of additional economic activity in the free world as a whole.

### **Choosing the Right Alternatives**

Nobody, not even Mr. Khrushchev, can see clearly into the future. As we look ahead, we must depend for our forecasts on forces and factors we have observed in the past.

These considerations would tell us that Mr. Khrushchev's economic challenge is not necessarily an idle or foolish one. The Soviet system, within its limitations, clearly is capable of generating large amounts of economic power. If we were to be complacent enough and shortsighted enough, the performance of the Communist system might bring it within much closer range of our own, at least in terms of raw power.

At the same time we know something about the potential of our own system and of the possibilities and even probabilities for it. If we do tolerably well, we can stay fairly comfortably ahead of the Soviet Union. The prospects are, however, that we will have the opportunity to do a good deal better than tolerably well. In that event we and our friends might even run away with the game. What happens is going to depend very largely on alternatives that are easily open to us. The problem is to choose the right ones.

## **DEPARTMENT AND FOREIGN SERVICE**

### **Confirmations**

The Senate on March 16 confirmed W. Michael Blumenthal to be the representative of the United States on the Commission on International Commodity Trade of the Economic and Social Council of the United Nations.

<sup>2</sup> For text of the President's message to Congress, see BULLETIN of Feb. 12, 1962, p. 231; for a summary of the new trade legislation, see *ibid.*, Feb. 26, 1962, p. 343.

## Major Aspects of the Trade Expansion Act

*Statement by Acting Secretary Ball<sup>1</sup>*

The proposed Trade Expansion Act of 1962 is designed to provide the President with the requisite tools to advance and protect major United States interests in a world that has radically changed since the reciprocal trade agreements program was first conceived by Cordell Hull almost 30 years ago.

When the first Trade Agreements Act was passed in 1934, the United States was in the depths of the great depression. Since that time we experienced the agony of the Second World War, which not only drastically altered the power balance in the world but set in train forces of change and revolution that are still vigorously at work.

The United States was the only major industrial nation that did not feel the direct effects of war's devastations on its own soil. In fact, during the course of the war, our economy enormously expanded. Our national income, measured in constant dollars, rose nearly 50 percent between 1939 and 1946.

Almost everywhere else the story was different. By V-E Day many of Europe's factories were heaps of bricks and mortar. Japan's economy was a shambles. Even agriculture over a great part of the world had suffered from shortages of fertilizers and the disruption of the agricultural labor force.

While nations of the world were rebuilding, the United States served as the major supplier of materials and equipment. Through the Marshall

plan we made it possible for the Western European countries to acquire the goods and services they needed but which they could not earn the dollars to buy.

During that time we had no difficulty disposing of our export surpluses. Aided by Marshall plan dollars many American industries enjoyed an export trade two or three times as large as they had ever enjoyed before the war. In fact the volume of United States exports to Europe was over 40 percent higher in the years of the Marshall plan than it had been in previous years.

With little need for an overseas sales effort, our industry felt no compulsion to design goods expressly for foreign markets. To a very large extent any surplus capacity that had been built during the war could be used to produce goods for sale overseas.

Except for the raw materials needed by our own industry, our imports during this period were severely limited. Since other industrial nations of the world could not produce enough even to satisfy their own needs, they had few industrial goods to send to the American market. Accordingly our industry during this period lived under highly artificial conditions. It could sell its surplus production of practically any article in foreign markets as fast as the article could be produced. It did not have to face the discipline of foreign competition in the domestic market.

### **Policy for a Changing World**

Those days of effortless exports are gone forever. Since the end of the war the world has undergone several cataclysmic changes.

First, the old colonial systems, anchored to

<sup>1</sup>Made before the House Ways and Means Committee in support of H.R. 3900 on Mar. 13 (press release 164). For text of the President's message to Congress proposing new trade legislation, see BULLETIN of Feb. 12, 1962, p. 231; for a brief summary of the bill, see *ibid.*, Feb. 26, 1962, p. 343.

mother countries in Western Europe, have largely disintegrated. In place of colonial possessions spread over six continents, nearly 50 new countries have been created and still more are in the process of creation. Many of these new countries have been born weak, sometimes prematurely; but all share a desire to maintain their independence and to develop higher living standards for their peoples.

Second, the colonial powers—the great states of Western Europe—have rebuilt their economies and have attained new heights of production. Far from being weakened by the loss of their colonial possessions, they have turned their energies toward a common endeavor of creating a vigorous and united Europe—a Europe that promises to become a great new trading area prospectively as strong and productive as the United States.

Third, the international Communist conspiracy has tightened its hold on two great nations, the Soviet Union and Red China. This has given it not only the command of great potential economic resources but the mastery of the most advanced technology. Between the Iron Curtain that stretches from the Brandenburg Gate to the Yellow Sea are a billion people—roughly one-third of the world's population.

In this changed and changing world, faced with a constant menace from the Communist bloc, we have no option but to pursue lines of policy directed at two major objectives.

In the first place we must consolidate the strength of the great industrial powers of the free world. In this effort we must see to it that trade serves as a cement to bind our political systems more closely together rather than as a source of discord between us. The relatively free flow of trade among the advanced nations, unimpeded by artificial obstructions, will compel the use of our resources in the most productive manner.

In the second place United States policy must aim for a higher level of commercial trade with the less developed nations under conditions that permit those nations to begin to earn the foreign exchange that is essential if they are to develop economic strength. This is the only way they can ever attain an adequate rate of economic growth without the continued need for external economic assistance.

Taken together, the forging of closer economic ties between Europe and the United States and a

combined U.S.—European effort to provide larger markets for the products of the developing countries of the world can be the free world's most telling response to the Communist economic challenge.

The enactment of the Trade Expansion Act of 1962 should give the President the ability to pursue these lines of policy effectively.

#### **EEC and America's Federal Experience**

The European Common Market, which is one of the main undertakings provided by the Treaty of Rome, can be best understood in terms of our own constitutional experience. In Philadelphia in 1789 our Founding Fathers made a choice that Europe did not make until 1957. They elected to reverse the trend toward compartmentalized Statewide markets in favor of a single market embracing all of the then 13 States on the eastern seaboard of this great continent. Under the Articles of Confederation, as you know, the States had interposed trade restrictions among themselves. The Commonwealth of Virginia, for example, exacted the same tariff on shipments of goods from other States that it did on goods from overseas. If a farmer hauled a load of cordwood from Connecticut into New York, or a barge of cabbages across the Hudson from New Jersey, he was stopped at the border and required to pay duty. In drafting our Constitution the Founding Fathers changed all this. They deprived the States of the right to "lay any Imposts or Duties on Imports or Exports."

The result is that we now have in America a great common market embracing 50 States, among which trade flows freely. Surrounding that common market is a common external tariff. This is substantially the pattern of the European Economic Community. Within a few years—in no event later than the end of the present decade—the European Community will consist of a common market comprised of its member states. Trade will flow freely among these states while the Community as a whole will be surrounded by a common external tariff.

As I mentioned a moment ago there are presently six member states in the Common Market. The United Kingdom, however, applied for membership last August. Since then Denmark and Ireland have made similar applications.

It would not be appropriate for me to attempt

to predict this morning the outcome of the current negotiations between the United Kingdom and the member states of the Community. But if those negotiations do lead to the accession of the United Kingdom to the Treaty of Rome, the Common Market will embrace a population of about one-quarter of a billion people with a gross national product, on the basis of 1961 figures, exceeding \$340 billion. And it will be an expanding market; the creation of internal free trade within the area of the Community is unleashing strong dynamic forces that are giving a new energy both to industry and agriculture. As a result the member nations today are experiencing a rate of growth more than twice that of the current growth rate of the United States.

### **EEC's Significance for United States**

The creation of this new market will have a great significance for America.

For one thing it will afford market opportunities for American exporters of a kind unparalleled in our experience as a trading nation. By helping the nations of Europe to regain health and vigor through the Marshall plan we made it possible for them to become our best customers. Even before the European Community was created our exports to Europe were expanding as European incomes rose.

With the emergence of the Common Market, however, the opportunities in Europe will expand and change in character. American producers will find in Europe something that they have hitherto known only in the United States—a great mass market for their products. The rapid growth already demonstrated by this market is generating ever larger demands for American goods. This flow of goods across the Atlantic can, and no doubt will, grow ever greater as the trade-expanding effects of these increasing demands are realized—particularly if we take the necessary measures to reduce impediments to that flow by bringing about a reduction of Europe's common external tariff.

But the coming into being of the Common Market will also have other effects on trade—so-called trade-diverting effects. The extent to which these trade-diverting effects may prove adverse to American interests will depend upon whether or not President Kennedy is equipped with the powers that will enable him, by negotiating

trade arrangements with the Common Market, to reduce the level of the common external tariff.

A great deal has been said about the disadvantage to United States producers that will result from the Common Market, but the precise measure of that disadvantage is not always understood. As the European Common Market becomes fully effective, a manufacturer in Detroit selling to a customer in Düsseldorf will be at this disadvantage as against a manufacturer in Milan: He will have to sell his goods over a common external tariff while the manufacturer in Milan will not. But, of course, advantages and disadvantages are reciprocal. A manufacturer in Düsseldorf selling to a Texas customer will be at a similar disadvantage as against the manufacturer in Detroit; he will have to sell his goods over the barrier of our own common external tariff, while the producer in Detroit will not.

The existence of this situation poses a simple question: Should the United States and the European Community agree together to reduce the level of this mutual disadvantage in the markets of each other by reducing the level of their common external tariffs, for the benefit not only of one another but of the whole free world?

### **Political and Economic Considerations**

The answer to this question has two aspects—one political and one economic. Let us consider each in turn.

In approaching the political question we should be quite clear in our minds as to the nature of the European Economic Community. It is, of course, a trading entity, but it is far more than that. In signing the Treaty of Rome in 1957, which created the Community, the present six member nations—France, Italy, Germany, and the three Benelux countries [Belgium, Netherlands, and Luxembourg]—performed a solemn act of large political implications. The main driving force behind the creation of the Community was the desire to lay the groundwork for a united Europe. To many of its proponents the Treaty of Rome marked the beginning of a process that may lead ultimately to the creation of something resembling a United States of Europe.

The signatory nations to the treaty took far-reaching commitments. They agreed not only to create a Common Market but also to undertake a wide spectrum of common action covering all

aspects of economic integration—including the concerting of monetary and fiscal policy, the harmonization of social security systems, the development of a common antitrust law, common provisions for the regulation of transport, the free movement not only of goods but of labor, capital, and services, and so on.

Equally as important, the treaty provided for the creation of a set of institutions comprising an executive in the form of a Commission and Council of Ministers, a parliamentary body in the form of an Assembly, and a court—the Court of Justice of the Community—that by its decisions is building up a body of European jurisprudence. I emphasize these aspects of the Rome Treaty because there is a tendency to focus on its impact on commercial policy—which is merely one of the aspects of the European Community—to the exclusion of the other broad provisions of the treaty.

If we think of the European Community in this way we can begin to comprehend its larger political implications. If the negotiations for British accession to the Community succeed we shall have on either side of the Atlantic two enormous entities. On our side a federation of States tied together by developed institutions and a century and a half of common experience to form a nation that is the leading world power; on the other, a community of states, trading as a single market and seeking among themselves to perfect the common policies and institutional arrangements that can lead toward increasing economic and political integration.

Between them these two entities will account for 90 percent of the free world's trade in industrial goods and almost as much of the free world's production of such goods. Between them they will represent the world's key currencies; they will provide the world's principal markets for raw materials; and they will constitute the world's principal source of capital needed to assist the less developed countries to move toward independence and decent living standards.

Great as each of these entities may be, they will be deeply interdependent. The experience of the great depression brought home to Europe and America the fact that not only prosperity but hardship is indivisible. Tied together by inter-related markets, commanding a common technology, reacting to similar wants and aspirations, these two great trading entities on either side of

the Atlantic will, of necessity, constitute the hard core of strength with which the free world must defend its freedom.

The degree of interdependence between the great economies flanking the Atlantic has been demonstrated repeatedly in recent years. Imbalances within the trade or payments arrangements among the major economically advanced nations can create serious problems. Our own troubling and persistent balance-of-payments deficit is in a very real sense the mirror image of surpluses in the accounts of certain of our European friends. To minimize these imbalances a high degree of coordination of domestic economic policies is required—coordination that is already being undertaken through the OECD [Organization for Economic Cooperation and Development], which came into being last September. We are also seeking through the Development Assistance Committee of the OECD to coordinate national programs of aid to less developed countries.

The extent of the interdependence of the United States and Europe goes further still. Effective plans for the stabilization of the market of a manufactured product such as textiles or the market of some raw material such as coffee are impossible without the cooperation of both of these two major trading areas. Indeed any major economic program involving the world's markets demands the close cooperation of Europe and the United States. As a result the United States finds itself engaged in consulting with its European partners almost continuously on a widening area of economic problems.

The growing strength and cohesion of the European Economic Community are laying the foundation for a much more effective Atlantic partnership. We have long felt the need for a Europe strong and united that could serve as an equal partner committed to the same basic values and objectives as all America. We can foresee that possibility for the first time as the European Community begins to speak with a single voice not only on problems of commercial policy but on an increasing number of economic subjects.

Yet it may be asked, granting that a more effective Atlantic partnership can contribute to the increased strength and cohesion of the free world, how will it affect the trading interests of the United States? There are several answers.

For many reasons the European Common Mar-

ket, as it is developing, will provide an unparalleled opportunity for the sale of our products. Our trade with the nations of an expanded Community is today very much in our favor. Our exports of all products to that area are 50 percent higher than our imports. Most Europeans are only just beginning to enjoy many of the consumer goods that Americans have known for years—automobiles, electric refrigerators, air conditioning. Using automobile ownership as an index, one may say that the European market is about at the level of consumer demand which existed in the United States in the late twenties—and think of the expansion that has taken place in our markets since that day!

A great mass of Europeans are just beginning to expand their horizons, to catch the vision of the more ample life. Their demands are increasing explosively. Europe is undergoing a revolution of rising expectations quite as profound as that which is sweeping the less developed countries—but of course on a higher plane.

#### **Opportunities for Expanding U.S. Trade**

Not only does the European market offer an almost unlimited potential for growth, but it is the kind of market best suited for American production. European industrialists have been accustomed to selling their products in small, narrow, national markets. They have built their industrial plants with that in mind. We alone in the free world have fully developed the techniques of mass production, for we alone have had a great mass market open to us. If American industry has the will and energy, and if access to the Common Market can be assured to it through the tools provided by the Trade Expansion Act, it should find in Europe new trading opportunities of a kind not dreamed of a few years ago.

Of course the development of the European market for American products will not be easy. It will make heavy demands on our imagination and ingenuity. It will require a considerable effort of merchandising of a kind few American firms have ever attempted in Europe, because in the past the potential of limited national markets has never seemed to justify the trouble. It will require us to do much more than merely ship abroad the surplus of the goods we produce for Americans. It will mean much greater attention

to the tailoring of products designed expressly for European tastes or European conditions.

This need is already being recognized. For example, last week a leading business publication reviewed the plans of one of America's automobile manufacturers to produce a universal car for sale anywhere in the world. At least 60 percent of the overseas demand, the article noted, was for a very small car designed for buyers who were moving up the scale from bicycles and motor scooters. An official of the automobile firm was quoted as saying: "Ninety-three percent of vehicles made in the United States are not suitable for overseas consumption."

So change is in the wind. There is no reason why American industry should not continue to display the vitality and creativeness that have stamped its performance in the past. Industrial research in the United States continues at a level many times higher than that of Europe. Each year American industry creates new products and processes responding to the high living standards of our people and creating the improved production techniques that will push those living standards higher still.

Our machinery industries, generating a continuous stream of new inventions for export to the world, are the acknowledged leaders of mass production systems. Our synthetic chemicals products continue to provide most of the major advances in the world's new synthetic products—so much so that half or more of the sales of some of our leading producers consist of items that did not exist 10 years ago. We are a creative nation, and there is every reason to suppose that we shall remain so. If we can turn this creative genius to use in this new and promising mass market of Europe, the gains for the American economy can be prodigious.

#### **Need for Prompt Enactment of Trade Program**

But if American producers are to have a fair chance at the great trading opportunities provided by this new mass market we cannot afford to delay. We must be able to assure them of access to that market as soon as possible.

There are several reasons why prompt action is imperative.

First, the enactment of the Trade Expansion Act at this session can have a major effect on de-

velopments within the Common Market itself. There are as many shades of opinion in Europe as in the United States. Within the European Community there are strong pressures for the adoption of a liberal commercial policy and for an outward-looking posture toward the world. But there are also pressures for keeping the common external tariff high and for protecting agriculture excessively.

By enacting the Trade Expansion Act we will make a strong declaration not only of our intention but our ability to work toward a world of expanding trade. We will strengthen those forces in Europe that are seeking to liberalize the Common Market's trading policies.

Prompt action is particularly important in view of the pending negotiations for the accession of the United Kingdom to the Common Market. That negotiation is complex. It affects trading arrangements not merely with the British Commonwealth, which is spread over six continents around the world, but also with the other European nations that have been united with Great Britain in a Free Trade Association.

There are various formulae that can be devised for the solution of these intricate problems. Some would be advantageous to United States trading interests, others severely disadvantageous. Since the President first announced his intention to submit the Trade Expansion Act to the Congress some of the nations participating in the negotiations have already seen in the Trade Expansion Act the instrumentality whereby many of the problems involved in the current negotiations can be rendered easier of solution—and in a manner that will avoid discrimination against, or disadvantage to, not only the United States but also other nonmember trading nations, including our friends in Latin America.

There is a second important reason why the prompt enactment of the Trade Expansion Act is necessary. There has never been a time in recent history when the trading needs of Europe and the United States have been more complementary. Today Europe needs our imports and we need to provide the goods it can use. For today Europe's economy is strained to its limits; capital is scarce; executive manpower is lacking; overemployment exists in many areas. America, on the other hand, has idle facilities and pockets of unemployment. It would be an act of economic statesmanship if, by agreement between ourselves and the Common

Market, we could promptly find a basis for achieving a greater flow of goods to Europe.

While such an arrangement must, of course, be reciprocal in form, Europe is unlikely for a number of years to have large export surpluses available for sale in America or the capital essential to make a major advance in the American market.

Both sides of the Atlantic will profit, therefore, from an early indication that the President will be in position to negotiate for reductions in the tariff barriers on transatlantic trade. This can go far to assure that the solutions arrived at in the course of the current negotiations for the expansion of the Common Market will not be unduly burdensome for the trading interests either of America or of third countries. It should enable the process of reducing the common external tariff on major American export products to be phased more closely with the reduction in the internal tariffs of the Common Market and thus minimize the disadvantage to American producers. It should make it possible for American industry to gain early access to this new and burgeoning market and to establish its brand names and distribution channels while the competitive situation is still fluid.

#### **Comparison of U.S. and EEC Tariff Schedules**

I have pointed out earlier in this statement that the economies of the United States and of the member nations of the Common Market have many similarities. Europe, however, has not reached the same high degree of industrial development as we have, in part because it has not hitherto had the benefit of all the economies of a great mass market. But there is one additional respect in which these two economies resemble one another; they both are enjoying roughly the same levels of protection from outside competition.

While it is difficult to make precise comparisons, I should like to draw upon the results of a recent preliminary and unpublished Tariff Commission study. This study shows that if the common external tariff of the European Community, as modified by the recent negotiations in Geneva, were applied to the actual flow of trade in 1960, the average levels of duty in the EEC for industrial products would have been 5.7 percent. The comparable figure for the United States would have averaged 7.1 percent. I am advised that the Tariff Commission will shortly be reducing this study

to final form and that it can be made available to the committee at that time.

Another study, completed before the recent Geneva negotiations, shows that the median of all tariff rates is the same for the Common Market and the United States—13 percent.

While the average tariff burdens on industrial imports are roughly similar and the median rates are the same, the structure of tariffs in the two trading areas is very different. United States tariff rates range from the very low to the very high. We admit nearly 1,000 of the 5,000 items on our tariff schedule on a duty-free basis. At the same time there are about 900 items on which we levy a duty of 30 percent or more. Products covered by such high rates are largely excluded from the American market, while the duty-free items, to a considerable extent, are products not produced in the United States.

The common external tariff of the European Community has a quite different structure because it was developed by averaging the rates that existed before 1957 in France, Germany, Italy, and the Benelux customs union. As a result of this averaging process practically all of the high tariff rates that existed in the individual countries have been greatly reduced. Whereas over one-sixth of the rates in the United States tariff are above 30 percent, less than one-fiftieth of Europe's rates run over 30 percent. There are thus few rates in the European Common Market as protective as many rates in our own tariff schedule; at the same time there are fewer items on the free list.

These facts are significant for two reasons. In the first place they show that in any new trade negotiation the United States and the European Common Market would be starting at substantially the same levels of protection. It should be possible to phase down the levels of protection at roughly the same pace.

But these studies also demonstrate that, contrary to the prevailing mythology, our trade negotiators have effectively defended United States interests. There is a tendency in discussing these matters to cite rates that are markedly higher in Europe than in the United States—such as the current rate on automobiles, which under the common external tariff of the Common Market is 22½ percent while under the United States tariff is only 6½ percent—and assume from this that America has been unduly generous in past nego-

tiations and that our negotiators have persistently gotten the worst of it.

This attitude is in part, perhaps, the reflection of a long-held view that when our diplomats go abroad they are too naive and high principled to protect their country's interests. Such a view does more credit to our modesty than our judgment. Speaking for the Department of State, which has the major responsibility for the actual negotiation of trade agreements, I can assure this committee quite categorically that this view is held nowhere outside of the United States. The officials of our Government who over the years have participated in trade agreements negotiations have served their country well. If this were not so, we could expect to find the tariff rates of Europe today well above those of the United States.

It is true, of course, that during the period of the dollar shortage the limiting factor on our exports to Europe was Europe's ability to earn the currency to pay for what it imported. European nations were thus forced to resort to quantitative limitations in the form of quotas in order to save dollar exchange. But by 1958 the Western World had achieved general convertibility, and today there are practically no quotas on industrial products in any of the major Western European markets.

In the past our representatives in tariff negotiations have faced serious technical difficulties. They have spoken for a United States market of enormous size, while the representatives of other countries could speak only for relatively small national markets. As a consequence, in order to obtain adequate reciprocal concessions for the concessions we made with respect to the United States market, our negotiators were forced to bargain with many countries at the same time.

With the advent of the European Common Market—and particularly if that market is expanded—future negotiations will depend to a large extent on the bargain that can be struck between our representatives speaking for our own large market and their European counterparts speaking for a market of almost comparable size. This in itself should facilitate the achievement of agreements.

#### **Expansion of U.S. Agricultural Exports**

This statement so far has concerned itself with the problem of negotiating trade agreements pri-

marily with respect to industrial products. But we have an interest fully as great in preserving and expanding the access for American agricultural products into the European Common Market. Our commercial agricultural exports to the nations that would comprise an expanded European Common Market are presently running at the rate of about \$1,600,000,000 annually, which represents almost half of our total commercial exports of United States agricultural products.

In January of this year, after protracted negotiations among the members, the European Community agreed on the principles of a common agricultural policy. In a year or two, in accordance with the new policy, the members of the Community will begin moving toward a common internal price in their agricultural commodities. By 1970 the Common Market will have achieved free trade in such products among the member nations. As the member nations move toward a common internal price they will also begin to protect that price structure against lower cost agricultural imports by a system of so-called variable levies. The levy for each commodity will be fixed at the amount necessary to bring the price of the imported product up to the common internal price.

Thus far these internal prices have not been established. It is a matter of the greatest interest to United States agriculture that they not be established at unduly high levels. A high internal price level, as we well know, will tend to encourage uneconomic production, which over the years could displace the products of more efficient producers—including United States farmers.

I shall not attempt to develop this problem here this morning since Secretary Freeman [Orville L. Freeman, Secretary of Agriculture] can speak about it with much more authority and wisdom. But it should be emphasized that the Trade Expansion Act was designed expressly to provide bargaining powers that would enable the United States to maintain the position of United States farm products in the enormously important Western European market.

#### **Expanding Markets of Less Developed Nations**

I have spoken so far almost entirely of the application of the Trade Expansion Act to our commerce with the European Economic Community. Secretary Hodges [Luther H. Hodges, Secretary

of Commerce] yesterday described in some detail how the act will function in negotiations with other nations around the world.

As this committee knows, H.R. 9900 would provide the President with the authority to reduce tariffs on any product up to 50 percent in connection with our tariff negotiations with any country. At the same time the bill reaffirms the principles of nondiscrimination and most-favored-nation treatment. Accordingly the benefits of our negotiations with the European Community would be available to other nations. To the extent that such nations receive substantial incidental benefits we should expect to receive concessions from them.

The United States has a special interest in expanding the export earnings of the developing areas of the world, not merely because it helps them toward the ultimate goal of self-sustaining growth but also because it affects the potential volume of our own exports. Our export interests in Latin America and Asia are very large. Our commercial exports to these areas have now reached a figure of over \$6 billion annually and promise to grow further still.

The limit on these exports, of course, is represented by the ability of the developing countries to earn foreign exchange. If Europe can be persuaded to accept the products of Latin America without undue discrimination—and we hope to assist in bringing this about through our own negotiations with the European Economic Community—this will mean more exports by the Latin American countries. And, of course, any increase in the export opportunities of these countries will increase their ability to buy our products. Our political and security interests and our trading interests are, therefore, the same; both are served by expanding the market opportunities for the developing nations. The Trade Expansion Act should contribute to those opportunities.

#### **Strengthening the Atlantic Partnership**

In the course of this statement I have attempted to bring to this committee the views of the Department of State with regard to certain major aspects of the proposed Trade Expansion Act of 1962. We regard this legislation as of major importance. Not only should it prove an effective tool for advancing and protecting the interests of United States trade—and thus of providing new

business opportunities and job opportunities for Americans—but it should also constitute a necessary instrument for strengthening the bonds between the two sides of the Atlantic.

In a world threatened by an aggressive and unfriendly power, as is the free world today, we cannot neglect either of these objectives. Not only must we seize every opportunity to increase our own strength by the development of new markets for our products, but we must seek through the expansion of our trading relations to bind together the nations that are the core of our

strength for defending the values to which we are committed.

I think that President Kennedy stated the case for the trade expansion bill with great eloquence when he said at the conclusion of his message:

“At rare moments in the life of this nation an opportunity comes along to fashion out of the confusion of current events a clear and bold action to show the world what it is we stand for. Such an opportunity is before us now. This bill, by enabling us to strike a bargain with the Common Market, will ‘strike a blow’ for freedom.”

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of International Conferences and Meetings<sup>1</sup>

#### Scheduled April Through June 1962

FAO Committee of Government Experts on the Uses of Designations, Definitions, and Standards for Milk Products.	Rome . . . . .	Apr. 2-
ICEM Executive Committee: 19th Session	Geneva . . . . .	Apr. 2-
U.N. ECE Consultation of Experts on Energy in Europe	Geneva . . . . .	Apr. 2-
UNESCO Conference on Education in Asia	Tokyo . . . . .	Apr. 2-
ILO African Advisory Committee: 2d Session	Tananarive . . . . .	Apr. 3-
Inter-American Nuclear Energy Commission: 4th Meeting	México, D.F. . . . .	Apr. 3-
U.N. Economic and Social Council: 33d Session	New York . . . . .	Apr. 3-
ITU CCIR Study Group I (Transmitters) and Study Group III (Fixed Service Systems).	Geneva . . . . .	Apr. 4-
IDB Board of Governors: 3d Meeting	Buenos Aires . . . . .	Apr. 5-
GATT Working Party on European Economic Community/Greece	Geneva . . . . .	Apr. 5-
3d International Cinema Festival.	Cartagena, Colombia . . . . .	Apr. 6-
ILO Committee on Statistics of Hours of Work	Geneva . . . . .	Apr. 9-
ILO/WHO Committee on Occupational Health: 4th Session	Geneva . . . . .	Apr. 9-
ICEM Council: 16th Session	Geneva . . . . .	Apr. 9-
Inter-American Nuclear Energy Commission: 4th Symposium on Peaceful Application of Nuclear Energy.	México, D.F. . . . .	Apr. 9-
U.N. Committee on Question of Defining Aggression	New York . . . . .	Apr. 9-
U.N. ECE Working Group on Family Budget Inquiries	Geneva . . . . .	Apr. 9-
NATO Medical Committee	Paris . . . . .	Apr. 10-
U.N. ECA Community Development Workshop on Social Welfare and Family and Child Welfare.	Abidjan . . . . .	Apr. 11-
IAEA Symposium on Reactor Hazards Evaluation Techniques	Vienna . . . . .	Apr. 16-
FAO Desert Locust Control Committee: 7th Session	Addis Ababa . . . . .	Apr. 16-
FAO Poplar Commission: 17th Session of Executive Committee	Ankara . . . . .	Apr. 16-

<sup>1</sup>Prepared in the Office of International Conferences, Mar. 18, 1962. Asterisks indicate tentative dates. Following is a list of abbreviations: ANZUS, Australia-New Zealand-United States; CCIR, Comité consultatif international des radio communications; CCITT, Comité consultatif international télégraphique et téléphonique; CENTO, Central Treaty Organization; ECA, Economic Commission for Africa; 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; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; IDB, Inter-American Development Bank; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; OECD, Organization for Economic Cooperation and Development; PAHO, Pan American Health Organization; PAIGH, Pan American Institute of Geography and History; PIANC, Permanent International Association of Navigation Congresses; SEATO, Southeast Asia Treaty 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.

# Calendar of International Conferences and Meetings—Continued

## Scheduled April Through June 1962—Continued

SEATO Military Advisers Committee . . . . .	Paris . . . . .	Apr. 19-*
U.N. Committee on Information From Non-Self-Governing Territories: 13th Session.	New York . . . . .	Apr. 23-
U.N. ECAFE Regional Seminar on Development of Groundwater Resources.	Bangkok . . . . .	Apr. 24-*
U.N. Economic Commission for Europe: 17th Session . . . . .	Geneva . . . . .	Apr. 24-
GATT Special Group on Tropical Products . . . . .	Geneva . . . . .	Apr. 25-
ITU CCIR Study Group VII (Standard Frequencies and Time Signals).	Geneva . . . . .	Apr. 25-
ITU CCIR Study Group V (Propagation, Including the Effects of Earth and Troposphere).	Geneva . . . . .	Apr. 25-
U.N. ECA Workshop on Urbanization . . . . .	Addis Ababa . . . . .	Apr. 25-
U.N. ECOSOC Commission on International Commodity Trade and FAO Committee on Commodity Problems (joint session).	Rome . . . . .	Apr. 25-
CENTO Military Committee . . . . .	London . . . . .	Apr. 26-
SEATO Council of Ministers: 8th Meeting . . . . .	Paris . . . . .	Apr. 26-
PAHO Executive Committee: 46th Meeting . . . . .	(undetermined)	Apr. 29-
IMCO Council: Extraordinary Session . . . . .	London . . . . .	Apr. 30 (1 day)
CENTO Ministerial Council: 10th Meeting . . . . .	London . . . . .	Apr. 30-
IMCO Interagency Meeting for Coordination of Safety at Sea and Air.	London . . . . .	Apr. 30-
GATT Committee III on Expansion of International Trade . . . . .	Geneva . . . . .	Apr. 30-
U.N. ECOSOC Commission on International Commodity Trade: Special Working Party.	Rome . . . . .	Apr. 30-
U.N. ECOSOC Social Commission: 14th Session . . . . .	New York . . . . .	Apr. 30-
FAO Council: 38th Session . . . . .	New York . . . . .	April
PAHO Ministers of Health . . . . .	Washington . . . . .	April
PAHO Permanent Executive Committee . . . . .	México, D.F. . . . .	April
OECD Economic Policy Committee . . . . .	Paris . . . . .	April
NATO Food and Agriculture Planning Committee . . . . .	Paris . . . . .	April
NATO Science Committee . . . . .	Paris . . . . .	April
U.N. ECAFE Conference on Asian Population . . . . .	Bangkok . . . . .	April
U.N. ECOSOC Statistical Commission: 12th Session . . . . .	New York . . . . .	April
OECD Committee for Scientific and Technical Personnel . . . . .	Paris . . . . .	April or May
OECD Maritime Committee . . . . .	Paris . . . . .	April or May
2d U.N. ECAFE Symposium on the Development of Petroleum Resources of Asia and the Far East.	Tehran . . . . .	May 2-
UNESCO Executive Board: 61st Session . . . . .	Paris . . . . .	May 2-
NATO Ministerial Council . . . . .	Athens . . . . .	May 3-
ITU Administrative Council: 17th Session . . . . .	Geneva . . . . .	May 5-
ANZUS Council: 8th Meeting . . . . .	Canberra . . . . .	May 7-
IAEA Symposium on Radiation Damage in Solids and Reactor Materials.	Venice . . . . .	May 7-
15th International Film Festival . . . . .	Cannes . . . . .	May 7-
ILO Chemical Industries Committee: 6th Session . . . . .	Geneva . . . . .	May 7-
IMCO Maritime Safety Committee: Subcommittee on Code of Signals.	London . . . . .	May 7-
NATO Planning Board for Ocean Shipping: 14th Meeting . . . . .	Washington . . . . .	May 7-
International Seed Testing Association: 13th Congress . . . . .	Lisbon . . . . .	May 7-
ITU CCIR Study Group II (Receivers) . . . . .	Geneva . . . . .	May 7-
ITU CCIR Study Group VI (Ionospheric Propagation) . . . . .	Geneva . . . . .	May 7-
GATT Committee on Balance-of-Payments Restrictions . . . . .	Geneva . . . . .	May 7-
15th World Health Assembly . . . . .	Geneva . . . . .	May 8-
8th International Hydrographic Conference . . . . .	Monte Carlo . . . . .	May 8-
NATO Civil Defense Committee . . . . .	Paris . . . . .	May 8-
U.N. ECOSOC Commission on Human Rights: Seminar on Status of Women in Family Law.	Tokyo . . . . .	May 8-
U.N. ECOSOC Commission on Narcotic Drugs: Committee on Illicit Traffic.	Geneva . . . . .	May 8-
International Cotton Advisory Committee: Committee on Extra-Long Staple Cotton and Study Group on Prospective Trends in Cotton.	Washington . . . . .	May 9-
International Cotton Advisory Committee: 21st Plenary Meeting.	Washington . . . . .	May 14-
FAO Committee on Commodity Problems: 35th Session . . . . .	Rome . . . . .	May 14-
Diplomatic Conference on Maritime Law: 11th Session (resumed).	Brussels . . . . .	May 14-
Executive Committee of the Program of the U.N. High Commissioner for Refugees: 7th Session.	Geneva . . . . .	May 14-
U.N. ECOSOC Commission on International Commodity Trade: 10th Session.	Rome . . . . .	May 14-
U.N. ECOSOC Commission on Narcotic Drugs: 17th Session . . . . .	Geneva . . . . .	May 14-
World Food Forum . . . . .	Washington . . . . .	May 15-
8th Inter-American Travel Congress . . . . .	Rio de Janeiro . . . . .	May 15-
19th International Conference on Large Electric Systems . . . . .	Paris . . . . .	May 16-
Inter-American Tropical Tuna Commission: Annual Meeting . . . . .	Quito . . . . .	May 16-
ICAO Airworthiness Committee: 5th Session . . . . .	Montreal . . . . .	May 21-

GATT Council of Representatives . . . . .	Geneva . . . . .	May 21-
U.N. Special Fund: 8th Session of Governing Council . . . . .	New York . . . . .	May 21-
FAO Study Group on Cocoa: 5th Session . . . . .	(undetermined) . . . . .	May 22-
NATO Manpower Committee . . . . .	Paris . . . . .	May 22-
NATO Civil Aviation Planning Committee . . . . .	Paris . . . . .	May 25-
ICAO Meteorological Operational Telecommunication Network Europe (MOTNE) Panel . . . . .	Paris . . . . .	May 28-
OECD Committee for Scientific Research . . . . .	Geneva . . . . .	May 28-
WHO Executive Board: 30th Session . . . . .	Geneva . . . . .	May 28-
ILO Governing Body: 152d Session (and its committees) . . . . .	London . . . . .	May 28-
IMCO Maritime Safety Committee: Subcommittee on Subdivision and Stability . . . . .	London . . . . .	May 28-
International Rubber Study Group: 16th Meeting . . . . .	Washington . . . . .	May 28-
WMO Executive Committee: 14th Session . . . . .	Geneva . . . . .	May 29-
U.N. Trusteeship Council: 29th Session . . . . .	New York . . . . .	May 31-
PAIGH Directing Council: 6th Meeting . . . . .	México, D.F. . . . .	June 1-
International Commission for the Northwest Atlantic Fisheries: 12th Meeting . . . . .	Moscow . . . . .	June 4-
U.N. General Assembly: 16th Session (resumed) . . . . .	New York . . . . .	June 4-
U.N. Advisory Committee on Administrative and Budgetary Questions . . . . .	Geneva . . . . .	June 4-
U.N. ECE Housing Committee: 23d Session . . . . .	Geneva . . . . .	June 4-
UNICEF Program Committee and Executive Board . . . . .	New York . . . . .	June 4-
PIANC Permanent International Commission: Annual Meeting . . . . .	Brussels . . . . .	June 5-
International Labor Conference: 46th Session . . . . .	Geneva . . . . .	June 6-
9th International Electronic, Nuclear, and Motion Picture Exposition . . . . .	Rome . . . . .	June 11-
IAEA Board of Governors . . . . .	Vienna . . . . .	June 12-
UNESCO Intergovernmental Meeting on Discrimination in Education . . . . .	Paris . . . . .	June 12-
ITU CCIR Study Group X (Broadcasting), Study Group XI (Television), and Study Group XII (Tropical Broadcasting) . . . . .	Bad Kreuznach, Germany . . . . .	June 13-
12th International Film Festival . . . . .	Berlin . . . . .	June 22-
U.N. ECOSOC Technical Assistance Committee . . . . .	Geneva . . . . .	June 25-
UNESCO Intergovernmental Meeting of Experts Specializing in Technical Education . . . . .	Paris . . . . .	June 25-
ICAO Visual Aids Panel: 2d Meeting . . . . .	Montreal . . . . .	June 28-
NATO Planning Board for Inland Surface Transport . . . . .	Paris . . . . .	June 28-
OECD Ministerial Meeting . . . . .	Paris . . . . .	June *
7th FAO Regional Conference for Latin America . . . . .	Brazil . . . . .	June
FAO Group on Grains: 7th Session . . . . .	Rome . . . . .	June
IMCO Subcommittee on Tonnage Measurement . . . . .	London . . . . .	June
NATO Science Committee . . . . .	Paris . . . . .	June
South Pacific Commission: 12th Meeting of Research Council . . . . .	Nouméa . . . . .	June
GATT Working Party on Tariff Reduction . . . . .	Geneva . . . . .	June
ITU CCITT Study Group XII (Telephone Transmission Performance) . . . . .	Geneva . . . . .	June
ITU CCITT Study Group XI (Telephone Switching) . . . . .	Geneva . . . . .	June
U.N. ECE Consultation of Experts on Energy in Europe . . . . .	Geneva . . . . .	June

## United States Delegations to International Conferences

### UNESCO Meeting of African Education Ministers

The Department of State announced on March 22 (press release 181) that J. Wayne Fredericks, Deputy Assistant Secretary for African Affairs, would lead the U.S. observer delegation at a meeting of education ministers of Africa at UNESCO House in Paris March 26-30.

Invited to the conference are the ministers of education of the 34 African countries that participated in a conference at Addis Ababa last May,<sup>1</sup>

as well as other observer delegations from Belgium, France, the United Kingdom, and the four North African states of Libya, Morocco, Tunisia, and the United Arab Republic.

Other members of the American delegation are:

- Arthur A. Bardos, U.S. Information Service, American Embassy, Paris
- Ras O. Johnson, chief, Education Division, Bureau for Africa and Europe, Agency for International Development
- John H. Morrow, U.S. Representative for UNESCO, American Embassy, Paris
- C. Kenneth Snyder, Plans and Development Staff, Bureau of Educational and Cultural Affairs, Department of State
- Harris Wofford, Jr., Special Assistant to the President

<sup>1</sup> BULLETIN of June 12, 1961, p. 936.

The meeting in Paris will be concerned with implementing, including financing, an overall plan for the development of education in Africa adopted at the Addis Ababa conference convened by the United Nations Educational, Scientific and Cultural Organization and the United Nations Economic Commission for Africa. The participating African states drew up two plans. A long-range plan calls for extending free universal primary education by 1980. A 5-year plan would boost primary school enrollment in Africa from the present figure of 40 percent of the school-age population to over 51 percent by 1966 and secondary school enrollment from 3 to 9 percent. The cost of the short-range plan was estimated at \$4,150,000,000, of which \$2,840,000,000 would be provided by the African states and the rest from outside sources.

Specifically, the Paris meeting will review national plans for educational development in the general context of the economic and social development of each country and study current educational budgeting in each country in relation to objectives set at the Addis Ababa conference.

## **U.S. Replies to U.N. Query on Transfer of Nuclear Weapons**

*Following is the text of a letter from Acting Secretary of State Ball to U Thant, Acting Secretary-General of the United Nations.*

Press release 169 dated March 14

MARCH 13, 1962

EXCELLENCY: I have the honor to acknowledge the receipt of your note of January 2 in which, pursuant to General Assembly Resolution 1664 (XVI), you request the views of my Government "as to the conditions under which countries not possessing nuclear weapons might be willing to enter into specific undertakings to refrain from manufacturing or otherwise acquiring such weapons and to refuse to receive in the future nuclear weapons on their territories on behalf of any other country."

The United States attaches great importance to this matter and desires that an early solution be achieved to this as well as other important aspects of disarmament. Its views on the manner in which the problem of proliferation of nuclear

weapons must be solved have been set forth by the Representative of the United States to the United Nations during the General Assembly debates on this problem. Nevertheless, I welcome this additional opportunity to reiterate these views.

With regard to the position of the United States, the question of dissemination of nuclear weapons appears to fall logically into two categories: (1) the manufacture or acquisition of ownership of nuclear weapons, and (2) the deployment of nuclear weapons. With respect to the manufacture or ownership of nuclear weapons, the concern of my Government to prevent the proliferation of such weapons has been made clear by its actions. Both United States legislation and policy severely limit United States transfer of weapons information to other countries; United States policy opposes the development of national nuclear weapons capability by any additional nation. United States legislation precludes transfer of ownership or control of such weapons to other states. This legislation has been a keystone in nuclear weapons policy of the United States.

The concern of my Government with the problem of proliferation of nuclear weapons is also reflected in the far-reaching disarmament proposal which it put forward on September 25, 1961,<sup>1</sup> in the Sixteenth General Assembly. That proposal in its Stage I provides, *inter alia*, that "States owning nuclear weapons shall not relinquish control of such weapons to any nation not owning them and shall not transmit to any nation information or material necessary for their manufacture." It further provides that "States not owning nuclear weapons shall not manufacture such weapons, attempt to obtain control of such weapons belonging to other States, or seek or receive information or materials necessary for their manufacture." In the Sixteenth General Assembly, the Government of Ireland proposed a resolution (1665 XVI), the substance of which was in consonance with the similar proposals contained in the United States proposal of September 25. Consequently, the United States gave its full support to that constructive effort to deal with the problem and joined other delegations in passing this resolution by a unanimous vote.

On the second aspect of General Assembly Resolution 1664 (XVI), i.e., location of nuclear weapons, for reasons that are well understood the

<sup>1</sup> For text, see BULLETIN of Oct. 16, 1961, p. 650.

defense system of the United States and of its allies includes both conventional and nuclear weapons, which exist to support the right of individual and collective self-defense, a right recognized by the Charter of the United Nations. Both the United States and its allies have chosen these arrangements recognizing that nuclear weapons are a necessary deterrent to a potential aggressor who is armed with such weapons and openly threatens the free world.

It is the firm belief of the United States that the only sure way to remove nuclear weapons, wherever located, from national defense establishments is through realization of a program of general and complete disarmament under effective international control. Although this country cannot speak for other states, it is the opinion of the United States that, in the present world situation, nations would be willing to accept those specific undertakings which would involve giving up vital elements of their security arrangements only after they can be sure their security is adequately guaranteed by effective disarmament and peacekeeping measures.

This problem was carefully considered by my Government in drafting the broad disarmament proposals it advanced on September 25. My Government considers it appropriate that the Eighteen-Nation Disarmament Committee, endorsed by the General Assembly in its Resolution 1722 (XVI), take under consideration the questions raised by General Assembly Resolution 1664. The resolution put forward by the Government of Sweden was adopted by the General Assembly prior to the formation of the Eighteen-Nation Disarmament Committee. Consonant with its views that all of the problems specified in General Assembly Resolution 1664 (XVI) can only be finally resolved in the context of general and complete disarmament with adequate control, the United States Government believes that these matters are appropriate for the Disarmament Committee to consider. That Committee is charged with negotiating a balanced disarmament agreement in keeping with the unanimous recommendation of the General Assembly that such negotiations be based on the Joint Statement of Agreed Principles for Disarmament Negotiations of 20 September 1961 (Document A/4879).<sup>2</sup>

<sup>2</sup> For text, see *ibid.*, Oct. 9, 1961, p. 589; for a statement made by Secretary Rusk before the Disarmament Committee on Mar. 15, see *ibid.*, Apr. 2, 1962, p. 531.

May I assure you of the continued cooperation of the United States Government in those areas of endeavor which will lessen the threat to mankind of nuclear destruction. It is fervently hoped that real progress can soon be made toward the attainment of peace in a disarmed world.

Accept, Excellency, the assurances of my highest consideration.

GEORGE W. BALL  
*Acting Secretary of State*

His Excellency

U THANT

*Acting Secretary-General of the United Nations*

## **Current U.N. Documents: A Selected Bibliography**

*Mimeographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y.*

### **General Assembly**

- Progress and operations of the Special Fund. A/5011. December 6, 1961. 9 pp.
- Supplementary estimates for the financial year 1961. A/4870/Add.1. December 8, 1961. 10 pp.
- Cost estimates and financing for the United Nations Operations in the Congo. A/5019. December 8, 1961. 4 pp.
- Report of the Negotiating Committee for Extra-Budgetary Funds. A/5031. December 13, 1961. 17 pp.
- Letter dated January 16, 1962, from the Permanent Representative of Portugal addressed to the President of the General Assembly submitting a document commenting on the report of the Sub-Committee on Angola. A/5082. January 17, 1962. 27 pp.

### **Economic and Social Council**

- Papers prepared for the fourth session of the Economic Commission for Africa, Addis Ababa, February-March 1962. E/CN.14/137. November 9, 1961, 4 pp.; E/CN.14/122. November 14, 1961, 3 pp.; E/CN.14/166. November 15, 1961, 16 pp.
- Subcommission on Prevention of Discrimination and Protection of Minorities of the Commission on Human Rights. Study of discrimination in the matter of political rights. E/CN.4/Sub.2/213. November 9, 1961. 134 pp.
- Report of the Secretary-General on programs of technical assistance financed by the regular budget. E/TAC/112. November 9, 1961. 91 pp.
- Subcommission on Prevention of Discrimination and Protection of Minorities of the Commission on Human Rights. Protection of minorities. E/CN.4/Sub.2/214. November 16, 1961. 56 pp.
- Commission on Human Rights. Periodic reports on human rights. E/CN.4/S10/Add. 2. December 6, 1961. 70 pp.
- Report of the Technical Assistance Committee on programs of technical cooperation. E/3563. December 20, 1961. 24 pp.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Atomic Energy

Amendment to article VI.A.3 of the Statute of the International Atomic Energy Agency (TIAS 3873). Done at Vienna October 4, 1961.<sup>1</sup>

*Accessions deposited:* France, March 14, 1962; Ghana, March 15, 1962.

##### Automotive Traffic

Convention on road traffic, with annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.

*Accession deposited:* Guatemala (with reservation), January 10, 1962.

Protocol providing for accession to the convention on road traffic by occupied countries or territories. Done at Geneva September 19, 1949. TIAS 2487.

*Accession deposited:* Guatemala, January 10, 1962.

##### Bills of Lading

International convention for unification of certain rules relating to bills of lading, and protocol of signature. Concluded at Brussels August 25, 1924. Entered into force June 2, 1931; for the United States December 29, 1937. 51 Stat. 233.

*Accession deposited:* Ireland (with reservations), January 30, 1962.

#### BILATERAL

##### Afghanistan

Agreement extending the technical cooperation program agreement of June 30, 1953, as extended (TIAS 2856 and 4670). Effected by exchange of notes at Kabul December 30, 1961, and February 27, 1962. Entered into force February 27, 1962.

##### Colombia

Agreement amending the agricultural commodities agreement of October 6, 1959 (TIAS 4337). Effected by exchange of notes at Washington September 6 and 8, 1961. Entered into force September 8, 1961.

##### Cyprus

Memorandum of understanding regarding the grant to Cyprus of agricultural commodities for an expanded school lunch program. Signed at Nicosia March 2, 1962. Entered into force March 2, 1962.

##### Switzerland

Agreement modifying section A of Schedule I of reciprocal trade agreement of January 9, 1936, as modified (49 Stat. 3917; TIAS 4379). Effected by exchange of notes at Geneva January 18, 1962. Entered into force January 18, 1962.

<sup>1</sup> Not in force.

##### Togo

Agreement relating to investment guaranties. Signed at Washington March 20, 1962. Entered into force March 20, 1962.

##### Turkey

Agreement amending the agricultural commodities agreement of July 29, 1961, as amended (TIAS 4819, 4874, 4926, and 4937). Effected by exchange of notes at Ankara March 14, 1962. Entered into force March 14, 1962.

## PUBLICATIONS

### Department Publishes Foreign Relations Volumes on China and Far East

#### China, 1943

Press release 148 dated March 7, for release March 20

The Department of State released on March 20 *Foreign Relations of the United States, 1943, China*. Aside from the special volume on the conferences at Cairo and Tehran, this is the first of the *Foreign Relations* volumes to be issued for the year 1943. Other volumes for that year are in process of preparation.

Copies of *Foreign Relations of the United States, 1943, China* (vi, 908 pp.) may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for \$4 each.

#### Far East, 1941

Press release 178 dated March 20, for release March 27

The Department of State released on March 27 *Foreign Relations of the United States, 1941, Volume V, The Far East*. This volume is one of a series of seven regular *Foreign Relations* volumes for the year 1941. The first four volumes of this series have previously been published. The remaining two volumes, dealing with relations with the American Republics, are in process of preparation.

Volume IV for 1941 also relates to the Far East and a considerable amount of diplomatic correspondence for 1941 on the Far East is contained in *Foreign Relations of the United States, Japan, 1931-1941, Volumes I and II*, published in 1943.

Copies of *Foreign Relations of the United States, 1941, Volume V, The Far East* (v, 938 pp.) may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for \$4 each.

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Releases appearing in this issue of the BULLETIN which were issued prior to March 19 are Nos. 148 of March 7; 159 of March 10; 160 of March 12; 164 of March 13; and 167, 168, and 169 of March 14.

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*176	3/19	U.S. participation in international conferences.
†177	3/19	Williams: National Farmers Union.
178	3/20	<i>Foreign Relations</i> volume on Far East.
*179	3/20	Visit of President of Brazil.
*180	3/22	Williams: "Intergroup Relations in International and National Affairs."
181	3/22	Delegation to UNESCO meeting of African education ministers (rewrite.)
*182	3/21	Gardner: "The New Foreign Trade Proposals."
†183	3/23	Bowles: "A Balance Sheet on Asia."
184	3/23	Regional foreign policy briefing conference, Toledo.
†185	3/23	Delegation to WMO Commission for Synoptic Meteorology (rewrite).
186	3/24	Rusk: Geneva disarmament conference.

\* Not printed.  
† Held for a later issue of the BULLETIN.



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THE DEPARTMENT OF STATE

# Bulletin

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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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# The Role of the University in the Building of a Flexible World Order

*Address by President Kennedy<sup>1</sup>*

I am delighted to be here on this occasion for though it is the 94th anniversary of the charter, in a sense this is the hundredth, for this university and so many other universities across our country owe their birth to the most extraordinary piece of legislation which this country has ever adopted and that is the Morrill Act, signed by President Abraham Lincoln in the darkest and most uncertain days of the Civil War, which set before the country the opportunity to build the great land-grant colleges, of which this is so distinguished a part. Six years later this university obtained its charter.

In its first graduating class it included a future Governor of California, a future Congressman, a judge, a distinguished State assemblyman, a clergyman, a lawyer, a doctor—all in a graduating class of 12 graduates!

This college, therefore, from its earliest beginnings, has recognized, and its graduates have recognized, that the purpose of education is not merely to advance the economic self-interest of its graduates. The people of California, as much if not more than the people of any other State, have supported their colleges and their universities and their schools because they recognize how important it is to the maintenance of a free society that its citizens be well educated.

“Every man,” said Professor Woodrow Wilson, “sent out from a university should be a man of his nation as well as a man of his time.”

And Prince Bismarck was even more specific.

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<sup>1</sup> Made at the Charter Day exercises at the University of California, Berkeley, Calif., on Mar. 23 (White House press release; as-delivered text).

One-third, he said, of the students of German universities broke down from overwork, another third broke down from dissipation, and the other third ruled Germany.

I do not know which third of students are here today, but I am confident that I am talking to the future leaders of this State and country, who recognize their responsibilities to the public interest.

Today you carry on that tradition. Our distinguished and courageous Secretary of Defense, our distinguished Secretary of State, the Chairman of the Atomic Energy Commission, the Director of the CIA, and others, all are graduates of this university. It is a disturbing factor to me, and it may be to some of you, that the New Frontier owes as much to Berkeley as it does to Harvard University!

This has been a week of momentous events around the world. The long and painful struggle in Algeria, which comes to an end. Both nuclear powers and neutrals labored at Geneva for a solution to the problem of a spiraling arms race and also to the problems that so vex our relations with the Soviet Union. The Congress opened hearings on a trade bill which is far more than a trade bill but an opportunity to build a stronger and closer Atlantic community. And my wife had her first and last ride on an elephant.

## **Prospect for U.S.-U.S.S.R. Cooperation in Space**

But history may well remember this as a week for an act of lesser immediate impact, and that is the decision by the United States and the Soviet Union to seek concrete agreements on the joint

exploration of space.<sup>2</sup> Experience has taught us that an agreement to negotiate does not always mean a negotiated agreement. But should such a joint effort be realized, its significance could well be tremendous for us all. In terms of space science, our combined knowledge and efforts can benefit the people of all the nations: joint weather satellites to provide more ample warnings against the destructive storms, joint communications systems to draw the world more closely together, and cooperation in space medicine research and space tracking operations to speed the day when man will go to the moon and beyond.

But the scientific gains from such a joint effort would offer, I believe, less realized return than the gains for world peace. For a cooperative Soviet-American effort in space science and exploration would emphasize the interests that must unite us rather than those that always divide us. It offers us an area in which the stale and sterile dogmas of the cold war could be literally left a quarter of a million miles behind. And it would remind us on both sides that knowledge, not hate, is the pass-key to the future, that knowledge transcends national antagonisms, that it speaks a universal language, that it is the possession, not of a single class or of a single nation or a single ideology, but of all mankind.

I need hardly emphasize the happy pursuit of knowledge in this place. Your faculty includes more Nobel laureates than any other faculty in the world—more in this one community than our principal adversary has received since the awards began in 1901. And we take pride in that only from a national point of view because it indicates, as the Chancellor pointed out, the great intellectual benefits of a free society. This University of California will continue to grow as an intellectual center because your presidents and your chancellors and your professors have rigorously defended that unhampered freedom of discussion and inquiry which is the soul of the intellectual enterprise and the heart of the free university.

We may be proud as a nation of our record in scientific achievement, but at the same time we must be impressed by the interdependence of all knowledge. I am certain that every scholar and scientist here today would agree that his own work has benefited immeasurably from the work of the men and women in other countries. The prospect

of a partnership with Soviet scientists in the exploration of space opens up exciting prospects of collaboration in other areas of learning. And cooperation in the pursuit of knowledge can hopefully lead to cooperation in the pursuit of peace.

### **The Revolution of National Independence**

Yet the pursuit of knowledge itself implies a world where men are free to follow out the logic of their own ideas. It implies a world where nations are free to solve their own problems and to realize their own ideals. It implies, in short, a world where collaboration emerges from the voluntary decisions of nations strong in their own independence and their own self-respect. It implies, I believe, the kind of world which is emerging before our eyes—the world produced by the revolution of national independence which is today, and has been since 1945, sweeping across the face of the world.

I sometimes think that we are too much impressed by the clamor of daily events. The newspaper headlines and the television screens give us a short view. They so flood us with the stop-press details of daily stories that we lose sight of one of the great movements of history. Yet it is the profound tendencies of history, and not the passing excitements, that will shape our future.

The short view gives us the impression as a nation of being shoved and harried, everywhere on the defense. But this impression is surely an optical illusion. From the perspective of Moscow the world today may seem even more troublesome, more intractable, more frustrating than it does to us. The leaders of the Communist world are confronted not only by acute internal problems in each Communist country—the failure of agriculture, the rising discontent of the youth and the intellectuals, the demands of technical and managerial groups for status and security. They are confronted in addition by profound divisions within the Communist world itself, divisions which have already shattered the image of communism as a universal system guaranteed to abolish all social and international conflicts—the most valuable asset the Communists had for many years.

Wisdom requires the long view. And the long view shows us that the revolution of national independence is a fundamental fact of our era. This revolution will not be stopped. As new nations

<sup>2</sup> For background, see BULLETIN of Apr. 2, 1962, p. 536.

emerge from the oblivion of centuries, their first aspiration is to affirm their national identity. Their deepest hope is for a world where, within a framework of international cooperation, every country can solve its own problems according to its own traditions and ideals.

It is in the interests of the pursuit of knowledge, and it is in our own national interest, that this revolution of national independence succeed. For the Communists rest everything on the idea of a monolithic world—a world where all knowledge has a single pattern, all societies move toward a single model, all problems and roads have a single solution and a single destination. The pursuit of knowledge, on the other hand, rests everything on the opposite idea—on the idea of a world based on diversity, self-determination, and freedom. And that is the kind of world to which we Americans, as a nation, are committed by the principles upon which the great Republic was founded.

As men conduct the pursuit of knowledge, they create a world which freely unites national diversity and international partnership. This emerging world is incompatible with the Communist world order. It will irresistibly burst the bonds of the Communist organization and the Communist ideology. And diversity and independence, far from being opposed to the American conception of world order, represent the very essence of our view of the future of the world.

### **The Vision of a Free and Diverse World**

There used to be so much talk a few years ago about the inevitable triumph of communism. We hear such talk much less now. No one who examines the modern world can doubt that the great currents of history are carrying the world away from the monolithic idea toward the pluralist idea—away from communism and toward national independence and freedom. No one can doubt that the wave of the future is not the conquest of the world by a single dogmatic creed but the liberation of the diverse energies of free nations and free men. No one can doubt that cooperation in the pursuit of knowledge must lead to freedom of the mind and freedom of the soul.

Beyond the drumfire of daily crisis, therefore, there is arising the outlines of a robust and vital world community, founded on nations secure in their own independence and united by allegiance to world peace. It would be foolish to say that this

world will be won tomorrow, or the day after. The processes of history are fitful and uncertain and aggravating. There will be frustrations and setbacks. There will be times of anxiety and gloom. The specter of thermonuclear war will continue to hang over mankind; and we must heed the advice of Oliver Wendell Holmes of “freedom leaning on her spear” until all nations are wise enough to disarm safely and effectively.

Yet we can have that new confidence today in the direction in which history is moving. Nothing is more stirring than the recognition of great public purpose. Every great age is marked by innovation and daring, by the ability to meet unprecedented problems with intelligent solutions. In a time of turbulence and change it is more true than ever that knowledge is power, for only by true understanding and steadfast judgment are we able to master the challenge of history.

If this is so, we must strive to acquire knowledge and to apply it with wisdom. We must reject oversimplified theories of international life—the theory that American power is unlimited or that the American mission is to remake the world in the American image. We must seize the vision of a free and diverse world—and shape our policies to speed progress toward a more flexible world order.

This is the unifying spirit of our policies in the world today. The purpose of our aid programs must be to help developing countries move forward as rapidly as possible on the road to genuine national independence. Our military policies must assist nations to protect the processes of democratic reform and development against disruption and intervention. Our diplomatic policies must strengthen our relations with the whole world, with our several alliances, and with the United Nations.

As we press forward on every front to realize the flexible world order, the role of the university becomes ever more important, both as a reservoir of ideas and as a repository of the long view of the shore dimly seen.

“Knowledge is the great sun of the firmament,” said Senator Daniel Webster. “Life and power are scattered with all its beams.”

In its light we must think and act not only for the moment but for our time. I am reminded of the story of the great French Marshal Lyautey, who once asked his gardener to plant a tree. The

gardener objected that the tree was slow-growing and would not reach maturity for a hundred years. The Marshal replied, "In that case, there is no time to lose; plant it this afternoon."

Today a world of knowledge—a world of co-operation—a just and lasting peace—may be years away. But we have no time to lose. Let us plant our trees this afternoon.

## U.S. Proposes Patterns for Future Work of Disarmament Conference

*Statement by Secretary Rusk*<sup>1</sup>

I appreciate the indulgence of my colleagues for some additional remarks on the subject of general and complete disarmament. Now that we are coming to the end of the second week of our discussion, we believe that it is appropriate at this point to take some stock as to where we stand and where we should go next and to try to get a clear picture of the pattern of our future work in order that we might move with purpose and not merely drift.

A number of foreign ministers have departed and others will be leaving this week as I myself expect to this afternoon, but I shall be ready to come back at any time that my return would advance our work here and I am sure that my colleagues around the table would be ready to do the same.

The foreign ministers of the nations represented here came to Geneva, I would suggest, for three broad purposes:

First, to do what they could to prepare the atmosphere for the discussions.

The second was to establish an agreed program of work.

And the third purpose was to present authoritatively, and to exchange views on, the basic positions and approaches of their governments.

These objectives have been achieved with varying amounts of success; we could have wished for more, but we could easily have had less.

The political atmosphere which has surrounded the opening of the talks in this room has been on

the whole good; the discussions have revealed a seriousness of purpose and a generally constructive tone. I do not mean, of course, that no differences have been expressed. We do not believe that we would perform any service to the world or to our work if we attempted to conceal difficulties and issues for the sake of a false appearance of harmony. However, we have been encouraged by the minimum of recrimination and vituperation. We hope that this approach will be maintained, for progress in these matters depends upon our keeping dispassionate negotiation from being submerged in torrents of invective from any side.

The conference on Friday [March 23] adopted a plan of work proposed by the cochairmen. This is an important step forward, although we believe that, since there is much yet to be resolved, there will necessarily be further discussions on this matter as the days unfold. I will have additional views on behalf of the United States to present this morning.

In fulfilling our third purpose each of us has set forth in broad terms the basic attitudes of our respective governments on the subject matter of this conference. Each foreign minister has put forward ideas and suggestions worthy of the most serious scrutiny. These provide a framework for moving into more detailed discussions of the problems the conference met to resolve.

In my first statement at this conference,<sup>2</sup> I referred to the United States program for general and complete disarmament in a peaceful world

<sup>1</sup> Made before the 18-nation Disarmament Committee at Geneva on Mar. 27 (press release 191, revised).

<sup>2</sup> For a statement by Secretary Rusk on Mar. 15, see BULLETIN of Apr. 2, 1962, p. 531.

and made several new specific proposals for consideration within that program. Today I should like to comment on the overall approach represented by the United States plan.<sup>3</sup> For this plan is not simply a collection of isolated and unrelated measures. It represents a carefully coordinated approach to the goal defined in the statement of principles<sup>4</sup> agreed last September. Now, for the first time since the President's presentation of the plan, we are met in a forum charged with the negotiation of binding agreements.

It would, I think, be useful to recall President Kennedy's statement of the purposes and objectives of the plan we have put before you. On September 25, before the United Nations General Assembly, he said:<sup>5</sup>

It would create machinery to keep the peace as it destroys the machines of war. It would proceed through balanced and safeguarded stages designed to give no state a military advantage over another. It would place the final responsibility for verification and control where it belongs—not with the big powers alone, not with one's adversary or one's self, but in an international organization within the framework of the United Nations. It would assure that indispensable condition of disarmament—true inspection—and apply it in stages proportionate to the stage of disarmament. It would cover delivery systems as well as weapons. It would ultimately halt their production as well as their testing, their transfer as well as their possession.

### **Main Policy Objectives of U.S. Plan**

To meet the problems of a world in uneasy peace, in the midst of an arms race and seriously divided in ideological aspirations, there are several main areas of disarmament which deserve the primary attention of the conference. They are areas common to both the United States and Soviet programs for general and complete disarmament. In light of these common areas I should like to trace the main threads of policy objectives that run through and give unity to the fabric of the United States plan.

One of these is a series of related measures directed toward the containment and reduction of the nuclear threat.

The program we lay before you for consideration is a program of action which begins now and which converges from many fronts to contain, to reduce, and to eliminate this threat.

<sup>3</sup> For text, see *ibid.*, Oct. 16, 1961, p. 650.

<sup>4</sup> For text, see *ibid.*, Oct. 9, 1961, p. 589.

<sup>5</sup> *Ibid.*, Oct. 16, 1961, p. 619.

In my statement on March 23<sup>6</sup> I emphasized one important step of this kind which, this very month, lies within our grasp. It is a sound agreement to end all nuclear weapons tests.

On March 15 I stressed two additional steps, which also could be put into effect without delay, to get to the roots of the problem of the nuclear threat. One is a cutoff of production of fissionable materials for use in weapons. The other, to begin at the same time, is the transfer of 50,000 kilograms of weapons-grade fissionable materials to nonweapons purposes.

Let me digress a moment here to answer a question put to us by a number of delegations: How much is 50 metric tons of U-235? Lord Home has already given one indication: Its value is considerably more than \$500 million. It could, if combined with other ingredients, produce warheads with tens of thousands of megatons of explosive power.

The United States also proposes that any fissionable materials transferred between countries for peaceful uses of nuclear energy shall be subject to appropriate safeguards to be developed in agreement with the International Atomic Energy Agency.

Finally, the United States would prohibit the relinquishment of the control of nuclear weapons and information and material necessary for their manufacture to any nation not owning such weapons.

These measures would contain and reduce the nuclear threat. This is very important, but it is not in itself enough. We must, as rapidly as scientific knowledge can point the way for us, seek to eliminate nuclear weapons stockpiles. Let us begin now to mobilize the best scientific resources our respective nations can command to concentrate upon this task.

All these things should be done within the first stage of the disarmament program.

In the second stage we propose that stocks of nuclear weapons shall be progressively reduced to the minimum levels which can be agreed upon as a result of the findings of the Nuclear Experts Commission; the resulting excess of fissionable material should be transferred to peaceful purposes.

There is another area where action cannot be

<sup>6</sup> *Ibid.*, Apr. 9, 1962, p. 571.

long postponed. Space is our newest ocean of discovery.

Let us build upon the areas of peaceful cooperation in space which are now being developed in the United Nations and elsewhere as an outgrowth of the recent exchange of letters between President Kennedy and Premier Khrushchev.<sup>7</sup> Let us extend these areas to the field of disarmament.

We have proposed that the placing into orbit or stationing in outer space of weapons capable of producing mass destruction be prohibited. We proposed that states shall give advance notification to participating states and to the International Disarmament Organization of launchings of space vehicles and missiles, together with the track of the vehicle. In one sense these measures represent another facet of the containment of the nuclear threat.

Let us begin, and continue until the job is done, in a third area to reduce and eliminate strategic nuclear delivery vehicles, other forms of armaments, and armed forces. Let us move boldly and across the board so that no nation can charge imbalance in the process.

I have already put forward, a week ago Thursday [March 15], the United States proposal for a 30-percent reduction in the first stage of nuclear delivery vehicles and of major conventional armaments. I have said that comparable reductions should be made in the subsequent stages. This proposal, in the United States plan, is accompanied by related measures to deal simultaneously in all stages with the other major elements of military power, including reductions in force levels of states and restrictions and limitations on production and testing of major armaments as well as limitations on production and testing of weapons designed to counter strategic delivery vehicles. The United States also proposes the mobilization of scientific talent to find ways to reduce and eliminate chemical and biological weapons.

A fourth area also requires action. The United States plan calls for worldwide measures to reduce the risk of war by accident, miscalculation, and surprise attack. Last week I put forward four specific proposals in this field, involving advance notification of military movements, establishment

of observation posts, establishment of aerial inspection areas and mobile inspection teams, and establishment of an International Commission on Measures To Reduce the Risk of War.

Such steps are admittedly no substitute for disarmament, but, until disarmament is fully achieved, they can make an important difference.

#### **U.S. Position on Verification**

The United States basic position with respect to verification is known to you.

Secrecy and disarmament are fundamentally incompatible. But it is also that the measures agreed to must be subject only to that verification which is necessary in order to determine whether the agreed measures are in fact being carried out. This is the only manner in which disarmament can proceed with the certainty that no state will obtain military advantage by violation or evasion of its commitments during the disarmament process.

A major problem of past general disarmament negotiations has been the lack of opportunity to explore the key question of verification thoroughly, objectively, and constructively. This conference provides such an opportunity. The United States is willing to consider seriously any proposed verification system in the light of the degree of assurance of compliance that it would provide and in the light of the significance of possible violations. The United States recognizes that considerably less than total access to a nation's territory may suffice.

For example, it is possible, we believe, to design an adequate verification system based on the concept that, although all parts of the territory of a state should be subject to the risk of inspection from the outset, the extent of the territory actually inspected in any step or stage would bear a close relationship to the amount of disarmament and to the criticality of the particular disarmament measures.

The United States believes, as I suggested on March 15, that this concept could be implemented by a system of zonal inspection which would be generally applicable to measures eliminating, limiting, or reducing armaments and forces. A system of zonal inspection would limit the extent of territory actually inspected during the early phases of disarmament; it would require far fewer inspectors than would be required to verify imple-

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<sup>7</sup> For texts, see *ibid.*, Mar. 12, 1962, p. 411, and Apr. 2, 1962, p. 536.

mentation of disarmament simultaneously in all parts of a nation from the outset.

At the same time it could have complementary provisions providing for full verification of arms destroyed and full verification of limitations on declared facilities such as test sites, missile launchers, factories, and military laboratories. As disarmament proceeded there would be increasing assurance, as more and more zones come under inspection, that no undeclared armaments or forces were retained and that no clandestine activities were being pursued. Such a zonal approach, we feel, would meet the Soviet requirement that full inspection be related to full disarmament and our view that inspection develop progressively with disarmament.

The United States is prepared now both to make suggestions as to the details of such a plan and to explore the possibility of designing a zonal verification system which would be applicable to an agreed program of disarmament.

#### **Organizational Arrangements Needed**

Organizational arrangements must be worked out to put disarmament and verification measures into effect.

Isolated initial measures might be undertaken without such arrangements. We believe, however, that any comprehensive agreement embracing a number of important arms reductions will require supervision by an International Disarmament Organization. The joint statement of agreed principles envisages such an organization; so do the plans of the Soviet Union and the United States. At an early stage this conference will have to determine the shape and the duties of this organization, as well as its place within the structure of the United Nations.

There is a still larger task that confronts us as we put a disarmament program into effect—a task neither less intricate nor less difficult than the attainment of general and complete disarmament itself. This is the creation of the kind of world in which national and international security will be maintained by means other than national armed forces.

For if we are to destroy the armed forces which protect us today, we must be able to look to other methods of protecting one's safety against another's internal security forces, subversive activities, or surprise rearmament.

So disarmament must be accompanied by the strengthening of institutions for maintaining peace and settling international disputes by peaceful means. I do not think there is any dissent from this proposition, though there may, of course, be important differences as to methods. The essential point is that progress must be made in this area to insure that lack of international security does not become a brake impeding implementation of the latter stages of disarmament.

Before I move on to the plan of work which the United States proposes for this conference, I should like to address some questions which have been raised about the United States plan for general and complete disarmament.

The first is why the United States is willing to reduce nuclear delivery vehicles by "only"—and I put "only" in quotation marks—30 percent, whereas the Soviet proposal is to reduce them by 100 percent in the first stage.

The fact is that the United States and the U.S.S.R. are agreed that we should achieve general and complete disarmament. The first part of paragraph No. 1 of the joint statement of agreed principles so states. The objective, therefore, is to reduce national armaments to nothing—to zero percent. This is in the Soviet plan; it is in the United States plan.

There is no significant difference between the Soviet Union and the United States, then, as to the amount of disarmament sought.

Both the United States and the Soviet Union, in getting to that condition of general and complete disarmament—from the present levels to zero—must pass by the 90-percent, the 70-percent, the 50-percent, and so on, levels of retained arms, whatever our arrangement. So here, too, there can be no significant difference between the United States and the U.S.S.R.

The fundamental problems are two:

The first is: how to disarm in such a way that at no time in the process will the security of any nation be impaired. The solution of this first problem, of course, requires that the sequence of reductions—of kinds of arms and of their sites—be such as not to create a critical imbalance.

The second problem is: how to keep the development of U.N. dispute-settling and peacekeeping institutions abreast of disarmament.

The problem of maintaining military balance as we move to general and complete disarmament

was raised by the distinguished Foreign Minister of Ethiopia last Wednesday. Mr. [Ketema] Yifru stated that he would like to have an explanation as to how the United States proposal to reduce nuclear delivery vehicles and major conventional armaments by 30 percent "fit with point 5 of the agreed principles." Point 5, of course, states that

All measures of general and complete disarmament should be balanced so that at no stage of the implementation of the treaty could any State or group of States gain military advantage and that security is ensured equally for all.

The United States proposal is based on the conviction that there is a tolerable balance today and that across-the-board, carefully implemented, progressively larger percentage reductions serve disarmament most while disturbing balance least.

The thought behind the approach is that reductions in this manner will in fact leave nations with compositions of armaments—that is, armaments mix—which are organically sound and which they and their neighbors understand and to which they are accustomed.

The difference, as the percentages of cuts go higher and higher, is only that the overall levels of arms will go lower and lower. The across-the-board, carefully implemented, percentage-cut approach avoids the shock of removing, by major surgery, a disproportionate part of any one component of an intricately integrated military mix upon which a nation has come to rely in protecting its security.

The United States believes that we have taken important steps toward evolving a realistic plan of work for this conference. With the innovation of informal meetings supplementing plenary sessions we have taken a very significant step away from the tradition of past disarmament conferences. We have agreed that the plenary meetings will pursue the primary objective of elaborating agreement on general and complete disarmament. With the establishment of a three-nation subcommittee on nuclear testing, we have implicitly recognized the utility of subcommittees, on which my delegation believes we will increasingly come to rely.

#### **U.S. Proposes Specific Program of Work**

The United States makes the following proposals regarding our specific program of work for the following weeks:

In the plenary conference we believe that we should identify the major substantive areas of a disarmament program and begin, as quickly as possible, to determine how these will be dealt with in an overall agreement on general and complete disarmament. We should, as we have agreed, consider the Soviet approach in each of these areas, as set forth in their draft proposal of March 15th. Simultaneously we would consider the approach in each of these areas as set forth in the United States program of September 25, 1961, which will, in the near future, be resubmitted in more detailed and elaborated form.

Our objective should be to reach a common understanding of how all of these aspects can be fitted into a master agreement for general and complete disarmament, drawing upon the best of all the proposals presented by these two programs submitted and by those which come from other quarters.

The United States suggests that we take up the following broad areas in whatever order would be deemed most useful by the conference as a whole:

First, measures for the reduction and elimination of nuclear weapons and other weapons of mass destruction, as indicated in paragraph 3(b) of the joint statement of agreed principles of September 20, 1961.

Second, measures for the elimination of all means of delivery of weapons of mass destruction, including orbiting vehicles, and for the reduction and elimination of all armed forces, conventional armaments, military expenditures, military training, and military establishments, as indicated in paragraphs 3 (a), (c), (d), and (e) of the agreed principles.

Third, measures for the creation of an International Disarmament Organization within the framework of the U.N. and for effective verification of the disarmament program, as indicated in paragraph 6 of the agreed principles.

And fourth, measures to strengthen institutions for the maintenance of peace and the settlement of international disputes by peaceful means, including the establishment of a U.N. peace force, as indicated in paragraphs 1(b), 2, and 7 of the agreed principles.

In all of these areas we should consider the sequence and balance of measures within stages and the time limits for each measure and stage,

as indicated in paragraphs 4 and 5 of the agreed principles.

The United States believes that as these broad discussions are continued in the plenary, with the objective of achieving an agreed approach in all of these areas, it will be desirable for the plenary to set up working and reporting subcommittees to deal with more detailed matters of a technical or treaty-drafting nature.

For example, we believe that it would be desirable, in the near future, to set up subcommittees of the plenary to study the technical problems involved in the elimination of chemical and bacteriological weapons and to work out the control problems involved. Similarly, a subcommittee should be established to examine the problem of securing the controlled reduction and elimination of nuclear weapons. We believe that it will be desirable to establish a subcommittee to work out agreed categories for the elimination of the nuclear delivery vehicles and conventional armaments and the measures of control which will be necessary to police their elimination. And the United States believes that it will prove useful, in due course, to establish a subcommittee to examine the potentialities of the zonal and random sampling approach to inspection that we have proposed.

This is not an exhaustive list, and we are sure that other members will have suggestions for similar working groups as we proceed in our discussion.

#### **Suggested Agenda for Committee of the Whole**

We have now also agreed to establish a Committee of the Whole to deal with problems that might be pursued separately from an overall agreement. There will be many suggestions for items to be placed on the agenda of this committee. Although the subcommittee on nuclear testing was established before we had agreed to set up the Committee of the Whole, we believe this subcommittee should most logically operate within the framework of the Committee of the Whole. I believe all members here have agreed that the objective of a nuclear test ban treaty should be pursued as one separate from the overall objective of general and complete disarmament.

The United States proposes two further items for the agenda of the Committee of the Whole: First, we propose that this committee consider as

a matter of urgency an agreement for the cessation of the production of fissionable material for use in weapons. While this measure would obviously be a necessary part of a program for general and complete disarmament, as provided in both the Soviet and the United States plans, we believe also that this measure should not be delayed. We feel that it can be put into effect separately and as a matter of the highest priority.

The United States will also wish, in the Committee of the Whole, to reach agreement on measures for the reduction of the possibility of war by surprise attack, miscalculation, or failure of communications. We will specifically propose that the Committee of the Whole, perhaps in a subcommittee, explore, on an urgent basis, the four measures which I proposed in my opening statement of March 15 and to which I referred earlier today.

The United States makes the above proposals in the hope that they will lead to a useful exchange of views and to agreement on precisely how we will proceed in our work here. The organizational arrangements which we have already agreed upon, and which we hope will be elaborated in the days ahead, provide a good basis for advancing our work.

Let me emphasize that, as we look upon our program of work, the conference must and should examine every proposal made by every delegation which is relevant to the work of the disarmament conference. We are in no sense in our suggestions trying to oppose any suggestion from any quarter on any point.

In conclusion I would like to repeat the commitment of the United States to the goal of general and complete disarmament in a peaceful world. The United States has established a major new agency to develop our proposals to reach that goal. The United States is willing to negotiate as constructively and as patiently as is necessary to reach agreement.

A great service would be performed by this conference if it took steps this spring:

To reverse the upward spiral of destructive capability which, if unchecked, could by 1966 be double what it is today;

To reverse the trend toward diffusion of nuclear capability to new nations;

To produce agreement on measures to reduce the risk of war by accident, miscalculation, or sur-

prise attack; for the longer we permit the risk of nuclear war to hang over our heads, the more important it is that the risk be made as small as possible.

The cochairmen have recommended a plan of work. This has now been adopted by the conference. I have made some proposals about how we might proceed under the plan.

Let us now get to work and make a good beginning. We need not be discouraged if we encounter difficulties in our early deliberations, because we are talking about nothing less than the transformation of the history of man. But it is important to begin—and with actual, physical disarmament. A good beginning will hasten us on our way to the full disarmament we seek in a world at peace.

## **President Repeats U.S. Desire for Effective Test Ban Treaty**

*Statement by President Kennedy*

White House press release dated March 29

I stated on March 2<sup>1</sup> the United States earnestly desires a test ban treaty with effective controls. The essential element upon which the United States has insisted, however, is that there be an objective international system for insuring that the ban against testing is being complied with. This means that there should be an international organization for operating seismic stations and for verifying that seismic events have been detected, located, and are appropriate for inspection. Most important of all, the organization should have the power to conduct a limited number of on-site inspections to verify whether a seismic event was an earthquake or an explosion. Without these inspections there can be no confidence in any system of detection, because it will not tell us whether an underground event is a nuclear explosion or an earthquake.

On this subject one must distinguish carefully between detection and identification. We can detect and locate significant underground events by seismic means, but of course the same seismic means detect many shallow earthquakes. The problem is to identify a particular detected event as an explosion or as an earthquake. Seismic

means alone simply will not do the job. This matter has been reviewed again and again by the best technical minds of the United States and Great Britain, and the answer is always the same. And no serious technical evidence to the contrary has been produced by any other country. A few of the larger earthquakes can be identified as such, and very large underground tests outside of seismic areas can be identified with a high measure of probability: this was the case with the Soviet test on February 2d. But the seismic records from the large majority of the events are such that they could be from either earthquakes or explosions. In other words they cannot be identified.

The only way we know to perform this identification is to have a scientific team go to the site of the event and examine it. By studying the rocks and the radioactivity and by drilling holes one can find out with satisfactory certainty whether it was an explosion. This is the on-site inspection which we insist is the only way to verify the character of an underground event.

Now the Soviet Government objects to our April 1961 draft treaty on the test ban<sup>2</sup> quite simply because it provides for international inspection in Soviet territory. It objects specifically to having any control posts for test detection in their territory. This is a sharp and inexplicable regression from the Soviet position of even a year ago. In addition the Soviets object to any on-site inspections whatsoever.

In earlier years the Soviet Government, at all levels, clearly accepted both the idea of control posts and the basic principle of on-site inspection. Now it is claimed that such control posts and inspections are useful only for purposes of espionage.

As Mr. Rusk pointed out in Geneva last Friday,<sup>3</sup> such fears of espionage from the proposed system of control and inspection are wholly unjustified. Members of fixed control posts would be under Soviet supervision at all times and could go nowhere at all without Soviet approval. Members of inspection teams would be under constant Soviet observation and would be limited to the execution of technical tasks in an area which, at the very most, would never exceed more than one part in 2,000 of Soviet territory in any year—and most of this work would be done in the earthquake areas of the U.S.S.R., far from centers of military

<sup>1</sup> For text, see *ibid.*, June 5, 1961, p. 870.

<sup>2</sup> *Ibid.*, Apr. 9, 1962, p. 571.

<sup>3</sup> BULLETIN of Mar. 19, 1962, p. 443.

or industrial activity. Finally, occasional air-sampling teams would fly in Soviet planes under fully controlled conditions. I submit that no one interested in espionage would go at it by the means of control and inspection worked out in this treaty after years of effort involving Soviet scientists as well as our own.

Nevertheless the Soviet Government is now absolutely opposed not only to this particular system of inspection, carefully supervised and narrowly limited as it is, but to any inspection at all. This position has been made very clear both publicly and privately—most plainly by Mr. Gromyko on the United Nations radio on March 27.

We know of no way to verify underground nuclear explosions without inspections, and we cannot at this time enter into a treaty without the ability and right of international verification. Hence we seem to be at a real impasse. Nevertheless, I want to repeat with emphasis our desire for an effective treaty and our readiness to conclude such a treaty at the earliest possible time.

## American Strategy on the World Scene

*by Walt W. Rostow*<sup>1</sup>

The title of my talk tonight is one of my own choosing: "American Strategy on the World Scene." I chose this title because there is a widespread feeling in the country that we do not have a strategy. That view derives mainly, I think, from the fact that in the predominating news which comes to us from day to day—in the newspapers, over television and radio—is the news of crises: Berlin and the Congo, Laos and Viet-Nam, and all the others. These crises are very much part of the reality we face, and I shall begin by talking about them.

But our strategy goes beyond the crises that are

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<sup>1</sup> Address made before the Purdue Conference on International Affairs at Purdue University, Lafayette, Ind., on Mar. 15 (press release 170). Mr. Rostow is Counselor and Chairman of the Policy Planning Council, Department of State.

## U.S. and U.S.S.R. Discuss German Problem and Related Questions

*Following is the text of a joint statement released at Geneva on March 27 at the close of talks between Secretary Rusk and Soviet Foreign Minister Andrei A. Gromyko.*

In connection with their presence in Geneva to attend the opening sessions of the Eighteen Nation Committee on Disarmament, the Foreign Ministers of the U.S.S.R. and the United States have had a series of meetings devoted to a discussion of the German problem and related questions. Their conversations have been both useful and frank, and some progress has been made in clarifying points of agreement and points of difference. They have agreed to resume contact in an appropriate way after reporting to their respective Governments and after consultation with their Allies.

forced upon us. We have a clear and constructive strategy. It was outlined briefly by the President in his last state of the Union message,<sup>2</sup> and by Secretary Rusk in his recent talks to the American Historical Association<sup>3</sup> and at Davidson College.<sup>4</sup> This strategy goes forward in quiet ways, in large as well as small movements; but these do not make exciting news. Nor is this forward movement always easy to measure. My main purpose in coming here is, therefore, to try to explain what it is that we are trying to achieve on the world scene as a nation, positively and constructively, and what our prospects appear to be.

But first a word about crises.

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<sup>2</sup> BULLETIN of Jan. 29, 1962, p. 159.

<sup>3</sup> *Ibid.*, Jan. 15, 1962, p. 83.

<sup>4</sup> *Ibid.*, Mar. 19, 1962, p. 448.

When this administration came to responsibility some 14 months ago we confronted situations of acute crisis in Southeast Asia, in the Congo, in Cuba, as well as the threat which has overlung Berlin since 1958—Mr. Khrushchev's threat that he would make a separate German treaty which, in his view, would extinguish Western rights in West Berlin. These were by no means the first crises of the postwar years. Such crises have been the lot of all who have borne responsibility in Washington since 1945.

Why is it that we appear to be living in a sea of troubles? What is it that determines the chronic recurrence of crises in our environment?

Leaving aside the direct intrusions of Communist military power in the postwar years—symbolized, for example, by the blockade of Berlin in 1948–49, the invasion of South Korea in 1950, and the periodic attacks on the offshore islands—postwar crises have been of three kinds, usually in some sort of combination: international crises arising from internal struggles for power, reflecting the inevitable political and social strains of modernization going forward in the underdeveloped areas; colonial or postcolonial conflicts involving European nations on the one hand and the nations and territories of the southern continents on the other; and the Communist efforts systematically to exploit the opportunities offered by these two inherent types of trouble. Think back and you will, I think, agree. Indochina, Suez, Iraq, Cuba, Algeria, the Congo, Bizerte, Goa, West New Guinea, the Dominican Republic—they were all compounded of some combination of these three elements, and they all arose in what we call the underdeveloped areas.

In Stalin's time the main thrust of Communist policy was fairly direct and military, but in the last decade the Communists have worked systematically to make the most of the inevitable turbulence of the modernization process on the one hand and of the north-south conflicts on the other—(using that shorthand geographical designation to represent the approximate fact that the industrial revolution came first to the northern portions of the world and is only now gathering strength to the south).

For example, in order to maximize the chance that Indonesia would go to war in order to acquire the Dutch-held territory of West New Guinea, the Communist bloc has advanced credits of \$800 million to Djakarta, just as, starting in 1955, they

granted substantial arms credits in the Middle East to disrupt this area and to align themselves and the local Communist parties with issues that had strong national appeal.

Communist activity is global, and it is not, of course, confined to arms deals. There is almost literally no nation in Asia, the Middle East, Africa, and Latin America in which the Communists are not investing significant resources in order to organize individuals and groups for the purpose of overthrowing the existing governments and supplanting them with Communist regimes; and they look quite openly to what they call wars of national liberation—that is, to systematic subversion building up to urban insurrection or guerrilla warfare—as a way of bringing communism to the underdeveloped areas. Khrushchev has stated that he regards it as legitimate for Communist regimes to support such insurrection, which we can see in full cry in South Viet-Nam—a guerrilla war instigated, supplied, and guided from outside the country. In a speech of December 2 last year Castro spoke of guerrilla warfare as the match to be thrown into the haystack and noted that many Latin American countries were ready for such treatment.

It is not difficult to see why the Communists look on the underdeveloped areas as an arena of opportunity. The process of modernization involves radical change not merely in the economy of underdeveloped nations but in their social structure and political life. We live, quite literally, in a revolutionary time. We must expect over the next decade recurrent turbulence in these areas; we must expect systematic efforts by the Communists to exploit this turbulence; we must expect from time to time that crises will occur, and a great deal of skill, courage, and insight will be required to handle them in ways which do not damage—and, if possible, promote—the interests of the free world.

### **Shaping Today's Forces to Our Purposes**

But our strategy is not built on a merely defensive reaction to these turbulent situations and the Communist effort to exploit them. We are, I think, learning better how to anticipate crises, and we are working with our friends in the free world to head off or to deal with Communist efforts to exploit them. But we are doing more than that, and we intend to do more. We are working to a

positive strategy which takes into account the forces at work in our environment and seeks to shape them constructively to our own purposes and interests—as a nation and as members of a community committed to the principles of national independence and human freedom.

What are these fundamental forces which we confront and which we must shape?

The revolution in military technology, yielding an uncontrolled competitive arms race and, at present, an imbalance of the offensive over the defensive in the field of nuclear weapons.

The revolution of modernization in Latin America, Africa, Asia, and the Middle East, including the modernization going forward in underdeveloped areas under Communist control.

The revival of economic momentum and political strength in Western Europe and Japan.

The revolution in science and technology, notably in international communications.

The political revolution, marked simultaneously by proliferation of ardent new nations and an intensified interdependence which requires the individual nation-state to cooperate increasingly with others in order to provide for its security and economic welfare.

Taken together, these forces decree a world setting where power and influence are being progressively diffused within, as well as without, the Communist bloc, where strong inhibitions exist against all-out use of military force, where the interaction of societies and sovereign nations becomes progressively more intimate.

In the light of this view of what we confront in the world around us, our strategy has five dimensions.

#### **Strengthening Bonds Among Industrialized Nations**

First, we are strengthening the bonds of association among the more industrialized nations, which lie mainly in the northern portion of the free world: Western Europe, Canada, and Japan.

Western Europe and Japan have been caught up in a remarkable phase of postwar recovery and economic growth. During that period they were protected by American military strength and supported in many ways by American economic resources. Although they must still rely on the deterrent power of American nuclear resources, they are evidently entering a phase where they wish to play a larger role on the world scene and

have the resources to do so. We are in the midst of an exciting and complicated process of working out new terms of partnership with Western Europe in every dimension.

NATO is being rethought and Europe's role within it being redefined in the light of Soviet possession of nuclear weapons and missiles and Moscow's recurrent threat that Western Europe is "hostage" to its missiles.

New patterns of trade are being worked out within Europe, between Europe and the U.S., between the whole Atlantic community and the rest of the world.

Our policies with respect to economic growth and currency reserves are being discussed and aligned in the Organization for Economic Cooperation and Development, and we are moving into a new partnership in the business of aid to the underdeveloped areas.

Although Japan stands in a somewhat different relation to us than does Europe with respect to military affairs, in each of the other dimensions of alliance policy—trade, reserves, and aid—it is moving into a role of partnership with the industrialized north. And bilaterally we have moved closer to Japan in the past year, with the visit of Prime Minister Ikeda,<sup>5</sup> the Tokyo meeting of cabinet ministers from the two countries,<sup>6</sup> and the recent visit to Japan of the Attorney General.

The constructive steps that mark this process of tightening the north and of mobilizing its strength and resources for worldwide tasks do not usually make headlines unless—as is inevitable—there are phases of disagreement along the way; but it is a rapidly developing piece of history which will give to the cause of freedom a new strength, a new bone structure. The trade legislation which the administration has recently presented to Congress<sup>7</sup> is both a symbol of what we are trying to create and a crucial element in its architecture.

#### **Modernization in Underdeveloped Nations**

The second dimension of our strategy concerns our posture toward the revolution of modernization going forward in Latin America, Africa, Asia, and the Middle East.

<sup>5</sup> For background, see *ibid.*, July 10, 1961, p. 57.

<sup>6</sup> For background, see *ibid.*, Nov. 27, 1961, p. 890.

<sup>7</sup> For text of President Kennedy's message on trade, see *ibid.*, Feb. 12, 1962, p. 231; for a summary of the bill (H.R. 9900), see *ibid.*, Feb. 26, 1962, p. 343.

What we sometimes call underdeveloped nations represent a wide spectrum with different problems marking each stage along the road to self-sustained growth. Some of these nations are well along that road; others are just beginning. And in the end each nation, like each individual, is in an important sense unique. What is common throughout these regions is that men and women are determined to bring to bear what modern science and technology can afford in order to elevate the standards of life of their peoples and to provide a firm basis for positions of national dignity and independence on the world scene.

The United States is firmly committed to support this effort. We look forward to the emergence of strong, assertive nations which, out of their own traditions and aspirations, create their own forms of modern society. We take it as our duty—and our interest—to help maintain the integrity and the independence of this vast modernization process insofar as our resources and our ability to influence the course of events permit.

Last year the executive branch and the Congress collaborated to launch a new program of aid which would grant aid increasingly on the basis of each nation's effort to mobilize its own resources. This approach to the development problem, which looks to the creation of long-term national development programs, is just beginning to take hold. We are in the midst of a complex turnaround affecting both our own policy and that of many other nations.

National development plans cannot be made effective by writing them down in government offices; they require effective administration and the mobilization of millions of men and women. New roads and dams, schools and factories require feasibility studies and blueprints if they are to be built—not merely listing in hopeful government documents. This turnaround process will, therefore, take time, but from one end of the underdeveloped regions to the other it is actively under way.

More than that, it is now clear that the United States is positively alined with those men and women who do not merely talk about economic development and the modernization of their societies but who really mean it and are prepared to dedicate their lives to its achievement. It is no accident that President Kennedy spoke last year

of a "decade of development."<sup>8</sup> We are up against a longer and tougher job than the Marshall plan. But we have already begun to create a new basis of partnership, not merely between ourselves and the underdeveloped areas but between the whole industrialized northern part of the free world and its less developed regions.

Our objective is to see emerge a new relation of cooperation among self-respecting sovereign nations to supplant the old colonial ties which are gone or fast disappearing from the world scene. While the headlines are filled with the residual colonial problems—and they are very real—of Rhodesia, of Angola, of West New Guinea, quiet but real progress has been made in fashioning new links between the more developed and the less developed areas.

### **Building New North-South Tie**

The building of this new north-south tie is the third major dimension of our strategy on the world scene. It goes forward in the Alliance for Progress,<sup>9</sup> in our relations with the new African nations, in the meetings of the Development Assistance Committee of the OECD in Paris, in the consortium arrangements of the International Bank for Reconstruction and Development, in the transformed relations of the British Commonwealth and the French Community, in the enlarging contribution of Germany, Japan, and other nations to economic development. And above all, it goes forward in the minds of citizens in both the north and the south who are gradually coming to perceive that, however painful the memories of the colonial past may be, major and abiding areas of common interest are emerging between nations at different stages of the growth process which are authentically committed to the goals of national independence and human freedom.

### **Creating a Stable Military Environment**

The fourth dimension of our strategy is military. There is much for us to build within the free world, but we must protect what we are building or there will be no freedom.

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<sup>8</sup> For an address by President Kennedy before the U.N. General Assembly on Sept. 25, 1961, see *ibid.*, Oct. 16, 1961, p. 619.

<sup>9</sup> For background, see *ibid.*, Apr. 2, 1962, p. 539.

A persistent characteristic of Communist strategy has been its searching attention to specific gaps—regional and technical—in the defenses of the free world. It has been, thus far, an evident purpose of Communist strategy to avoid a direct confrontation not only with U.S. main strength but with positions of relative strength within the free world.

Soviet policy appears to be based on sustained and sophisticated study of particular areas of vulnerability (e.g. northern Azerbaijan, Greece, Berlin, Indochina, South Korea) and particular types of vulnerability (e.g. the geographical position of Berlin, the shortage of local defenses against guerrilla warfare in Laos and South Viet-Nam).

We cannot rule out that in the future the Communists will be prepared to assault directly the U.S. or other positions of evident strength within the free community. Therefore it is a first charge on U.S. military policy to make such direct assault grossly unattractive and unprofitable. But a major lesson of postwar history is that U.S. and Allied policy must achieve, to the maximum degree possible, a closing off of areas of vulnerability if we wish to minimize the number and effectiveness of Communist probes. It is this lesson which requires that the United States and its allies develop a full spectrum of military strength, under sensitive and flexible control, capable of covering all regions of the free world, if we are to create a stable military environment and minimize the opportunity for Communist intrusions.

It is toward this objective that we have been working over the past year. We have been building American military forces over the whole range from virtually unattackable Polaris submarines to the training of our own men and the soldiers of our allies to deter or to defeat guerrilla warfare.

We wish to make it clear to those who might attack that a nuclear assault on ourselves or our allies would bring in return nuclear disaster. We wish to make it clear that we would use all the force at our disposal if we or our allies were attacked massively by other means; but we require also the kinds of force which would permit us to deter or deal with limited Communist attack without having to choose between nuclear war and surrender.

Over the past year, and at present, our ability to cope with force and the threat of force is being tested in Berlin and in Southeast Asia. We do not

intend to surrender at either point or at any other point along the frontiers of freedom.

At the same time we recognize that the arms race is an unsatisfactory way to provide national security in a nuclear age. We are prepared to take either limited or radical evenhanded measures to reduce the risks of war and the burden of armaments, so long as we are confident that these measures can be verified and controlled by effective measures of inspection. This is the burden of our position at the current Geneva disarmament conference.<sup>10</sup>

Our approach to problems of arms control and disarmament is not in terms of propaganda: It is a soberly weighed aspect of national security policy. We are in deadly earnest. But no amount of U.S. staff work or seriousness of intent can substitute for the essential missing ingredient: a Soviet willingness to acknowledge and to act on the simple fact that an end to the arms race requires a progressive opening of societies to mutual inspection.

#### **Test of Strength With Communist World**

The fifth element in our strategy concerns our posture toward the nations now under Communist rule. We have made it clear that we do not intend to initiate nuclear war to destroy the Communist world. The question then arises: Are we content merely to fend off Communist intrusion, military and subversive? What are our hopes and our prospects with respect to the Communist world? Are we reconciled to a planet that shall, at best, be forever split?

We are engaged in an historic test of strength—not merely of military strength but of our capacity to understand and to deal with the forces at work in the world about us. The ultimate question at issue is whether this small planet is to be organized on the principles of the Communist bloc or on the principles of voluntary cooperation among independent nation-states dedicated to human freedom. If we succeed in defending the present frontiers of freedom, the outcome of that test of strength will be determined by slow-moving forces of history. It will be determined by whether the elements in the world environment, which I listed earlier, are more successfully

<sup>10</sup> For a statement by Secretary Rusk at Geneva on Mar. 27, see p. 618.

gripped and organized by ourselves and our friends than by the Communists.

The question then becomes: How is history moving? Are these underlying forces now working for us or against us?

I would put it to you strongly that they are working our way if we have the wit to work with them.

First, in the more industrialized north we have seen in the postwar years a remarkable demonstration which has had a more profound effect on Communist thought than is generally understood. Until very recently the Communists believed that the United States was something of a special case. We were viewed as the fortunate democratic island-continent with much land and a few people, permitted to enjoy—at least for a time—a special, favored destiny. They looked to Europe and Japan as more vulnerable regions subject to Communist takeover in the fairly near future.

What has been demonstrated in the past decade is that advanced democratic societies have learned to avoid protracted phases of severe unemployment and that the American pattern of development—our standard of living and the provision of high standards of consumption to the mass of the people—is the general pattern. The trend toward the Americanization of standards of living in Western Europe and Japan, and the vitality of democratic capitalism in the past decade, is a major setback to the Communist image of history, to their ideology, and to their working plans.

Partly because of this setback they have looked with increasing hope and enterprise to the underdeveloped areas. There they thought the Communist methods of organization and the Communist example in China, North Viet-Nam, and elsewhere—as a means of moving an underdeveloped country forward rapidly toward modern status—would draw others to the bloc. They turned to a strategy of outflanking and isolating the United States, Europe, and Japan by winning over the underdeveloped areas—by ideological attraction as well as by subversion, aid, and diplomacy.

The returns are not yet in, but a sober and cautious assessment, as of 1962, shows this: Where the Communists have had power in underdeveloped areas—in China, North Korea, North Viet-Nam, and now in Cuba—they have done an unimpressive job technically, quite aside from the

inhumanity of a police state. The most striking fact about the mood in Asia, when I went out there with General [Maxwell D.] Taylor last fall, was the loss by the Communists of their power to attract by example in either North Viet-Nam or in China. The Communist states are drab and hungry. In particular the Chinese Communists have demonstrated that the most powerful control machine ever mounted in an underdeveloped country is incapable of forcing men to grow enough food, and their agricultural crisis has compounded into a general crisis of industrial production and foreign exchange.

Meanwhile India and certain other underdeveloped nations have begun to demonstrate that real momentum and steady progress can be obtained in an underdeveloped area by mobilizing the energies and loyalties of the people by consent and normal human incentives.

It appears to be a technical fact that the most powerful system of control is an inadequate substitute for the incentives and commitment of the individual citizen, once he can be engaged. Development is a process which requires that millions of human beings and many organized groups assume responsibility for moving things forward on their narrow part of the front. There are simply not enough Communist cadres or secret policemen available to substitute for the energy and commitment of men and women who understand what needs to be done and why it is their interest to do it.

The demonstration in the underdeveloped areas is not yet as definitive a victory for freedom as that in the northern half of the free world. One of the great tasks of this decade is to complete this demonstration. But the lesson of our experience thus far is that we should be confident that, in going forward with economic development by the methods of pragmatic planning and individual consent which are natural to us, we are on the right track technically as well as morally and that the Communist image of the problems of modernization—and Communist techniques for handling them in the underdeveloped areas—are just as archaic as their notions of how one should organize an advanced industrial society.

There is yet another force working our way, and that is the intent of people and governments in the underdeveloped areas to maintain their independ-

ence. We in the United States can live comfortably in a pluralistic world of independent nations, each fashioning its own modern personality, because our life at home is based on the principle of cooperation among dignified and responsible equals; but the Communists are driven by their methods for organizing domestic power to violate equally the integrity of individuals and nations.

The drive of the people and governments in the underdeveloped areas to maintain their independence is a most powerful force. We can honestly align our policy with this force. In the end the Communists cannot; and this is one fundamental reason why the Communist offensive in the underdeveloped areas will fail.

### **Dispute Between Moscow and Peiping**

Finally, the Communist bloc itself is now in the midst of a slow-moving but great historical crisis. This crisis takes the form of the deep dispute between Moscow and Peiping, a dispute which has engaged in one way or another Communist parties throughout the world. What lies behind this dispute, among other factors, is the rise of nationalism as a living and growing force within the Communist bloc. It is a force within Russia itself, and it is a growing force as well in other regions where Communist regimes are in power. Despite the interest of Communists in maintaining their cohesion against the West, the slow fragmentation of the Communist bloc and the diffusion of power within it goes forward.

We expect no quick or cheap benefits from this process. In the short run it may present problems to us, as when the Russians and the Chinese compete to exert their influence over the Communist Party in Hanoi by backing its efforts in Laos and in South Viet-Nam. But fundamentally the assertion of nationalism and national interests within the Communist bloc should tend to produce a more livable world. The diffusion of power, we know, is the basis for human liberty within societies, and on the world scene it is the basis for independent nations.

For example, we have every reason to believe that the limited assistance we have given Yugoslavia and Poland over the years and our willingness to maintain wide human contacts with their citizens have been sound longrun investments in the principle of national independence and human freedom.

We should, therefore, be prepared, as these national interests exert themselves, to find limited areas of overlapping interest with Communist regimes and to work toward a world which increasingly approximates the kind of world we envisaged when the United Nations was set up.

Our strategy is, then, quite simple. We are working from day to day to bind up in closer partnership the industrialized nations of the north, to work with our friends in the north to create a new partnership between the more developed and less developed nations. Recognizing and welcoming the new strength to be found in Western Europe and Japan, recognizing and welcoming the impulse of the southern nations to modernize, we see a path ahead which would reconcile the great interests involved and gradually build a community of free nations.

We intend to defend this community of free nations and to do so in ways which will minimize the possibility that a nuclear war will come about, and we intend, with all the poise and insight we can muster, to draw the nations now under Communist regimes toward the free-world community by both ruling out the expansion of communism and by exploiting specific areas of overlapping interest which we believe will increasingly emerge as the strength, unity, and effectiveness of the free community is demonstrated. As Secretary Rusk recently said:<sup>11</sup> “. . . we should be aware that the concepts of independent nationhood, of national interest, and of national culture are day to day asserting themselves strongly” within the Communist bloc. We have every reason to be confident that the wave of the future lies with the fundamental principles on which our own society is based and which are rooted also in the United Nations Charter.

It is in this spirit—in terms of these objectives and this intent—that we do our work from day to day in Washington. We know that over the next decade there will be frustrations and setbacks. We know that we shall have to deal with difficult crises as well as press forward with our work of construction. But, as we go about our business, we are in good heart, and we shall not be deflected. We believe that time is on the side of the things this nation stands for if we use time well, and we intend to do so.

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<sup>11</sup> BULLETIN of Jan. 15, 1962, p. 83.

## The United Nations and the Real World

*by Acting Secretary Ball<sup>1</sup>*

Statesmen, journalists, pundits, and politicians are fond of reminding us that these are times of rapid change and vast transformation in human affairs. It is well that they do, for the pace and pervasiveness of scientific, political, and social change have given a special character to the post-war world.

Yet it is not enough to recognize, as a general proposition, that change is taking place. We must define the direction of that change if we are to adjust our attitudes and policies to the shifting requirements of the times. For as the world changes, our conventional wisdom is called into question, inherited doctrine becomes obsolete, and human institutions perforce take on new forms and new functions. It requires all the perception and imagination we can muster—and then some—if we are to know even imprecisely what we are doing or where we are going.

This morning I want to talk with you about what we are doing and where we are going with one of the most ambitious and misunderstood of our postwar institutions—the United Nations.

I refer to the United Nations as misunderstood because the current discussion of the effectiveness and utility of that institution displays a wide area of difference as to its purposes and objectives. If one would look back to San Francisco in 1945 when the charter was being drafted and then look at the world today, the reason for this misunderstanding becomes apparent. The assumption—or at least the hope—that inspired the drafters of that noble document was that the great powers,

allied in World War II, would be able to live in relative harmony and together police the postwar world. They could settle whatever differences arose among them within the forum of the Security Council.

As we know all too well, the effort to fashion one world with one treaty hardly lasted through the first General Assembly. The Soviet Union joined the United Nations in name only. Over the next 4 years the Iron Curtain slammed down to form a cage around one-third of the world's population, living on a great landmass that stretches from the Brandenburg Gate to the Yellow Sea.

The United Nations was thus frustrated in its original objective of serving as a forum for reconciling differences among the great powers. This has not, however, destroyed its usefulness—indeed its indispensability.

Instead the United Nations has found its postwar destiny in quite different and enormously effective endeavors.

That is why I thought it might be useful, in the few moments we have together this morning, to describe the major role that the United Nations has in fact played in this turbulent postwar decade and a half and to suggest how the United Nations fits into the whole of American diplomacy.

### **Transformation in World Power Relationships**

The brief moment of time—less than a generation—since the end of World War II has seen the world transformed. If one-third of the world population has been encircled by the Iron Curtain, in this brief period another one-third has made the eventful passage from colonial status

<sup>1</sup> Address made at a foreign policy briefing conference for the press and broadcasting industry at the Department on Mar. 26 (press release 191).

to some form of national independence. Almost 50 new states have come into being; a dozen more are actively in the making.

Such a revolutionary movement on a worldwide scale has no precedent. The great changes of the past have taken place only over centuries; the sudden denouement of the 20th-century anticolonial revolution has been compressed in a mere 15 years.

The breakup of the European empires meant the collapse of a longstanding system of world order. It meant the sudden rupture of old ties, the sudden emergence of new states, the sudden liberation of a billion people from colonial dependence. The world has never known a comparable political convulsion—so abruptly begun, so quickly concluded.

Even under the best of circumstances one could well have expected this to be a period of violent conflict, chaos, and vast bloodletting. But the collapse of the European empires did not take place in the best of circumstances—almost in the worst. For it took place in a world polarized between the great powers of East and West, where the Sino-Soviet bloc had everything to gain by the vigorous promotion of chaos.

The Communists tried hard to exploit the turmoil implicit in rapid change. They sought to capture and divert the nationalist revolutions into Communist channels. They did their best to turn political instability into political collapse, to rub salt into the wounds of racial antagonisms, to fan jealousies between the poor and the rich, to exploit the inexperience of the new governments, to capitalize on economic misery, and to heighten tensions between new states and their neighbors wherever they existed.

In retrospect, of course, it seems extraordinary that, since the Red Chinese takeover in 1949, the Iron Curtain countries have failed in almost all their efforts to convert nationalist revolutions into Communist revolutions. In spite of the extension of the Communist conspiracy through highly organized local party organizations, in spite of the disruptive force of violent change, in spite of the political inexperience of the leaders of the new countries and the natural antagonisms between the new countries and their former colonial overlords, the greatest political upheaval of all time has still taken place—within a fantastically short timespan—with amazing smoothness and good will and with a surprising lack of bloodshed.

In this great process of change the interests of the great powers were at all times deeply involved. Lurking in the background of political changes all over the world was the disturbing question of relative big-power advantage. Because of this the world has lived in constant danger that a jungle war in Southeast Asia or a tribal conflict in the heart of Africa could become the occasion for a great-power confrontation—and that what began as a brush fire could be fanned into a nuclear holocaust. Yet this has not happened. Except in Korea, the direct confrontation of great-power troops has been averted.

This, it seems to me, suggests quite clearly one of the major roles of the United Nations. Unable to bring the great powers together, it has played a decisive role in keeping them apart. And all the while it has served as overseer of the vast and for the most part nationalist transformations which have been taking place all over the world.

In appraising the success of the United Nations, in appraising its usefulness to the United States, I think it is this standard of judgment that we should employ: How effectively has it facilitated the peaceful revision of the relations between the billion colonial peoples largely in the Southern Hemisphere and the billion economically advanced peoples in the Northern Hemisphere—in the face of constant efforts of subversion and interference from the Communist powers that control the billion people behind the Iron Curtain?

### **End of the Colonial Era**

One of the most frequently heard complaints against the United Nations is that it has precipitated change at too rapid a pace. By providing each emergent new state a voice equal to that of a great power, it is said, the United Nations has given an excessive impetus to the breakup of colonialism. As the new nations have gained in numbers and thus in votes in the General Assembly of the U.N., they have mounted pressures that have forced the colonial powers to move beyond the speed limits set by prudence. As a result, independence has been conferred upon peoples unprepared for the complex tasks of nation-building.

Evidence can be marshaled to support this thesis. Examples can be cited of nations born prematurely, nations lacking the educated elite to operate the difficult business of government,

nations illogically conceived, with national boundaries that have little rational meaning either in ethnic or economic terms.

But on the other side there are powerful arguments for maintaining the momentum of change. When the world is faced with a convulsion so profound as the ending of colonialism, it is well to get the process over just as quickly as it can be done peacefully. A great political and social revolution of this kind cannot be achieved without major adjustments, and in a world where half of the dependent peoples have achieved independence the lot of the other half must become increasingly irksome. Under such circumstances a long deferment of their own independence is likely to produce frustrations and bitterness that will impede and complicate their ultimate accommodation to the environment of free nations.

It must be recognized, of course, that the colonial era is not yet finally completed; there is still substantial unfinished business to be done. In the areas of Africa where many Europeans have made their homes, there remains the task of reconciling the rights of white minorities with the rights and aspirations of African majorities. The troublesome problem remains, moreover, of how to deal with the bits and pieces of former colonial systems—fragments that are themselves so small as not to fit neatly into the pattern of new nation states. There are altogether about 50 fragments of this kind. We ourselves are the administering power for several groups of Pacific islands under a United Nations trusteeship. We are seeking to devise appropriate long-term arrangements for these areas that will permit the maximum of opportunity for the peoples involved.

Yet if the colonial era is not concluded it is well on the way toward being so. The vast bulk of the population formerly under colonial rule has now achieved self-government. Certainly for the major powers of the West, colonialism is largely a matter of history. With good luck the cease-fire in Algeria can mark another finished page.

By and large the major European powers, which are our natural partners in most of our activities, have either seen the transformation of their former colonial possessions into sovereign states or are in the process of doing so.

This has created difficult problems for them, but, for the most part, these problems have been met and solved more easily than had been anticipated. In spite of fears that the loss of colonies might

enfeeble the colonial powers, this has not proved to be true. In fact one can say without being fanciful that, just as the shattering of their colonial systems—like the fission of the atom—has unleashed fierce energies, the former colonial powers—the great powers of Western Europe—are themselves generating vast forces, not through fissions but through the fusion of their economies in the European Common Market. In ceasing to think of themselves as the centers of individual colonial systems they have found a common destiny as Europeans. In undertaking the business of building a united Europe they have already developed a new prosperity, a new purpose, and the beginnings of a new relationship with the new nations carved out of their old empires.

We ourselves have a direct interest in the completion of the decolonization process for, as colonialism becomes a dead issue between the peoples of the less developed countries and the major powers of Western Europe, the free world as a whole should become increasingly cohesive. President Kennedy has described the 1960's as a "decade of development."<sup>2</sup> Certainly the major powers of the West must devote themselves intensively over the next few years to assisting the newly emerging countries toward a level of political and economic independence that will enable them to play a constructive role in the family of nations.

In this endeavor it is essential that the major Western Powers be able to work closely together, just as they work closely together in resisting threatened aggression from the Communist bloc. In the past, however, the existence of colonialism has often proved an impediment to common actions or policies among the Western Powers. With its passing we should be able to look forward to a further and freer development of the Atlantic partnership, which is, after all, the hard core of free-world strength.

#### **Converting Nationalism Into Nationhood**

For most of the colonial peoples the end of the colonial ordeal marks the start of a new process, the conversion of nationalism into nationhood. Sovereignty is sometimes a heady wine. It encourages exuberant voices and sometimes irrelevant argument. But perhaps this is a function

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<sup>2</sup> For an address by the President before the U.N. General Assembly on Sept. 25, 1961, see BULLETIN of Oct. 16, 1961, p. 619.

of growing up—a normal aspect of the transformation from dependent status to independence. Let us remember that we were ourselves a young, brash, and rather cocky nation at the end of the 18th century.

We should not, therefore, be put off by the fact that representatives of the new nations are sometimes given to irrelevant talk. Neither we nor they should permit it to obscure the relevant business that every new state has to tackle as it enters the age of engineering and economics.

In fact, instead of being irked by the occasional exuberance of some of the representatives of newer nations in the General Assembly, we should be eternally grateful to the U.N. that the complex business of transforming almost 50 new states from dependence to sovereignty has, for the most part, been accompanied by speeches rather than by shooting. This is, I think, one of the striking achievements of our time.

In trying to understand the actions of the new nations we should realize that in their eyes the U.N. has a very special meaning. The immediate and natural ambition of every new nation is to establish its national identity. Membership in the United Nations has served this purpose; it has become the badge of independence, the credentials of sovereignty, the symbol of nationhood, and the passport to the 20th century. When the delegation of a new nation takes its place in the grand hall of the General Assembly, that nation has arrived; it can look the world in the eye and speak its piece. And even if that piece may be discordant to our ears the fact that it can be spoken has helped to stabilize the postwar world.

Yet the U.N. is more than a place for letting off steam; it is also a school of political responsibility. While some of its members may represent closed societies, it is itself an open society. The General Assembly is staged for all the world to see, and performing upon that stage sometimes—though not always—helps turn demagogues into statesmen. How else can one explain the fact that at the last General Assembly the most “anticolonial” members of the United Nations decisively rejected a Soviet resolution calling for independence of all remaining dependent areas by 1962? They sponsored instead moderate and sensible resolutions for which we and most of our European friends could vote without reservation.

The growing sense of responsibility in the new nations is only partly the result of finding themselves on stage before a critical world. It is also the result of a growing conviction that the business of economic and social development in their own countries is tough and demanding. They find the problems of food and health, education and technology, enterprise and administration will not yield to repetitive slogans carried over from the fight for independence. And they discover, too, the need to develop a new relationship with the Europeans and with the North Americans.

The framework of the United Nations provides a basis for such a new relationship—a political system in which the less developed nations can have a full sense of participation, which makes possible a family of technical organizations whose international staffs can help conceive and carry out the development plans every people now expects its government to pursue with vigor.

### **Two Aspects of U.N.'s Peacekeeping Role**

In one aspect, then, the United Nations is an instrument through which the industrial societies and the less developed nations can be brought together. In another aspect, as I have earlier suggested, one of the principal achievements of the United Nations had been to keep the great powers apart. It has accomplished this by bringing about the settlement of conflicts through conciliation and debate and by interposing itself as the agency to keep the peace in areas where chaos might otherwise attract great-power intervention.

The U.N. was scarcely organized before it was involved in the difficult and dangerous business of peacekeeping—in Iran, Greece, Indonesia, Kashmir. Since then it has played a part in stopping aggression, threatened aggression, or civil war in Palestine, Korea, at Suez, in the Lebanon and the Congo. In all of these conflicts the great powers had interests. In the absence of the U.N. they would in all likelihood have intervened to defend those interests. Intervention by both sides could have led to a dangerous confrontation.

The most recent, and perhaps most spectacular, of the trouble spots in which the U.N. has acted to prevent great-power confrontation is, of course, the Congo. Here the U.N., with full United States support, interposed itself in the heart of Africa in the nick of time. The Soviet Union was already moving in, and we could never have stood

by while they set up shop in the heart of Africa. The intervention of the U.N., difficult though it may have seemed at the time, prevented the chaos that could well have turned the Congo into another Korea. Today, by patience and effort, it is helping to bring about the conditions under which an integrated Congo republic can work its way toward stability and peace.

I would suggest, therefore, that, in thinking about the Congo and about other areas where the United Nations is brought in to keep the peace, we should ask ourselves this question: From the point of view of our national security, would it have been better to send in the American Marines or to act with others to send in the United Nations in the name of the world community?

Obviously the U.N. cannot keep the peace without expense. Today it has over 20,000 men in the field, patrolling the truce lines in the Middle East and keeping the lid on in the Congo. Manifestly this is the work of something more than a League of Nations—more than a debating society grafted on a pious commitment to unattainable goals. It is the work of an executive agency of considerable capacity and skill, capable of performing pragmatic tasks—such as mobilizing, transporting, commanding, and supplying substantial forces in the field when an emergency arises.

#### **U.N. an Instrument of U.S. Foreign Policy**

Much of the discussion about the United Nations has not been concerned so much with what it does as how its activities fit in with the larger purposes of our own foreign policy. To those of us in the Department of State who have responsibility for the formulation and administration of that policy the relationship is clear enough. The United Nations is an instrument of United States foreign policy just as it is an instrument of the foreign policy of every other member state. In addition the U.N. provides us with a mechanism by which we can seek to persuade other member states not only that they should agree with us on our foreign policy but that they should express that agreement by actively supporting resolutions that accord with our own national objectives.

Because our policies have tended to be right and have thus appealed to the interests of other nations and because Ambassador Stevenson and his staff have displayed exceptional leadership, we have been remarkably successful in obtaining

international approval of our own national policies.

This is illustrated clearly by the record of the last General Assembly—the 16th. You will recall that this Assembly convened last September in an atmosphere of somber crisis—the secession of Katanga Province in the Congo, the death of Dag Hammarskjöld on a mission of conciliation, the Soviet Union's revival of its infamous troika proposal for a three-headed Secretary-General, and the prospect of imminent bankruptcy.

Such was the state of affairs when President Kennedy addressed the General Assembly in September. He made a ringing affirmation of U.S. support and confidence in the future of the United Nations—and backed it up with three major initiatives.

The President laid before the membership a comprehensive U.S. plan for general and complete disarmament,<sup>3</sup> made realistic by its insistence on a simultaneous improvement of international peacekeeping machinery. This put the U.N. in business again on this vital if frustrating subject—and seized the initiative for the United States on the issue of peace.

President Kennedy also called for an active program of U.N. activity on the peaceful uses of outer space. The General Assembly acted on this American proposal in a resolution that extended the Charter of the United Nations to outer space and set up the Committee on Peaceful Uses of Outer Space, which began its work last week in an atmosphere unusual for the absence of cold-war policies.

Finally the President called for a U.N. Decade of Development to speed economic and social growth in the less developed world. This was approved unanimously; a general goal of a 50-percent expansion in national incomes was adopted for the next decade; and a wide range of specific programs and projects is in the course of preparation.

Thus did the U.N. General Assembly respond to American leadership and react to American initiatives that are both in our own interest and in the interest of a great majority of the members.

Meanwhile the Assembly resolutely preserved the integrity of the Secretariat against Soviet attack; rejected the Soviet effort to replace Nationalist China with Communist China; drew up an

<sup>3</sup> For text, see *ibid.*, p. 650.

emergency plan to restore financial order to its affairs; and dealt in a generally responsible manner with the emotional subject of colonialism.

### Functions of Regional Institutions

But if the United Nations is an instrument of United States policy it is only one of many instruments available to us. It is one of the tasks of the Secretary of State and his staff, when confronted with a particular problem, to select and utilize that instrument most appropriate for the purpose.

It is therefore important to be clear not only about what the United Nations does but what it does not do—what it is not, as well as what it is. Clarity on this score helps resolve the contradiction some people seem to find in American foreign policy, a contradiction between our reliance on the institutions of the Atlantic community and our participation in the United Nations.

No such contradiction in fact exists. The founders of the United Nations recognized the necessity for regional institutions and explicitly provided for them in the charter. Indeed the charter calls upon members to seek settlement of disputes within the framework of regional institutions before they are brought to the U.N. at all.

In practice we use the various institutions to which we belong for quite different purposes. The North Atlantic Treaty Organization (NATO) is, of course, the backbone of our military defense of the free world against the Communist bloc. Through our own massive forces and through NATO we maintain the armed strength that is the principal deterrent to Communist aggression. But just as the U.N.'s capabilities are limited, so are NATO's. Quite clearly NATO could not have intervened in the Congo to restore order when Belgium withdrew. Only a world organization could do so without arousing anticolonialist emotions.

It is true that the United Nations cannot, by itself, maintain the peace between the major powers. It is equally true that NATO was not qualified to supervise the peaceful change from colonialism to independence. Their roles are quite different and distinct. Each is essential, and therefore we support each for different reasons.

The same observation can be made with regard to the OECD—the Organization for Economic Cooperation and Development—which came into

being last September. Through this organization we are developing means for close cooperation in economic matters with the major industrialized powers on either side of the Atlantic. This kind of cooperation cannot be achieved within the larger framework of the United Nations. But the building of workable international relationships with the smaller, poorer countries requires arrangements in which the weaker nations can participate, with dignity, as full-fledged members—which is the secret of success of the World Bank, the U.N. Special Fund, and other worldwide institutions for technical aid and development lending.

I could, of course, go on to mention other regional arrangements in which we participate. The Organization of American States, for example, gives institutional form to the American system. And the Alliance for Progress provides for a massive cooperative effort between the United States and Latin America.

In view of the need for different instruments to serve the diverse purposes of our foreign policy, I find the suggestion quite curious that, by seeking to use NATO or the OECD as a means of cooperation with our European friends, we are somehow turning our back on the U.N. I find equally curious the belief that in seeking to work within the United Nations we are betraying our friendship with our Atlantic partners.

Nothing could be further from the truth. The fact of the matter is that, in 41 key votes in the last General Assembly, the United States and a majority of the NATO members voted together 41 times. Members of NATO do not, of course, vote as a bloc at the United Nations; only Communist members vote consistently as a bloc. But if loyalty to a majority of our NATO allies within the United Nations is a test, the United States has proved the most loyal of all—and this record was made in an Assembly in which there were 14 major votes on so-called colonial issues.

I cannot understand the contention that the United States must make a choice between the U.N. and NATO, that we are compelled for some strange reason to put all our eggs in one basket. It seems to me a curious concept that in world affairs we can do only one thing at a time—that if we stand firm in one place we cannot move ahead in another, that if we are in favor of quiet diplomacy we must be against parliamentary diplomacy in the General Assembly, that if we

are for a strong concert of free nations we must be against a strong world community, that if regional organizations are realistic world organizations are necessarily unrealistic.

It seems to me that the present maturity of our foreign policy lies precisely in our ability to stand firm against threats of aggression while simultaneously taking constructive initiatives to build a world free of the threat of aggression—building up the regional organizations of the Atlantic and Western Hemisphere communities while simultaneously supporting the world community represented by the United Nations—practicing at the same time bilateral diplomacy, regional diplomacy, and global diplomacy through the United Nations.

### **U.N. Serves National Interests**

In this world of interlocking partnerships the quality of our country-by-country diplomacy has to be supplemented with a diplomacy of regional organizations, and both must be complemented by our effective participation in the parliamentary diplomacy of the United Nations.

The U.N.'s New York headquarters has become, for the newer and smaller nations, the diplomatic capital of the world. Some of the smaller nations can hardly afford to be represented in more than a few capitals, but they are always represented at the United Nations. Thus if an African nation has business with Japan or India or Brazil, it is more than likely these days to tell its mission in New York to talk to the Japanese or Indian or Brazilian delegation to the U.N. And in the U.N. building itself there were 2,217 meetings this past year in the ceaseless process of building relationships among 104 countries whose independence is declared but whose interdependence is essential.

This is why the United States Mission to the United Nations bears such a heavy burden and why its quality is so critical to the national interest. This is why there is a "U.N. angle" to so many different parts of American foreign policy. This is why President Kennedy reached out for a man of Cabinet stature and world renown to head the United States Mission at the United Nations.

The center of decision and the source of instructions is Washington—on U.N. affairs as on all other parts of our foreign policy. These instructions give considerable weight, as they should, to the facts and recommendations received from the

U.S. Mission to the U.N. And the combination of American ideas and initiatives, backed by American power and carried into action by American diplomacy, enables the United States to carry more weight in the United Nations than any other member.

Because it does things we want to see done and makes possible some relations with other countries we want to see established—and because it operates, in the words of the charter, as "a center for harmonizing the actions of nations"—the United Nations serves the national interests of the United States. It will, we believe, continue to do so as long as the United States is its leading member and exercises day by day, the year round, the function of leadership.

### **President of Republic of Togo Visits United States**

*Sylvanus Olympio, President of the Republic of Togo, visited the United States March 19-30. After 2 days at Washington as a Presidential guest March 20-22, President Olympio continued his visit at New York City, making two other brief trips, one to Niagara Falls and one to the Virgin Islands. Following is the text of a joint communique between President Kennedy and President Olympio released on March 21 at the close of their talks.*

White House press release dated March 21

The President of the Republic of Togo, His Excellency Sylvanus Olympio, who is making a five-day visit to the United States as a Presidential guest of President Kennedy, will conclude a two-day stay in Washington tomorrow and continue his visit in New York. This visit has afforded an opportunity for the two Presidents to establish a personal acquaintance and discuss fully matters of common concern, including problems of global interest affecting world peace and human welfare.

The two Chiefs of State agreed that the formation of the Organization of African States at the recent Lagos Conference was a constructive step toward building African unity through political consultation and practical cooperation in the various technical and economic fields. President Olympio pointed out that such a regional organization should be based on the same principles as

those of the United Nations, including the principle of non-intervention in the internal affairs of member states.

President Olympio expressed his deep satisfaction for the unwavering support which the United States has given to the United Nations, particularly since the newly independent states consider that Organization a guarantee of their independence.

The two Presidents reviewed the friendly and mutually beneficial relations already established between the two countries. President Kennedy

noted the determined efforts toward economic and social development being carried forward by the Republic of Togo and stated the desire of the United States to continue development assistance to Togo. President Kennedy also expressed satisfaction that the United States could make available surplus commodities to alleviate the severe famine conditions in northern Togo, and President Olympio thanked him for this help. In addition the two Presidents discussed the role which the "Food for Peace" program could play in stimulating economic and social development in Togo.

## The Role of Agriculture in the Development of Africa

*by G. Mennen Williams*

*Assistant Secretary for African Affairs*<sup>1</sup>

It was a real pleasure to get an invitation from Jim Patton to attend this distinguished gathering, and I am happy to be here among my many friends in the National Farmers Union. You have coupled with your strong interest in the prosperity of the family-sized farm a strong interest in national and world affairs. During the past quarter-century, world affairs have become increasingly a major concern for all Americans. This is clearly true in terms of Africa, where the surge toward freedom and independence has pushed that continent to the front of the world stage in a single decade.

Prior to 1951, only four countries—Egypt, Ethiopia, Liberia, and the Union of South Africa—could be listed as independent countries. Since that time, 25 new nations have emerged on the African Continent—17 of them coming in 1960 alone. And there will be many others to follow—this year and in the years ahead.

Without subjecting you to a burdensome number of statistics, I would like to mention a few facts and figures that will give you some perspective of the scope of the challenge we face in Africa.

<sup>1</sup>Address made before the National Farmers Union at Denver, Colo., on Mar. 19 (press release 177).

Take size, for example. The continent of Africa is an extremely huge landmass, but many Americans still are not aware how large and complex the area really is. Traveling here, I was reminded that a trip across broadest Africa is almost twice the distance from Washington to San Francisco. Looking out of the window of the plane carrying me into Stapleton Airport, I could see mile after mile of the Colorado plateau and the magnificent Rockies towering over Denver. More than 100,000 square miles in size, Colorado is our eighth largest State. Yet you could fit 100 Colorados into the African Continent and still have a million square miles of land unused.

Although large in size, Africa is by no means heavily populated. Its 230 million people place it below Asia, Europe, and North America in total population. Its 29 independent countries range widely in numbers of people—from 35–40 million in Nigeria to about 1½ million in Gabon.

Transportation and communication facilities in Africa are largely undeveloped, and this massive continent contains a wide variety of peoples and cultures little related to one another. Nearly 1,000 languages or dialects are used in different parts of the continent.

The economic bases of the widely scattered African lands also are quite different from region to region, but the two principal supports of all African economies are mining and agriculture. These two activities make important contributions to the well-being of the rest of the world as well. In minerals, Africa supplies most of the diamonds used throughout the world and large amounts of gold, copper, cobalt, uranium, and manganese, to name a few. It also exports major quantities of such agricultural commodities as peanuts, cocoa, coffee, wine, palm products, and sisal.

### **Geographical Divisions of Africa**

Africa is just as diverse geographically as it is culturally and economically. Essentially, however, six major regions comprise the continent, and these arbitrary divisions are useful in helping us recognize some of the reasons for the many differences in Africa.

Bordered by the Mediterranean, the Sahara, the Atlantic, and the Red Sea is North Africa, settled principally by Arabs and Berbers.

Jutting out into the Arabian Sea is the Horn of Africa, which includes the high Ethiopian plateau and the hot coastal lands of Somalia and those bordering the Red Sea.

Savanna Africa is a third major geographical division. This consists of a broad belt of sand and grassland states just south of the Sahara extending from Sudan to the Atlantic Ocean.

On the west coast, running in an arc from Dakar in Senegal to northern Angola is rain-forest Africa, the most heavily populated region of the continent outside of Egypt.

Starting in northern Kenya in East Africa and running on both sides of a line to Cape Town in South Africa is mountain Africa, the area of greatest concentration of minority white settlements.

The sixth distinct geographic region is the Malagasy Republic, the island of Madagascar in the Indian Ocean, which is settled by people of mixed stock. Malagasy gives us another good example of the hugeness of the African area. If this island were set along our eastern seaboard, it would extend from Cape Cod to northern Florida. Yet many of us think of the Malagasy Republic as a fairly small island off the African coast.

What is it, then, that binds these many different regions, cultures, and peoples together? The best

answer to that question is found in the major aspirations of Africans everywhere throughout the continent. These broad desires—*independence, dignity, and improved standards of living*—are subscribed to by people from one end of the continent to the other.

### **Major Aspirations of African Peoples**

Heading this list is the African peoples' desire to gain freedom and independence from colonial rule. In recent years this desire has led to the birth of more than two dozen new nations. Most of these nations came to independence peacefully. However, while we may look with wonder on the transition of 25 nations to freedom in so short a space of time, the Africans tend to see about an equal number of nations not yet free.

A second Africa-wide aspiration is the achievement of individual dignity and self-expression equal to that of the rest of mankind. This is an extremely important concern for dark-skinned people in a world where color bars are being lowered too slowly for their liking.

We in America should be especially concerned with this particular African goal. The significance of racial discrimination in our country is as keenly felt among African leaders as it is among Americans. The more sophisticated Africans are aware that many Americans are making serious and strenuous efforts to assure all of our citizens the rights entitled them by our Constitution. Yet it is clear in our dealings with African nations that our slowness in providing equal rights for all our people continues to make us suspect in their eyes.

Improved standards of living comprise the third major aspiration of the emerging nations of Africa. There are vast differences in economic levels in Africa, but all of its countries are anxious to raise their standards of living as quickly as possible. This is not surprising, for in tropical Africa the per capita annual income is \$89 (\$132 for the continent as a whole), whereas in the nearest other area, the Middle East, it is \$171, and in the United States it is \$2,500.

Africa's leaders are men in a hurry. Their people have been patient throughout decades of colonial rule. Now that they have joined the world of free choice, however, the people insist on immediate economic improvement.

The people of Africa want to develop and mod-

ernize their countries, not only to obtain the material and cultural advantages that come with mature economies but also to maintain their freedom in national and international affairs. They want to obtain large amounts of capital and technical know-how rapidly. They want to improve educational facilities for themselves and for generations to come. They want better health, better sanitation, better housing, better nutrition.

Our agricultural abundance is playing an increasingly important role in our foreign assistance programs in Africa. Food is our most valuable material resource, and its use in our Food for Peace Program gives American farmers a direct and important stake in American foreign policy.

Many African countries are participating in this undertaking, and in such countries as Morocco, Libya, and Tunisia Food for Peace programs of considerable magnitude are under way. In these countries not only surplus sales but gifts for flood and famine relief and school lunches are part of the overall effort. Of particular interest in Morocco and Tunisia are programs where agricultural commodities are used directly as partial payment to workers engaged in national public works projects. This form of development assistance permits the Governments to embark on large-scale projects and at the same time combat the problems of unemployment and underemployment.

The people and governments who get these surplus agricultural commodities often express their appreciation at shipside ceremonies. In fact, President [Habib] Bourguiba of Tunisia last year said that the generous assistance of this country prevented famine in Tunisia. We are happy to be able to help our friends in Africa in these circumstances, but we also want to help them improve their own agricultural methods.

With some 90 percent of the population of Africa engaged in agriculture, and with the productive capacity of much of the continent impaired by malnutrition, the people of Africa obviously want to improve their crops and their livestock. Figures supplied by the U.N. Food and Agriculture Organization show that Africa has more arable land and pastureland than either the United States or the Soviet Union. Yet Africa produces only one-twentieth of the world's agricultural commodities while the United States accounts for almost one-sixth.

Although agriculture is the major source of income and employment for most Africans, present conditions keep productivity levels per worker very low. With improved agricultural techniques designed specifically for African conditions, however, there is good reason to believe that the large arable areas of Africa can be put to fuller use and raise African living standards and economies considerably. There is little wonder that very heavy emphasis is placed on improving this sector of the economy rapidly.

### **Patterns of Agricultural Production**

Patterns of agriculture in Africa today place ancient, traditional methods of farming for subsistence crops in sharp contrast with the latest modern agricultural techniques designed to produce large cash crops for export. This is the result of decades of colonial rule under which each unit of Africa was developed as a part of an overall colonial economy and not as a viable economic unit in itself. This is an enormous handicap to many of the new governments of Africa today.

For the multiplicity of stages of agriculture in Africa, there are three general patterns of production.

First there are those producers who employ primitive implements and essentially produce subsistence crops to feed the local farm communities. The traditional agricultural methods used by these farmers have been handed down from generation to generation over centuries. In some countries there are areas that never knew the plow until the last several decades, and in many areas farmers still use mattocks instead of animal-drawn plows.

In North Africa the principal crops grown for consumption are winter cereals—wheat and barley—as well as olives for olive oil. At the other end of the continent, in South Africa, crop emphasis is on summer cereals, such as maize and kafir corn. In between these areas, in tropical Africa, the major staple crops are cereals, starchy foods, oil-bearing fruits, groundnuts, and rice. Coffee, cocoa, and cotton are the three main cash crops in tropical Africa, and these are grown by small peasant producers principally for export.

A second group of producers is making vigorous efforts to convert their operations from traditional to modern agricultural methods. The size of these

farming operations varies greatly, and they are generally efforts which combine subsistence farming with cash crops. Many of these producers employ hired labor because of the size of their plantings.

The third category consists of large-scale plantations and farms using very modern agricultural methods. These production methods are principally found in the more temperate regions of Africa—in the north, in the south, and in the eastern highlands. Production in these areas is on a massive scale for the export market, and, in many cases, production per manpower and unit of land is as great or greater than that of the United States or the Soviet Union. These methods of farming initially were introduced by European settlers, but they are being adopted today by African governments in their efforts to develop sound economies.

An important question for American farmers is whether the African farmer, with improved agricultural methods, is going to be competitive with the American farmer. This is a very complex question, but with a few exceptions our agricultural products and those of most of Africa, particularly tropical Africa, are complementary instead of competitive. All indications show that for many years to come we are going to get from Africa substantial quantities of their tropical crops, such as cocoa, coffee, and sisal, and that we will export to Africa substantial quantities of our crops. For example, there is the strong likelihood that Africans will increase their consumption of wheat, which is one major item that tropical Africa has been getting from us in recent years. Another important U.S. export to tropical Africa is dairy products, which are in great demand because the tsetse fly prohibits livestock production throughout a large area of central Africa.

Another factor to consider is population. As improvements in public health, sanitation, and medical facilities occur in Africa, there is good reason to believe that a major increase in Africa's population will take place over the next two decades. This rapid growth in Africa will create strong pressures for increased food requirements, and the products of improved agricultural techniques will be urgently needed in the African countries themselves. As African economies grow there will also be an increase in monetary income. This factor, together with an expanding popula-

tion, will absorb whatever improved food production takes place in the years immediately ahead.

On balance, then, it seems quite likely that the complementary aspects of American and African agriculture will characterize relations between the two systems for some time to come.

### **Progress of Cooperative Movement**

The cooperative aspects of African agriculture impressed me greatly on my visits to the African Continent last year, and I think the progress of the cooperative movement in Africa may be of some interest to you. The cooperative approach to agricultural production and marketing is especially important in underdeveloped areas, where the individual is practically without capital resources.

Progress in developing co-ops in Africa has been slow and gradual but generally sound. There is still much to be done before such organizations achieve the same relative importance in Africa that they have in the United Kingdom and Western Europe, where the African movement gets its inspiration. Needed most to further develop the cooperative movement in Africa are time and money to develop technical skills and good organizations.

There is, however, great awareness in Africa of the important role that co-ops can play in national development, and most governments are encouraging and supporting them, often with credit facilities or credit guarantees. Their efforts are aided by the fact that cooperation and communal effort are basic characteristics of traditional African society, and present-day co-ops are in a sense a modern extension and adaptation of ancient ways of life. Most African cooperatives are production and marketing organizations, based on major agricultural export crops. Some of the largest and most successful cooperatives are concentrated in East Africa and North Africa, but there are other important cooperative activities elsewhere throughout the continent.

The cooperative movement in Africa was initiated principally by white settler groups, who account for most of the commercial export crop cooperatives today. Current growth in co-ops, however, is largely due to the efforts of indigenous Africans. As they take over more and more responsibilities for their economies, they have turned

increasingly to cooperative methods to handle their agricultural production and marketing.

In Uganda, in East Africa, the cooperative movement is primarily concerned with marketing and processing cotton and coffee, which form the basis of its export trade. At the end of 1960 Uganda had 1,640 registered cooperative societies with a membership of more than 210,000, and 29 estate coffee factories were owned and operated on a co-op basis by associations of African growers. Uganda also has cooperatives concerned with groundnuts, tobacco, milk, cattle, and fish.

Tanganyikan African cooperatives now market virtually all African-grown mild coffee, a high proportion of hard coffee, and at least half of the total production of cotton. A number of financially successful Tanganyikan marketing cooperatives have invested in cotton-ginning plants as well as in social projects—including the establishment of Moshi College in that northeastern Tanganyikan city near Mt. Kilimanjaro. Between 1948 and the end of 1959, registered co-op societies in Tanganyika grew from 62 with 52,000 to 617 with 325,000 members.

In Kenya, too, most agricultural commodities are handled by cooperatives, which numbered 576 in 1959. In this country the African Cooperative Union of Kilimanjaro has a long history of developing coffee production by Africans and serves as a model for other indigenous African co-ops.

In North Africa cooperatives play an important role in the Tunisian economy, and the Government of Tunisia contemplates an even larger role for them in the future. In Morocco the first co-ops were established about 1920. Again here, the Government looks to further cooperative efforts to help modernize traditional agriculture in the rural areas. In the Sudan there are 600 cooperative societies, of which more than one-fourth are agricultural, and the Government has established a Department of Cooperation to help the co-op movement grow throughout the country.

In recent years the United States has played a modest but significant role in developing co-ops in Africa, but many other countries also have made major contributions to the growth of the cooperative movement there. The United Kingdom really gave impetus to the movement in Africa following World War II, when it became official Government policy to foster the growth of co-ops throughout British Africa. Israel is another country that has given strong support to coopera-

tive development. Israelis have played a large part in assisting the growth of co-ops in West Africa in particular.

#### **U.S. Assistance in Development of Cooperatives**

The U.S. Government today is actively encouraging the development of cooperatives in Africa. Our assistance in this field is being stepped up at the present time, and the Agency for International Development only recently established an office to help its regional bureaus with cooperative matters.

I am very pleased that the National Farmers Union has decided to join with the U.S. Government in advancing our interest in the cooperative movement in Africa. As our good friend from Minnesota, Senator Hubert Humphrey, said recently, "Today's efforts for international progress are not limited to governmental action. . . . As a free society, the United States offers its skills and help to others through the efforts of individual citizens and private groups. I believe we should pause frequently to encourage nongovernmental programs for international progress and understanding. . . ."

The contract you are now developing with the Agency for International Development to provide training and demonstrations for African cooperative leaders and employees in two countries—one in East Africa and the other in West Africa—is a worthy endeavor on your part. This is a highly desirable type of activity for American nongovernmental organizations, and I am very pleased that you are taking this initiative in a very important area of American interest.

Another important contribution of nongovernmental organizations to African agriculture is the agricultural teaching being done in Africa by American land-grant colleges. Michigan State University has such a program in Nigeria, and Oklahoma State University has one in Ethiopia. We also have four preliminary work contracts in this field—two in Nigeria and one each in Tanganyika and Tunisia—and other countries have indicated interest in such programs for the next fiscal year.

Our governmental agricultural program in Africa, of course, is also of major importance in helping African countries boost their economies. In fiscal year 1962, which ends on June 30, our agricultural program for 24 African countries

covers 105 projects at a cost of approximately \$25 million, plus the equivalent of \$20 million in U.S.-owned local currencies. These projects call for 280 U.S. technicians to provide training and demonstrations in the 24 countries. In addition nearly 600 participants from those countries are to be trained outside Africa, with more than two-thirds of them scheduled to come to the United States.

Agricultural aid is only one segment of a new, integrated economic assistance program by which the U.S. Government is seeking to help the African nations help themselves. We also have strong interests in the development of such important matters as water programs for irrigation and power. Africa is rich in hydroelectric potential, having 40 percent of the world's total, but less than 1 percent is developed today. Our interest and support of the Volta River project in Ghana<sup>2</sup> has been widely reported, but we also are studying the Nile Basin in Ethiopia and have other studies under way in Sudan, Tunisia, Libya, and Somalia.

Our overall assistance program in Africa strongly reflects our sincere interest in Africa's social and economic progress, as well as in its political and economic independence. We support the three major aspirations of Africans—freedom, dignity, and improved standards of living—because these are goals that have made our own country strong. These are aspirations that point the way to a strong and stable Africa, and stability and strength in turn can lead to the kind of peaceful world in which we want our children to live.

Man cannot live by bread alone, however, as you well know. Universal human values of the spirit transcend the material aspects of life. Our real challenge in Africa is whether we can respond to the newly emerging countries of that continent in a spirit of true brotherhood and friendship. In meeting this challenge, we dare not fail. I thank all of you for your splendid support of our efforts in this tremendously important task.

## Letters of Credence

### *Central African Republic*

The newly appointed Ambassador of the Central African Republic, Jean-Pierre Kombet, presented his credentials to President Kennedy on March 30.

<sup>2</sup> For background, see BULLETIN of Jan. 1, 1962, p. 30.

For texts of the Ambassador's remarks and the President's reply, see Department of State press release 206 dated March 30.

### *Union of Soviet Socialist Republics*

The newly appointed Ambassador of the Union of Soviet Socialist Republics, Anatoliy Fedorovich Dobrynin, presented his credentials to President Kennedy on March 30. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 207 dated March 30.

## President Sends Congratulations to Governor General of Ceylon

*Following is the text of a message sent by President Kennedy on March 21 to William Gopallawa, Governor General of Ceylon.*

White House press release dated March 21

I congratulate you on your appointment as Governor General of Ceylon. It is my sincere wish and that of the people of the United States that you enjoy every success. Your ambassadorship in Washington did much to reinforce the traditional bonds of friendship between our two countries. May that friendship be strengthened still further in the future. Please accept my warm personal greetings and best wishes.

## Sino-Soviet Bloc Military Aid to Cuba Summarized by Department

Press release 195 dated March 27

*The following summary on Sino-Soviet bloc military aid to Cuba is issued in response to numerous requests for up-to-date information on this subject.*

For about a year and a half the Sino-Soviet bloc has supplied Cuba with large-scale military assistance. Bloc military deliveries—primarily from the U.S.S.R. and Czechoslovakia—have included a wide assortment of land armaments ranging from small arms through heavy tanks. Bloc aircraft supplied to Cuba include MIG jet fighters, helicopters, transports, and trainers. Extensive military training has been provided

both in the bloc and in Cuba. Communist military aid has turned the Cuban military establishment into one of the most formidable in Latin America, and it has introduced a military capability hitherto not present in any of the Latin American countries of the Caribbean area. However, there is no evidence that the Soviet Union has supplied Cuba with missiles or that missile bases are under construction in Cuba.

The Soviet Union at first moved cautiously in responding to Cuban requests for military assistance. Once under way, however, the Cuban buildup proceeded swiftly. Bloc support has aided the Castro regime in consolidating its control over the Cuban people. For the past several months the bloc's military aid program in Cuba has been concerned primarily with training, assimilating new equipment, and remolding the Cuban military establishment along bloc organizational lines.

### **Background**

Preliminary attempts to procure Soviet bloc arms were initiated by the Cuban government as early as 1959, but no firm military aid pacts were concluded until the summer of 1960. During 1959 and early 1960, Cuban purchasing missions traveled frequently to the bloc to investigate new sources of supply. Discussions reportedly covered a whole range of equipment from small arms to modern jet aircraft. Mikoyan's [Anastas I. Mikoyan, First Deputy Chairman of the U.S.S.R.] visit to Cuba in February 1960 signaled the beginning of a massive bloc trade and aid program which gained momentum throughout 1960 as U.S.-Cuban relations deteriorated.

Military negotiations with the U.S.S.R. and Czechoslovakia in 1960 were followed up by a well-publicized trip to Prague and Moscow by Raúl Castro, which probably was the occasion for the conclusion of secret arms deals. By August, Czech small arms were being issued by some Cuban militia units, and in the autumn the first major shipments of Communist arms began arriving in Cuba.

### **Scope of Bloc Military Aid**

From the autumn of 1960 until the late summer of 1961, bloc arms deliveries were made regularly to Cuban ports. No financial information on the

bloc's arms deals with Cuba has been disclosed, but it is estimated that on the order of \$100 million worth of equipment and technical services has been provided. Moreover, several hundred Cuban military personnel have received training, including pilot training, in the bloc.

On January 5, 1962, during a military parade celebrating the third anniversary of takeover by the present regime, Cuba unveiled an array of military hardware indicative of deliveries up to that time. Units equipped with medium and heavy tanks, assault guns, truck-mounted rocket launchers, artillery, antiaircraft weapons, and mortars, as well as rifles and machineguns, were featured prominently. A fly-by of MIG jet fighters, including some high-performance MIG-19's, was one of the highlights of the air display.

In the latter part of 1961 the focus of the bloc's military aid to Cuba was on assimilation of new equipment, intensive training, and completion of the reorganization of Cuba's military establishment. Recently, however, military shipments to Cuba have resumed and for the first time have included small naval vessels.

The capabilities of the Cuban ground forces have increased steadily since the introduction of bloc equipment and training in the autumn of 1960. The ground forces are estimated to number some 300,000. All units are equipped with bloc small arms, and many have heavier equipment as well. Bloc aid is strongly reflected in Cuba's ground forces organization, which resembles that of the East European satellites. Soviet bloc arms aid has given the Cuban ground forces an armored, artillery, antiaircraft, and antitank capability largely lacking in the past and unknown to other Latin American countries of the Caribbean area. Thousands of modern bloc small arms have been delivered. Soviet bloc instructors have been used extensively for training purposes, and they serve as full-time advisers to some individual units.

Following the takeover by the present regime, the capabilities of the Cuban air force declined sharply as a result of purges and defections of key personnel. One of the major goals of the new regime, however, was to acquire combat jet aircraft, and most of the Cuban military trainees who went to the bloc in the summer of 1960 were air cadets. Their training has been one of the

most important tasks of the bloc's military air program. Cuban pilots have now returned to Cuba, where they are continuing instruction on MIG jet fighters which arrived last summer. The bloc has also supplied helicopters, piston-engine trainers, and small single-engine transports. About a dozen IL-14 twin-engine transports were delivered this autumn for the Cuban civil airline. No Soviet bombers are known to have been delivered to Cuba.

During the first year and a half of the bloc's military aid program, the Cuban navy did not receive any significant assistance. Since the first

of the year, however, a number of Soviet patrol vessels and motor torpedo boats have been supplied.

#### BLOC ARMS AND MILITARY EQUIPMENT SUPPLIED TO CUBA

<i>Type of equipment</i>	<i>Estimated quantity</i>
MIG jet fighters	50-75
Medium and heavy tanks	150-250
Assault guns	50-100
Field artillery	500-1000
Antiaircraft artillery	500-1000
Mortars	500
Small arms	200,000
Patrol vessels	Some
Motor torpedo boats	Some

## U.S. International Trade Policies

*by Philip H. Trezise*

*Acting Assistant Secretary for Economic Affairs<sup>1</sup>*

In 1928 merchandise exports of the United States were about \$5.2 billion. That was a year of world prosperity, as measured at the time. It was also before the massive obstacles to international trade and payments that were raised in the next decade.

In 1932 our merchandise exports were valued at \$1.7 billion, down 67 percent from 1928. It was the low year of the great depression. And it was a time of widespread restrictions on world trade, including the very high American tariff levels established in the Smoot-Hawley tariff bill of 1930.

This comparison suggests the two main factors that normally bear on the volume of world commerce. One relates to levels of income around the world. The other is the presence, or relative absence, of serious and general impediments to world trade, especially in the high-income countries.

These are not really separable forces, of course. Undue barriers to world trade have the effect of

holding down world business activity and income. Removal of such barriers tends to push up income as well as trade.

Over the past 10 years, in any event, both forces have been favorable, on the whole, to an expansion of international trade. There has been a steady growth in economic activity, particularly in the industrial countries of North America, Western Europe, and Japan. Total production in the free world increased between 1950 and 1960 by more than 40 percent.

At the same time, the major trading nations have been cutting away at the great mass of trade restrictions—tariffs, quotas, and exchange control—which were inherited from the depression and which were made even more binding in many cases during the early postwar years. The rules of the General Agreement on Tariffs and Trade, which is the international code of rules for the conduct of trade among the participating nations, have been very useful guidelines and benchmarks in this development. So have the articles governing the international payments system as agreed to by the members of the International Monetary Fund. We have come a considerable way toward reaching the basic aims of the GATT

<sup>1</sup> Address made before the California Agribusiness Congress for World Trade at Fresno, Calif., on Mar. 16 (press release 171 dated Mar. 15).

and the Fund in freeing up trade and payments.

The effect on world trade of developments during the 1950's was salutary. Free-world trade in 1960 was about 80 percent more than it had been a decade earlier.

### U.S. Position in World Trade

The position of the United States in this world trading system is a central one. We account for an estimated 15 percent of total free-world imports and exports.<sup>2</sup> In 1961 our nonmilitary exports were about \$20 billion and our imports about \$14.5 billion. Although international trade makes up a smaller proportion of our national output than in many other countries, the absolute volume of our purchases and sales from and to the rest of the world makes our actions and decisions crucial to the course of world commerce.

The ramifications of our choices in the trade field can be very wide, for the political health of a great many free-world countries is directly related to the ups and downs of international trade. We could easily undo our efforts to strengthen the political and defense structure of the free world if we were to take the wrong directions in our trade policies. I mention this only in passing, however, for our economic interests alone argue strongly for an American policy of leadership in expanding world trade.

We have consistently been a large net exporter of goods to the world. In the early postwar years, of course, it was easy to export, since the American economy came out of the war undamaged and in a state of high productive efficiency. But our overall export strength has not declined, despite the remarkable industrial recovery and growth in Western Europe and Japan. Last year we ran a surplus of about \$5.4 billion of exports over imports. In 1960 we did roughly the same. After making a discount for those exports financed by the Government, our surplus in 1960 and 1961 was still a whopping \$3 billion.

Through the 1950's exports increased faster than imports and faster than total national output. The proposition that we have pruned ourselves out of world markets finds no support in these figures. On the contrary, wherever our agriculture and industry, taken as a whole, have a fair chance to compete in foreign markets, we can export.

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<sup>2</sup> In 1960 it was 15.7 percent.

This is probably not news to Californians. Your State in 1960 ranked third in the Union as an exporter of manufactured goods, with a total value of \$1.3 billion. The estimate is that Californian agricultural exports were worth another \$500 million and that 12 percent of your farm workers were producing for the export trade. Wages and costs in California have not lagged behind the rest of the country, as I understand it, but California's ability to export its products has not visibly diminished.

The fact is that we can with some confidence assume that an increase in the volume of total world trade will be accompanied by a larger American export surplus. We need a larger surplus to help our balance of payments, where we have a chronic deficit, and we need it to increase employment and business activity at home. Our interest, in short, is to use our position of leadership in the world to reduce barriers to trade wherever and whenever possible.

The European Common Market gives special point and urgency to American decision-making in the trade field.

When the major European currencies were made convertible for current transactions in early 1958, with a resultant lifting of many quantitative restrictions on imports, our trade with Western Europe skyrocketed. Between 1958 and 1960 our exports to 17 Western European countries rose by 38 percent—which, incidentally, was twice as fast as the rate of increase achieved by other exporting nations and which suggests something, perhaps, about our competitiveness. In nonagricultural goods taken alone, where the range of freer access to the European market was greatest, our exports went up by 44 percent in 1959 over 1958 and by 58 percent in 1960 over 1959.

Up until now we have been competing in Western Europe on the same terms as everyone else. The market in France for our machinery exports has been no more restricted than for German or British machinery exports. Now, however, the Common Market has begun to apply its tariffs differentially and is moving steadily along toward dismantling the tariffs that are operative among its members. By the end of the decade, and probably sooner, there will be no tariffs on industrial products within the Common Market but there will be a tariff, of indeterminate height, against the rest of the world. At that point, unless we

do something soon about it, we may find ourselves competing not on equal terms but on distinctly unequal terms as against producers within the Common Market.

I will not go further into the subject of the Common Market, since it is to be covered fully in a few moments, except to say what is perfectly plain—that its development will surely add a new dimension to the world trading scene.

### Proposed Trade Expansion Act

These, then, are among the considerations in the background of planning American trade policies for the years immediately ahead. We need to build on our export surplus. And the appearance on the world trading scene of a thriving, expanding economic unit that may shortly include most of the industrial power of Western Europe presents a major challenge and opportunity for our trade.

The old Reciprocal Trade Agreements Act, which Cordell Hull fathered in 1934, expires in June. This act, and the policies it represented, have served our national interests well. Without it as the basis for the exercise of American leadership in international trade, the world by now undoubtedly would have become organized into a series of tight little mutually exclusive trading blocs. The volume of international trade would be much smaller than it is, and prospects for forward progress in trade would be dim indeed.

Over the years, however, the Trade Agreements Act accumulated numerous barnacles and disabilities. A mere renewal of the law in its present form would not provide the elements essential to a vigorous American initiative in world trade. We have just concluded in Geneva a prolonged and difficult negotiation under the expiring act.<sup>3</sup> Everybody who was involved agrees that we cannot hope to cope with the trade problems of the future under the limitations that we were subject to at Geneva.

The President has asked the Congress for basically new legislation in the proposed Trade Expansion Act of 1962.<sup>4</sup> His proposal would greatly expand our ability to negotiate tariff adjustments, particularly with the European Common Market.

<sup>3</sup> For background, see BULLETIN of Apr. 2, 1962, p. 561.

<sup>4</sup> For text of the President's message to Congress, see *ibid.*, Feb. 12, 1962, p. 231; for a summary of the bill (H.R. 9900), see *ibid.*, Feb. 26, 1962, p. 343.

It would allow us to depart from item-by-item bargaining over hundreds of small portions of trade and to go to across-the-board negotiations on categories of goods whenever that procedure promised to be advantageous to us. It would include modernized safeguard provisions to deal with problems of adjustment to imports.

Under the proposed law the President would be authorized to negotiate with any of our trading partners for tariff reductions of up to 50 percent. A special section of the law would empower him to bargain with the Common Market for the reduction, or elimination, of tariffs on categories of goods of which the United States and the Common Market are dominant suppliers to the world. He could negotiate with the Common Market for the reduction or elimination of tariffs on a common list of agricultural commodities, without the dominant-supplier limitation. He would be allowed to reduce or give up our nuisance tariffs, that is, those amounting to 5 percent or less ad valorem. And he would be able to reduce or eliminate tariffs on certain tropical forestry and agricultural products on condition that the Common Market take similar action. Our tariff cuts under the main authorities of the bill would be staged over a 5-year period. All reductions by ourselves would be extended to all other free-world countries on the basis of the most-favored-nation principle. Similarly, other countries in GATT would, under the rules of that agreement, extend their reductions to other GATT countries.

The new law would provide authority to negotiate. It would not require negotiations on any particular article or articles. In fact the bill explicitly provides for reserving items from tariff bargaining. It would continue the procedure of referring proposed negotiating lists to the Tariff Commission for advice on the probable economic effects of tariff reductions, but it prescribes new criteria to guide the Commission. It retains the national security clause of the old act, permitting the President to take any action to adjust imports that might impair national security.

There is a new approach to the import adjustment problem in the form of provisions for assistance to companies or workers whose interests are found to be harmed by import competition as a result of tariff reductions. Companies would be able to get financial assistance, tax relief, and technical assistance. Workers would be eligible for

extended unemployment insurance, retraining, and relocation expense payments.

Tariff relief of the familiar escape-clause kind would still be available for industries adversely affected by imports, when adjustment assistance proved to be inadequate or inappropriate. The bill labels this as "extraordinary" relief in recognition of the fact that withdrawals of tariff concessions are not to be undertaken lightly in a world in which we ourselves want international commitments to mean what they say.

#### Relation to Political Factors

That, in summary, is the shape of our proposed new trade program and policy. It carries over the experience gained in 26 years of experience with the Trade Agreements Act. It also strikes out along new lines in order to deal with the problems of the 1960's.

Hearings on the bill have just begun before the Ways and Means Committee of the House.<sup>5</sup> It would be premature and inappropriate to predict how the Congress will deal with the President's proposal. The prospect, in any case, is that there will be a great debate in the Congress and throughout the country and that this will serve to clarify the issues and to inform our people about the stake our country has in world trade.

If the Congress provides the President with new negotiating authority, the probability is that we would begin preparations for a tariff conference under GATT auspices possibly to begin sometime in 1963. The aim would be to convene all the nations committed to the GATT in a large-scale multilateral negotiation to bring down trade barriers throughout the free world.

There are a great many reasons why we should take the lead and the initiative in this. I have touched on some of the key economic points. It is evident also that our political relationships with Western Europe and our position in the less developed and uncommitted areas of Asia, Africa, and Latin America will be affected by our action or lack of action on trade matters. This could be the opportunity to knit the free-world economy and thereby its policy more closely together for mutual benefit. If we were to succeed, the further consequences for the historic confrontation between our system of government and politics and

the Soviet system would be far-reaching and favorable. These issues are not modest or narrow ones. Trade policy this year is in the center ring. It well deserves the attention that groups like yours are giving it.

## President Makes Decisions in Four Import Duty Cases

The White House announced on March 19 the President's decisions in four cases involving recommendations of the Tariff Commission. In two instances, concerning imports of woven carpets and sheet glass, the President accepted the Commission recommendations and signed proclamations increasing applicable duties, effective after the close of business April 18.<sup>1</sup> In two cases, affecting imports of ceramic tile and baseball gloves and mitts, the President decided that the evidence presented did not clearly sustain conclusions that serious injury had resulted from import competition.

The effect of the President's decisions will be:

(a) To increase the duty on Wilton and velvet (or tapestry) carpet imports from 21 percent to 40 percent ad valorem;

(b) To increase duties on imports of cylinder, crown, and sheet glass to amounts ranging from 1.3 cents to 3.5 cents per pound depending on size and thickness;

(c) To hold the existing duty level on imports of ceramic mosaic tile; and

(d) To retain the present 15-percent ad valorem duty on baseball gloves and mitts.

In all four cases the President has asked the Tariff Commission to provide data supplementing its original reports.

The President's decisions were reported in letters<sup>2</sup> transmitted on March 19 to the chairmen of the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

The Tariff Commission conclusion—and the President's concurring judgment—that imports of

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<sup>1</sup> For texts of Proclamations 3454 and 3455, see 27 *Fed. Reg.* 2789 and 2791. On Mar. 27 the President issued Proclamation 3458 delaying the effective date of these proclamations until June 17; for text, see 27 *Fed. Reg.* 3101.

<sup>2</sup> For text, see White House press release dated Mar. 19.

<sup>5</sup> For a statement made by Under Secretary Ball on Mar. 13, see *ibid.*, Apr. 9, 1962, p. 597.

Wilton and velvet (or tapestry) carpets were injuring the domestic industry producing like products was based on the record of general decline in production since 1955, in a period when imports increased significantly. Industry earnings and worker man-hours also declined in the same period.

Acceptance of the Tariff Commission recommendation for relief to the domestic sheet-glass industry was based on evidence that importers enjoy a price advantage that has occasioned a significant rise in imports since 1955, while U.S. production has dropped. Domestic industry profits have trended downward, and losses were registered in 1960. Worker man-hours have also declined, with further adverse effect on communities in areas burdened with labor surpluses.

The President did not increase the duty on imports of ceramic mosaic tile because it did not appear that the industry had sustained serious injury. Although imports have increased substantially since 1955, domestic production has not declined. The level of employment in domestic plants has also remained constant.

In the baseball-glove and -mitt case the Tariff Commission did not conclude that the domestic industry had been injured but rather that a threat of injury exists. In the President's judgment this finding, viewed in the light of the data presented, did not justify the duty increase requested by the domestic industry, which, despite very large increases in imports in recent years, has maintained relatively stable levels of employment and of total annual sales.

An additional consideration in both the ceramic-tile and baseball-glove cases was the fact that Japanese manufacturers, who are the principal competitors from abroad, have established voluntary quotas on exports to the United States of these products.

## **Scientists Named for Joint Study of U.S.-Mexico Salinity Problem**

### *Department Announcement*

Press release 193 dated March 26

The Presidents of the United States and Mexico announced on March 16<sup>1</sup> that the International

Boundary and Water Commission would appoint a team of highly qualified United States and Mexican water and soil scientists and engineers to make an objective analysis of the lower Colorado River salinity problem. The recommendation of this team would be an essential part of the urgent study of the problem now being carried out by the Commission.

After consultation with the President's Special Assistant for Science and Technology, Jerome B. Wiesner, and on the recommendation of the Department of the Interior, the United States Commissioner on the International Boundary and Water Commission has appointed the following scientists as advisers to him to participate in the joint study with Mexico:

Charles A. Bower, Director, United States Salinity Laboratory, Agricultural Research Service, Department of Agriculture, Riverside, Calif.

Russell H. Brown, Chief, Research Section, Ground Water Branch, Division of Water Resources, United States Geological Survey, Department of the Interior

John Harshbarger, Professor of Geology, University of Arizona

Arthur F. Pillsbury, Professor of Irrigation and Irrigation Engineering, University of California at Los Angeles

Stephen Reynolds, State Engineer of New Mexico

These scientists will meet at Yuma, Ariz., on March 27 with the United States Commissioner, the Officer in Charge of Mexican Affairs of the Department of State, and members of the Commissioner's staff to obtain background information on the salinity problem. The Mexican scientists who are to work with the United States scientists on the joint study are scheduled to meet with the Mexican Commissioner on March 28 at Ciudad Juárez, Mexico, for similar purposes. The Mexican and United States scientists will meet together on March 30 to commence their study. They will be assisted by Roger Revelle, Science Adviser to the Secretary of the Interior.

The Presidents, in their announcement of March 16, stated that the objective of the two Governments was, without prejudice to the legal rights of either country, to agree upon and put into operation remedial measures within the shortest possible period of time. The Department of State believes that the scientists of the two countries who will convene on March 30 can contribute immeasurably to the realization of this objective.

<sup>1</sup> BULLETIN of Apr. 2, 1962, p. 542.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of International Conferences and Meetings<sup>1</sup>

#### Adjourned During March 1962

United Nations Wheat Conference . . . . .	Geneva . . . . .	Jan. 31-Mar. 10
U.N. Economic Commission for Africa: 4th Session . . . . .	Addis Ababa . . . . .	Feb. 19-Mar. 3
GATT Contracting Parties: Council of Representatives . . . . .	Geneva . . . . .	Feb. 22-28
ILO Governing Body: 151st Session (and its committees) . . . . .	Geneva . . . . .	Feb. 26-Mar. 9
IAEA Board of Governors . . . . .	Vienna . . . . .	Feb. 27-Mar. 5
OECD Industries Committee . . . . .	Paris . . . . .	Mar. 1-3
IA-ECOSOC: 1st Meeting of National Directors of Immigration Customs and Tourism of Central America, Mexico, and the United States.	San Salvador . . . . .	Mar. 1-9
Caribbean Organization: Meeting of Representatives of Member Governments.	Georgetown, British Guiana . . . . .	Mar. 5-8
Inter-American Institute of Agricultural Sciences: 7th Meeting of Technical Advisory Council.	San José . . . . .	Mar. 5-9
GATT Working Party on Application of GATT to International Trade in Television Programs.	Geneva . . . . .	Mar. 5-9
U.N. ECOSOC Committee for Industrial Development: 2d Session . . . . .	New York . . . . .	Mar. 5-16
ICAO Panel on Origin and Destination Statistics: 4th Session . . . . .	Montreal . . . . .	Mar. 5-17
UNESCO/ECLA/OAS/ILO/FAO Conference on Education and Economic and Social Development in Latin America.	Santiago . . . . .	Mar. 5-19
U.N. Scientific Committee on Effects of Atomic Radiation: 11th Session.	New York . . . . .	Mar. 5-23
U.N. Economic Commission for Asia and the Far East: 18th Session.	Tokyo . . . . .	Mar. 6-19
International Lead and Zinc Study Group: Special Working Group.	Geneva . . . . .	Mar. 8-16
International Lead and Zinc Study Group: Statistical Committee.	Geneva . . . . .	Mar. 12-13
OECD Oil Committee . . . . .	Paris . . . . .	Mar. 12-14
CENTO Liaison Committee . . . . .	Rawalpindi . . . . .	Mar. 12-15
GATT Panel of Experts on Consular Formalities . . . . .	Geneva . . . . .	Mar. 12-16
U.N. ECE Working Party on Construction of Vehicles . . . . .	Geneva . . . . .	Mar. 12-16
ITU CCIR Study Group IV (Space Systems) . . . . .	Washington . . . . .	Mar. 12-23
ITU CCIR Study Group VIII (International Monitoring) . . . . .	Washington . . . . .	Mar. 12-23
ICAO Air Traffic Control Panel . . . . .	Montreal . . . . .	Mar. 12-24
Caribbean Organization Council: 2d Meeting . . . . .	Georgetown, British Guiana . . . . .	Mar. 13-16
OECD Agriculture Committee . . . . .	Paris . . . . .	Mar. 14-15
WMO Regional Association I (Africa): 3d Session . . . . .	Addis Ababa . . . . .	Mar. 14-31
NATO Petroleum Planning Committee . . . . .	Paris . . . . .	Mar. 15-16
International Lead and Zinc Study Group: 5th Session . . . . .	Geneva . . . . .	Mar. 15-21
International Seminar in Clinical and Public Health . . . . .	Lahore . . . . .	Mar. 17-20
OECD Fisheries Committee . . . . .	Paris . . . . .	Mar. 19-20
International Sugar Council: 11th Session . . . . .	London . . . . .	Mar. 19-20
U.N. ECE Coal Committee (and working parties) . . . . .	Geneva . . . . .	Mar. 19-23
U.N. Committee on Peaceful Uses of Outer Space . . . . .	New York . . . . .	Mar. 19-29
UNESCO Intergovernmental Advisory Committee on the Extension of Primary Education in Latin America: 4th Meeting.	Santiago . . . . .	Mar. 20-23
U.N. ECE Steel Committee: 27th Session (and working parties) . . . . .	Geneva . . . . .	Mar. 20-27
U.N. ECLA Committee of the Whole: Extraordinary Meeting . . . . .	Santiago . . . . .	Mar. 21 (1 day)
OECD Development Assistance Committee . . . . .	Paris . . . . .	Mar. 21-22
CENTO Civil Defense Experts . . . . .	Rawalpindi . . . . .	Mar. 21-24
UNESCO Conference of Ministers of Education of Africa . . . . .	Paris . . . . .	Mar. 26-30
OECD Nonferrous Metals Committee . . . . .	Paris . . . . .	Mar. 27-28
FAO European Commission for the Control of Foot-and-Mouth Disease: 9th Session.	Rome . . . . .	Mar. 27-29

<sup>1</sup> Prepared in the Office of International Conferences, Mar. 30, 1962. Following is a list of abbreviations: CCIR, Comité consultatif international des radio communications; CENTO, Central Treaty Organization; ECE, Economic Commission for Europe; ECLA, Economic Commission for Latin America; ECOSOC, Economic and Social Council; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IA-ECOSOC, Inter-American Economic and Social Council; ICAO, International Civil Aviation Organization; ICEM, Intergovernmental Committee for European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; OAS, Organization of American States; OECD, Organization for Economic Cooperation and Development; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; WMO, World Meteorological Organization.

## Calendar of International Conferences and Meetings—Continued

### Adjourned During March 1962—Continued

OECD Committee on Restrictive Business Practices: Advisory Committee.	Paris . . . . .	Mar. 27-28
OECD Committee on Restrictive Business Practices: Bureau . . . . .	Paris . . . . .	Mar. 29-30
International Union for the Protection of Industrial Property: Permanent Bureau of the Consultative Committee.	Geneva . . . . .	Mar. 29-31
ICEM Subcommittee on Budget and Finance: 5th Session. . . . .	Geneva . . . . .	Mar. 29-31
U.N. ECE Meeting on Effective Demand for Housing . . . . .	Geneva . . . . .	Mar. 29-31

### In Session as of March 31, 1962

Conference on Discontinuance of Nuclear Weapon Tests (not meeting).	Geneva . . . . .	Oct. 31, 1958-
5th Round of GATT Tariff Negotiations . . . . .	Geneva . . . . .	Sept. 1, 1960-
International Conference for the Settlement of the Laotian Question.	Geneva . . . . .	May 16, 1961-
United Nations General Assembly: 16th Session (recessed February 23).	New York . . . . .	Sept. 19, 1961-
OAS Group of Experts on Compensatory Financing. . . . .	Washington . . . . .	Jan. 5-
Eighteen-Nation Disarmament Committee. . . . .	Geneva . . . . .	Mar. 14-
U.N. ECOSOC Commission on Human Rights: 18th Session . . . . .	New York . . . . .	Mar. 19-
U.N. ECOSOC Commission on Status of Women: 16th Session . . . . .	New York . . . . .	Mar. 19-
ICAO Subcommittee on the Legal Status of Aircraft: 4th Meeting . . . . .	Montreal . . . . .	Mar. 26-
IMCO International Conference on the Prevention of Pollution of the Sea by Oil.	London . . . . .	Mar. 26-
WMO Commission for Synoptic Meteorology: 3d Session . . . . .	Washington . . . . .	Mar. 26-

## IAEA Director General Visits Washington

The Department of State announced on March 28 (press release 199) that Sigvard Eklund of Sweden, Director General of the International Atomic Energy Agency (IAEA), would arrive at Washington on March 28.

Dr. Eklund will be received by President Kennedy at the White House on March 30. He will be guest of honor at luncheons given by Secretary Rusk on March 29 and by the Joint Committee on Atomic Energy on March 30, and at a reception by the Chairman of the Atomic Energy Commission, Glenn Seaborg, and the Under Secretary of State, George McGhee, on March 30. He will also be received by the Ambassador of Sweden.

He will meet with officers in the Department of State and the Atomic Energy Commission to discuss questions of mutual interest to the Agency and the United States. During his stay in Washington, he will sign on behalf of the IAEA an agreement between the United States and the Agency under which the Agency's safeguards system would be applied to four United States nuclear reactors.

Dr. Eklund will leave for Mexico City on April 2 to attend the opening sessions of the Inter-American Nuclear Energy Commission

meeting and will later visit the Argonne National Laboratory near Chicago and atomic energy facilities at Oak Ridge, Tenn.

### TREATY INFORMATION

## U.S. and U.S.S.R. Sign Agreement on Exchanges for 1962-63

### STATEMENT BY CHARLES E. BOHLEN<sup>1</sup>

It is a pleasure to sign the new U.S.-U.S.S.R. agreement on exchanges in the scientific, technical, educational, cultural, and other fields for the years 1962 and 1963. This agreement moves forward the important program of American-Soviet exchanges which was inaugurated by the first agreement, signed in January 1958,<sup>2</sup> and continued, for an additional 2-year period, in November 1959.<sup>3</sup>

<sup>1</sup> Made at the signing ceremony at Washington on Mar. 8 (press release 152). Mr. Bohlen is Special Assistant to the Secretary of State.

<sup>2</sup> For text, see BULLETIN of Feb. 17, 1958, p. 243.

<sup>3</sup> For text, see *ibid.*, Dec. 28, 1959, p. 951.

Negotiations leading to the present agreement took place in Washington from January 31st until today. We feel that this agreement, based on the principle of reciprocity and mutual advantages in all fields, has laid the basis for balanced increased exchanges during the next 2 years. The length of the negotiations in themselves reveals the complexity of the problems considered, as well as differences between the two countries on the methods of carrying out the various exchanges. The negotiations were serious and businesslike, and we feel that it is a matter of mutual congratulations that they have come to a successful conclusion. Compromises were found to bridge the differences of approaches, and we consider that the present agreement represents a satisfactory coordination of these differences. We also believe that the present agreement represents a measure of progress over the last U.S.-Soviet exchange agreement, and we look forward, in subsequent agreements, to a continuance of this progress.

Negotiations held at the same time led to agreements between the National Academy of Sciences and the Academy of Sciences of the U.S.S.R., as well as between the American Council of Learned Societies and the Academy of Sciences of the U.S.S.R., providing for the further broadening of contacts between American and Soviet scientists and scholars in 1962-1963.

It should be noted that the agreement between the National Academy of Sciences and the Soviet Academy has been initialed by the respective negotiators and is subject to the approval of the governing bodies of both academies.

The President and the Secretary of State have supported the usefulness of a mutually advantageous exchanges program with the Soviet Union. We look forward to another 2 years of useful exchanges with the Soviet Union. All of us hope that the increased program of exchanges, including a broader flow of communication, will contribute to a better mutual understanding of outstanding problems and to a lessening of international tension.

#### **TEXT OF JOINT COMMUNIQUE<sup>4</sup>**

The United States of America and the Union of Soviet Socialist Republics have signed today, March 8, 1962, an Agreement on Exchanges in the Scientific, Technical, Educational, Cultural and other Fields for 1962-1963.

<sup>4</sup>Released on Mar. 8 (press release 151); press release 151 also included the text of the agreement.

During the course of the negotiations which led to the Agreement, the fulfillment of the previous agreement for exchanges in 1960-1961, signed in Moscow on November 21, 1959, was reviewed and was recognized to be mutually beneficial and useful.

The Agreement was signed by Ambassador Charles E. Bohlen, Special Assistant to the Secretary of State, for the United States, and by S. K. Romanovsky, Deputy Chairman of the State Committee of the Council of Ministers of the U.S.S.R. for Cultural Relations with Foreign Countries, for the Union of Soviet Socialist Republics. The Agreement entered into force upon signature with effect from January 1, 1962 and is the third in a series of two-year exchanges agreements between the two countries. The first of these was signed in Washington on January 27, 1958.

The Agreement provides for exchanges in the fields of science, technology, construction, trade, agriculture, public health and medical science, performing arts, publications, exhibitions, motion pictures, radio and television, culture and the professions, and athletics. The Parties also agreed to encourage visits of members of Congress of the United States and deputies of the Supreme Soviet of the U.S.S.R., as well as visits of other governmental and social groups, and tourism.

At the same time, Agreements were negotiated between the National Academy of Sciences of the United States and the Academy of Sciences of the U.S.S.R., as well as between the American Council of Learned Societies and the Academy of Sciences of the U.S.S.R., providing for the further broadening of contacts between American and Soviet scientists and scholars in 1962-1963. In the field of peaceful uses of atomic energy, it is contemplated that specific proposals for exchanges will be developed between the United States Atomic Energy Commission and the State Committee of the Council of Ministers of the U.S.S.R. for the Utilization of Atomic Energy.

At the signing the representatives of both sides expressed the hope that the further development of exchanges and contacts between the United States and the Soviet Union will contribute to the betterment of mutual understanding and to the broadening of cooperation between the people of the two countries.

## **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.

*Ratification deposited:* India (with a declaration), March 9, 1962.

#### **Aviation**

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

*Adherence deposited:* Upper Volta, March 21, 1962.

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.

*Notification that it considers itself bound:* Niger, March 14, 1962.

Protocol relating to amendment of article 50(a) of the Convention on International Civil Aviation to increase membership of the Council from 21 to 27. Approved by the ICAO Assembly at Montreal June 21, 1961. Enters into force upon deposit of the 56th instrument of ratification.

*Ratifications deposited:* Australia, January 19, 1962; Belgium, February 15, 1962; Cameroon, November 14, 1961; Canada, October 17, 1961; Dominican Republic, October 21, 1961; Finland, September 18, 1961; Guinea, August 21, 1961; India, December 18, 1961; Indonesia, July 28, 1961; Israel, February 12, 1962; Ivory Coast, November 14, 1961; Jordan, July 27, 1961; Korea, February 16, 1962; Malaya, October 3, 1961; Mali, July 12, 1961; Nicaragua, November 17, 1961; Niger, September 14, 1961; Norway, October 10, 1961; South Africa, February 13, 1962; Sweden, December 28, 1961; Thailand, January 17, 1962; Tunisia, December 27, 1961; United Arab Republic, February 27, 1962; United Kingdom, January 4, 1962; United States, March 23, 1962; Venezuela, February 6, 1962.

### Finance

Articles of agreement of the International Finance Corporation. Done at Washington May 25, 1955. Entered into force July 20, 1956. TIAS 3620.

*Signature and acceptance:* Liberia, March 28, 1962.

Articles of agreement of the International Monetary Fund. Opened for signature at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1501.

*Signature and acceptance:* Liberia, March 28, 1962.

Articles of agreement of the International Bank for Reconstruction and Development. Opened for signature at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1502.

*Signature and acceptance:* Liberia, March 28, 1962.

Articles of agreement of the International Development Association. Done at Washington January 26, 1960. Entered into force September 24, 1960. TIAS 4607.

*Signature and acceptance:* Liberia, March 28, 1962.

*Acceptance deposited:* Greece, January 9, 1962.

### Oil Pollution

International convention for the prevention of pollution of the sea by oil, with annexes. Done at London May 12, 1954. Entered into force for the United States December 8, 1961.

*Acceptance deposited:* Iceland, February 23, 1962.

### Slavery

Slavery convention signed at Geneva September 25, 1926, as amended (TIAS 3532). Entered into force March 9, 1927; for the United States March 21, 1929. 46 Stat. 2183.

*Notification received that it considers itself bound:* Cameroon, March 7, 1962.

### Sugar

International sugar agreement, 1958. Done at London December 1, 1958. Entered into force January 1, 1959; for the United States October 9, 1959. TIAS 4389.

*Ratification deposited:* Italy, February 16, 1962.

## BILATERAL

### Brazil

Agreement amending the agricultural commodities agreement of December 31, 1956, as corrected and amended (TIAS 3725, 3864, 4074, 4144, 4183, 4239, 4311, 4639,

4644, and 4775). Effected by exchange of notes at Rio de Janeiro February 26, 1962. Entered into force February 26, 1962.

### Iceland

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. Signed at Reykjavik March 16, 1962. Entered into force March 16, 1962.

## Check List of Department of State Press Releases: March 26-April 1

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases appearing in this issue of the BULLETIN which were issued prior to March 26 are Nos. 151 and 152 of March 8; 170 and 171 of March 15; and 177 of March 19.

No.	Date	Subject
*187	3/26	U.S. participation in international conferences.
†188	3/26	McGhee: "Strategy of American Foreign Policy."
*189	3/26	Rusk: interview on BBC.
†190	3/26	McGhee: "Mineral Resources and the World of the 1960's."
191	3/26	Ball: "The U.N. and the Real World."
†192	3/26	Cleveland: WMO Commission for Synoptic Meteorology.
193	3/26	Science advisers appointed to U.S. Commissioner, U.S.-Mexico Boundary and Water Commission.
194	3/27	Rusk: Geneva disarmament conference (revised).
195	3/27	Sino-Soviet bloc military aid to Cuba.
*196	3/27	Ball: interview on "Prospects of Mankind."
†197	3/28	Post of Deputy Assistant Secretary for Atlantic Affairs established.
*198	3/28	Conference on educational development in Latin America.
199	3/28	IAEA Director General to visit Washington (rewrite).
*200	3/28	Program for visit of President of Brazil.
†201	3/29	Delegation to meeting of Asian ministers of education.
*202	3/29	13th Foreign Service Staff review panels.
†203	3/29	Williams: "Change and Challenge in Africa."
*204	3/30	Cultural exchange (Japan).
*205	3/30	Butterworth, Dowling, and Mrs. Willis sworn in as career ambassadors (biographic details).
206	3/30	Central African Republic credentials (rewrite).
207	3/30	U.S.S.R. credentials (rewrite).
†208	3/30	U.S. agrees to international inspection of four atomic reactors.
*209	3/30	Cleveland: postage stamp commemorating malaria eradication campaign.

\*Not printed.

†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1191 • PUBLICATION 7365

April 23, 1962

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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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# The Foreign Aid Program for Fiscal Year 1963

*Statement by Secretary Rusk<sup>1</sup>*

I appreciate the opportunity to meet again with the committee to discuss the foreign aid program—the President's proposals for the Foreign Assistance Act of 1962.<sup>2</sup>

I am deeply aware, as I am sure you must be, that from the provisions of interim aid preceding the Marshall plan this is the 15th year in which you have held hearings similar to this on proposals for foreign assistance. I recognize also that you have heard Secretaries Marshall, Acheson, Dulles, and Herter speak to some of the underlying themes of our foreign aid responsibilities.

Some members of this committee have actively participated in these problems from the very beginning. You have helped bring into being and supported the Marshall plan, point 4, the Mutual Defense Assistance Program, the Development Loan Fund, and the other elements of this major bipartisan effort.

It would seem almost unnecessary for me to urge upon this committee the vital importance of the foreign aid program to the security and welfare of our nation. You are fully aware, as I am, of great accomplishments of the program over the years and, as well, of some of its weaknesses, shortcomings, and disappointments. The committee's comments in your report<sup>3</sup> last year on the new Foreign Assistance Act of 1961 stated the case for the aid program with a clarity and directness I would gladly adopt. You said then:

The committee believes, no less than the President, that the United States must plan for and contribute generously

<sup>1</sup> Made before the Senate Foreign Relations Committee on Apr. 5 (press release 226).

<sup>2</sup> For text of President Kennedy's message to Congress on the Foreign Economic and Military Assistance Program for Fiscal Year 1963, see BULLETIN of Apr. 2, 1962, p. 550.

<sup>3</sup> S. Rept. 612, 87th Cong., 1st sess.

toward a decade of development. Foreign aid is both an unavoidable responsibility and a central instrument of our foreign policy. It is dictated by the hard logic of the cold war and by a moral responsibility resulting from poverty, hunger, disease, ignorance, feudalism, strife, revolution, chronic instability, and life without hope.

## **Basic Propositions for Our Aid**

Our present problem, therefore, is not to justify the fundamental need for our foreign aid program but to determine and act upon the principles which will contribute most effectively to its success.

There are undoubtedly many significant factors which must be considered from time to time, but I believe we may underscore six basic propositions as our major guides:

1. *The fundamental and indispensable requirement for the development of a nation is the determination of its own government and people to move forward.* Our aid, no matter what its amount, cannot materially help those who will not help themselves. No country can make solid progress except by its own efforts, inspired by its own leadership and supported by the dedication of its own people.

The aid we can supply will be only a small portion of the total national effort needed. Our aid, for example, to the nations joining in the Alliance for Progress is less than 2 percent of the total of their gross national products. Obviously, therefore, what is done by these nations with their own resources is crucial. These efforts must in all cases include mobilization of national resources, economic, financial, and human. With national variations, they must include the willingness to undertake reforms important to progress—reforms in taxation, in land holdings, in housing, and the broadening and improvement of educational opportunities. We must constantly bear in mind

that our goal is not just economic development. It is equally and concurrently to increase social justice which will secure the benefits of progress to those masses who have so long suffered from poverty, ignorance, and disease—and from the most cruel condition of all, hopelessness.

2. *Our resources should be devoted to fostering long-range economic and social growth.* We cannot prudently invest major resources on a crisis-to-crisis basis. Political stability cannot be assured unless there is steady progress toward long-term goals. We are inevitably and properly limited in the money and the skilled manpower we can invest in the progress of the less developed countries. We have no funds to spend on those projects which, however useful in themselves, do not significantly help advance the cause of national growth. We must continually press countries receiving our assistance to improve their planning and to use their resources in the most effective way. Our aid must be tailored country by country to concentrate on those programs and projects which will have the maximum effect on development.

3. *The education and training of the people of the nations we are aiding is vital to their economic and social growth.* Progress will not come from our aid dollars or materials but from the use which people can make of them. People are the dynamos which generate the power of development. They provide the minds, the will, and the skills by which progress is made. It is essential that they have not only the will but the competence for the task.

Education in all its branches is fundamental. We have seen in our own country that our economic progress has paralleled our educational development. We could not wait to become rich before we built our educational system. We created it, and our skilled people created our wealth. This year we are particularly aware of this relationship because we are celebrating the 100th anniversary of our unique system of land-grant colleges. Education of leaders, training of administrators and of technicians of all kinds must be central to the development programs of many of the new nations. The emphasis of our grant assistance in Africa and Latin America, especially, is and properly should be in this most basic field of human and social development.

4. *The progress of the newly developing nations should have the aid of all the industrialized*

*nations of the free world.* Those which we aided in the past are now thriving. It is appropriate and practical that they should increase their contributions.

5. *Developing nations themselves have an opportunity to help each other.* They may do so by opening their educational institutions to others less well situated. They may share the lessons learned in the process of development. They may extend direct assistance within their capabilities. This is already occurring, and we can be encouraged by the response to this opportunity.

6. *Our aid program should be administered as efficiently as possible.* The administering agency should be organized to fulfill the requirements of the program and should be staffed by the most able personnel who can be persuaded to undertake this complex and important public duty.

### **Progress in This Year of Transition**

If these should be our guiding principles, how have we applied them?

It is too early to make a full report. The new authorizing legislation became effective about 7 months ago, and the Agency for International Development came into being only 5 months ago. Yet I can report that significant progress has been made.

*Administration:* The needed administrative reorganization is under way. Mr. Fowler Hamilton, the new Administrator of the Agency for International Development, has reshaped the Agency on a regional basis capable of carrying out the new emphasis on well-planned country programs. He has enlisted the services of an able group to direct these regional programs and to administer the supporting functional staffs which will provide expert advice with respect to material resources, educational and social development, and development financing and private enterprise. Qualified employees of the old ICA [International Cooperation Administration] and the Development Loan Fund are now being integrated into the new AID organization, and a major search is under way in and out of Government for additional talented people to carry out the demanding and complex tasks of the program in Washington and the field.

*Self-Help:* I am encouraged by the growing evidences of the determination of the less developed nations to act vigorously for their own progress and by the multiplying examples of basic re-

forms and other measures of self-help. Many of these have, of course, been in preparation for several years. Others are of more recent origin. The Charter of Punta del Este<sup>4</sup> contains a forward-looking agreement on goals to be achieved by the Latin American nations in a framework of cooperation. The goals they agreed on include a minimum rate of economic growth of 2.5 percent per capita, a more equitable distribution of national income, economic diversification, the elimination of adult illiteracy by 1970 and the provision of at least 6 years of schooling for each child, the substantial improvement of health conditions, the increase of low-cost housing, and progress toward economic integration.

It is true these are goals and not yet facts, but the agreement is in itself a substantial accomplishment and the determination back of it justifies the hope of substantial progress toward fulfillment. This hope is sustained by the series of reform measures which have been undertaken by Latin American nations since the Act of Bogotá<sup>5</sup> less than 2 years ago.

*Planning:* We can be encouraged also by the progress which has been made in long-term planning in this year of transition. In Latin America many countries have made conscientious efforts to improve their planning processes. Several African countries—Tunisia and Nigeria are good examples—are developing realistic plans. India and Pakistan, of course, have well-developed plans, and others show promise. We must recognize, however, that many others face serious obstacles to adequate planning. For many the needed administrative experience is lacking. For some even the basic statistical information is not yet available. Where decisions must be made by democratic processes—processes which are among our basic objectives—these decisions may involve the same kind of debate, timing, and resolution of difficulties with which we ourselves are familiar.

Long-range commitments are a spur to long-range planning, and such commitments have now been made with India, Pakistan, Nigeria, and Tanganyika. The authority granted by the Congress has already provided encouragement to other countries to take the difficult steps necessary for development. We anticipate making commitments under the long-range authority in the near

future with a few other nations where meaningful plans are now being formulated.

*Human Resources:* Our increased emphasis on the development of human resources is finding ready response in Africa and Latin America. Several nations have strongly recognized its basic importance to progress and have urged our assistance to educational and health programs they have worked out.

*Aid From Other Nations:* During the past year we have increased our efforts to coordinate and increase the flow of assistance from our allies to the less developed countries. Our NATO allies, together with Japan, are now providing in the neighborhood of \$2.3 billion per year to less developed countries. A number of these other free-world countries are contributing to foreign assistance a portion of their gross national product comparable to that contributed by the United States. Unfortunately, however, much of the assistance from these countries is in the form of short-term loans with relatively high interest rates. Several nations have substantially liberalized their loan terms in the past year, but further improvement is needed. Significantly, the United Kingdom, Germany, France, Belgium, Canada, and Japan have established new aid and lending agencies, evidencing their sense of responsibility in this area.

Several types of multilateral organizations and groups have been formed to encourage closer cooperation and coordination of effort among the nations supplying capital and technical assistance to the developing areas. Consortia organized by the World Bank are supporting the development plans of countries such as India and Pakistan. The Development Assistance Committee of OECD [Organization for Economic Cooperation and Development] is undertaking a coordinating role with regard to technical and capital assistance to countries where its members have substantial interests.

#### **The Use of Fiscal Year 1962 Funds**

Mr. Hamilton and his colleagues will discuss with you in detail the uses to which the funds available for the first year under the new legislation are being put. I should like to stress, however, their indispensable value in supporting foreign policy positions the United States has

<sup>4</sup> For text, see BULLETIN of Sept. 11, 1961, p. 463.

<sup>5</sup> For text, see *ibid.*, Oct. 3, 1960, p. 537.

taken in recent months. In the Far East, for example, these funds have made possible the buildup of military and economic strength with which the free people of Viet-Nam are combating the forces intent on destroying their nation. In South Asia these funds are contributing to the continued remarkable progress India and Pakistan are making with their well-developed programs. These funds are making possible the peacekeeping activities of the United Nations in the Middle East and in the Congo—activities which have turned aside what might otherwise have been the grave danger of involvement of major powers.

In Africa also these funds through loans and grants are providing for fundamental development of human and economic resources quite literally crucial to the building of whole nations. And in Latin America the availability of aid funds made it possible for us to support a free government in the Dominican Republic. In Latin America also I have already referred to the Charter of Punta del Este based in substantial measure on the assurance of aid from the United States and designed to bring about the peaceful evolution of a continent under conditions of free institutions.

In short, around the world, on five continents, our aid is fulfilling a major and indispensable role in support of the interests of our country and the preservation and strengthening of freedom.

### **The Program for Fiscal Year 1963**

The request before you is essentially for the authorization of funds for fiscal year 1963. It rests on the premise that the authorizing legislation enacted last year is sound. It asks for only one major change and a few minor ones. It does not provide at all for authorization for military assistance or development lending funds, since authorizations enacted for those categories last year extend through fiscal year 1963.

*Military Assistance:* I know, however, that you have a deep interest in military assistance, and I should like to report to you on the program for which \$1.5 billion of funds are being asked in appropriations.

Military assistance remains an important part of the total U.S. defense effort. It is also the principal means by which there is sustained the worldwide collective security systems of which we are a part. You may recall that the Chairman

of the Joint Chiefs of Staff said to you last year that no amount of money spent on our own forces could give the United States a comparable asset of trained, well-equipped forces, familiar with the terrain and in suitable position for immediate resistance to local aggression.

Secretary [of Defense Robert S.] McNamara, General [Lyman L.] Lemnitzer, and others will discuss the program with you in detail. Without the confidence engendered in the people of nation after nation by the presence of their own forces, to which we have contributed both training and arms, it would have long since become impossible to maintain the existing structure of free and independent nations.

Our military strategy today calls for a necessary flexibility. We do not wish to allow ourselves to become frozen in our choices so that we are limited either to submission to aggression against a free-world neighbor or compelled to resort to forces of unlimited and uncontrollable destruction. The availability of trained and equipped forces of Allied nations at the points where aggression may come and prepared to defend their own homelands is increasingly important to this vital flexibility of response.

The appropriation requested for fiscal year 1963 is \$1.5 billion. It is \$385 million less than was asked for last year and \$200 million less than was authorized for fiscal year 1963. It is intended to continue the program of providing only that equipment and training which is needed to fill the gap between what the aided country can do for itself and what must be done to enable it to protect itself from internal subversion and external aggression. It is important also to the maintenance of a climate of stability and confidence favorable to economic and social progress.

One other positive benefit will come from our expenditures for military aid. We are placing emphasis on civic action projects in underdeveloped countries. Wherever possible, country forces receiving military assistance are encouraged to participate in developing public works programs such as roadbuilding, sanitation, and communications. American aid in this area is particularly productive because it not only advances the progress of the nation as a whole but also brings home to its people the fruits of United States friendship and concern for their general welfare.

*Development Lending:* Funds needed for development lending in the coming year were also

authorized last year. Dollar repayable development loans now constitute the major instrument of our foreign economic assistance program. In the current year they will make possible commitments of approximately \$1,100 million for fundamental development purposes. Already loans have been approved for major transportation facilities, local credit institutions, public utilities, a cement plant, and capital goods for development in 18 countries.

For fiscal year 1963 over half of the funds requested will be for development lending. The present authorization for fiscal year 1963 is \$1,500 million. The President has requested an appropriation of \$1,250 million. (Additional funds are asked for the Alliance for Progress, which I shall discuss in a moment.) These new loan funds will be concentrated in countries which have sound and well-administered long-term development programs or the capability to carry forward individual projects which will contribute to national growth.

Funds at least in the magnitude requested are needed and can be effectively used during the coming year.

### 1963 Legislative Proposals

*Alliance for Progress:* The only significant legislative change sought this year is the enactment of a new title VI providing for the Alliance for Progress and authorizing its long-term support by the United States. The alliance is unique among our regional programs in that it is based upon a mutual declaration of principles and goals and a procedure for review of country programs by a regional panel. These concepts were agreed upon by the United States and the Latin American Republics at Bogotá and Punta del Este. In addition, the authority and funds for our aid in support of the alliance derives in part from legislation separate from the basic Foreign Assistance Act. The alliance criteria and authorization should now be consolidated within the AID program both to simplify administration and to reiterate our adherence to these exacting standards and high goals.

The alliance also differs from our other programs because we are dealing not with new countries but with Republics almost as old as our own. The struggle for orderly change of the entire social and economic structures of Latin America faces stubborn resistance from entrenched priv-

ilege and vitriolic opposition from a radical left for whom change means only violent revolution. We cannot expect the necessary changes to occur under conditions of orderly growth and long-term reform unless there is reasonable assurance that the critical increment of United States financial support necessary to success will be forthcoming over the long pull. We therefore strongly urge that Congress record its long-term support by authorizing \$3 billion for the next 4 years of the alliance. Such authorization will bolster progressive forces and provide a sounder basis for the kind of long-range planning required if the objectives of the alliance are to be realized. It will provide for the alliance the same period of assurance of United States support as is provided for aid to other areas.

*Authorization of Funds for FY 1963:* The total appropriation which the President is requesting for fiscal year 1963 is \$4,878 million—slightly more than Congress appropriated last year for AID and the alliance. The new *authority* which is requested from this committee for appropriations this year totals \$2,125 million.

Within this total we are requesting an initial appropriation for the Alliance for Progress of \$600 million in loan and grant funds for next year as part of the \$3 billion long-term authorization extending through fiscal year 1966.

*Development Grants:* The legislation before you asks \$335 million authorization for development grant activities in fiscal year 1963 in areas other than Latin America. These funds are among the most crucially needed in the entire bill. Advances in education and technical training, improvements in health conditions, the development of able public administrators, and the creation of effective governmental institutions are essential to progress in most of the developing nations.

*Supporting Assistance:* In our effort to concentrate economic aid on development we cannot overlook the fact that supporting assistance will still be needed for a number of countries—primarily those on the periphery of the Sino-Soviet bloc which are subjected to direct and massive Communist pressures and must of necessity maintain armed forces greater than their economies can support unaided. We are asking for the authorization of \$481.5 million for this purpose—20 percent less than was requested last year. Most of this will go to three Far Eastern countries which are particularly threatened.

As we reported to you last year, it is our purpose to supplant supporting aid with development loans as soon as it becomes feasible for any particular country. It is important to recognize that we are proposing supporting assistance for next year for 18 countries fewer than those receiving such assistance this year. Although this judgment may require modification in light of events, we hope that this trend will be continued. In some cases the need for supporting assistance may persist for a considerable period.

*International Organizations:* As in past years we are requesting funds for voluntary contributions to multilateral programs conducted under the United Nations: These include the Expanded Technical Assistance Program and the Special Fund, UNICEF [United Nations Children's Fund], the Palestine Refugee Program, the U.N. Congo Economic Program, and others. This category also includes our contribution to the Indus Basin Trust Fund administered by the World Bank and to other international programs. The sum requested for these purposes is \$148.9 million.

*Investment Guaranties and Savings:* We are well aware that private investment can make a most valuable contribution to progress in the less developed countries. But the investor in such a country may face special risks which he will not undertake without some form of protection. The investment guaranty program authorized by the AID legislation has been an effective incentive to such investment. We anticipate that in the next year requests by American businessmen for guaranties will exceed the funds available. We therefore are asking for additional investment guaranty authorizations.

*Contingency Fund:* Each of these requests for funds represents our best estimate of the minimum necessary to maintain the momentum of our economic and military programs. But I would like particularly to emphasize the importance of the President's contingency fund. Recent events have given us no basis for supposing that our responsibilities can be significantly reduced. The only assured prediction we can make is that the unpredictable will occur. We must be ready to move quickly to anticipate or meet new situations. The unprogramed reserve against the unexpected is, therefore, one of the most important elements in the foreign assistance program. The \$400 million requested is not too great a sum to have available for emergency needs.

## Conclusion

Our 5 months' experience under the Foreign Assistance Act of 1961 has demonstrated that the legislative framework of our foreign aid program is sound. The task of transforming the social and economic structures of less developed countries around the world will involve their energies for years to come; our own effort, relatively modest though it be, will require persistence and an assurance of continuing interest. The stakes are the security of the free world today and the shape of the world of tomorrow.

## U.S. Comments on Developments at Geneva Disarmament Conference

Press release 220 dated April 3

*Following is a Department statement on certain matters of procedure and substance which have developed at the 18-nation disarmament conference at Geneva.*

Discussions concerning general and complete disarmament are continuing at the plenary meetings of the conference.<sup>1</sup> Preliminary discussions are focusing on the objectives and principles of general and complete disarmament. What is needed soon is an exploration of essential substantive problems requiring agreement before the precise language of a comprehensive program on general and complete disarmament can be developed. The United States believes that such a concentration of effort would quickly take the conference to the heart of the issues which must be resolved and hopes that substantive debate may soon begin.

A Committee of the Whole has been established by the conference to consider those partial disarmament measures which the various delegations might wish to submit. The United States attaches great importance to the work of the Committee. The United States has given clear evidence of its support for those measures which would increase confidence among the nations, facilitate the disarmament process, and reduce the risks of war inherent in the present international

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<sup>1</sup> For statements made by Secretary Rusk before the 18-nation Disarmament Committee at Geneva, see BULLETIN of Apr. 2, 1962, p. 531; Apr. 9, 1962, p. 571; and Apr. 16, 1962, p. 618.

situation. Agreement on an agenda has now been reached, with priority being given to proposals on the cessation of war propaganda. Other matters such as a cutoff of fissionable material production for use in weapons and reduction of the possibility of war by surprise attack, miscalculation, or failure of communication have also been put forward for consideration by this Committee.

In connection with the agenda of this Committee, discussions have developed as to the attitude of the United States toward the proposals of the Polish Government which contemplate the establishment of nuclear free zones in Central Europe. While it is recognized that the proposals of the Polish Government, usually identified as the "Rapacki plan,"<sup>2</sup> have been advanced from a desire to contribute to the maintenance of peace, careful study of these suggestions has led the United States to the conclusion that they would not help to resolve present difficulties.

The United States, on the other hand, has proposed equitable measures to this end. These include arrangements for advance notification of military movements, such as transfers of large military units or the firing of missiles, the establishment of observation posts at important points within a country, the use of aerial and mobile inspection teams to improve protection against surprise attack, and the establishment of a commission to examine the technical problems involved in measures which could reduce the risks of war. Moreover, these measures proposed by the United States could be put into effect immediately without resulting in one-sided political and military advantages.

The principal objections of the United States to the Rapacki plan, which purports to be a confidence-building measure, have been, and remain: (1) that the measures envisaged do not address themselves to the nuclear weapons located in the Soviet Union, the use of which against Western Europe has been repeatedly threatened by Soviet spokesmen; (2) that the plan would therefore result in a serious military imbalance; (3) that consequently, while creating an illusion of progress, it would in reality endanger the peace of the world rather than contribute to maintaining it. The dangers to peace resulting from such an imbalance under present conditions have been clearly and

repeatedly demonstrated by events within memory of all.

The United States will continue its efforts to focus the attention of the Committee of the Whole on the proposals it has brought forward—at the same time, it is prepared to give prompt and serious attention to the proposals and suggestions advanced by other conference members which could offer some hope of early agreement on concrete measures and which would, in turn, facilitate progress toward the overall objectives of the conference.

One initial measure where agreement would do much to set the work of the conference on the road to success is a nuclear test ban treaty. On this subject, unfortunately, there has been no progress at Geneva because the Soviet Union has refused to accept even the concept of international inspection to monitor a test ban. The Soviet Union takes this position in opposition to general scientific opinion and contrary to views held by the Soviet Government itself since 1957. Nevertheless, the United States has not abandoned the hope that the Soviet Government will recognize that it is acting in defiance of the will of people everywhere and will return to its earlier position that international verification is necessary for a nuclear test ban agreement.

## **President Macapagal of Philippines To Visit United States**

White House press release dated March 30

President Diosdado Macapagal of the Republic of the Philippines has accepted President Kennedy's invitation to visit the United States from June 19 through 28, 1962. President Macapagal met the President when, as Vice President of the Philippines, he visited the United States in October 1960. President Macapagal was elected to the Presidency of the Republic of the Philippines in November 1961 and was inaugurated on December 30, 1961.

This visit is in testimony to the special relationship which exists between the United States and the Philippines and the longstanding friendship of the people of the two countries. It will provide a welcome occasion for the American people to learn more about the new leadership of an important democratic partner.

<sup>2</sup> For background, see *ibid.*, May 19, 1958, p. 821.

## The Developing Atlantic Partnership

*by Under Secretary Ball*<sup>1</sup>

A little over a month ago the Attorney General of the United States, Mr. Robert Kennedy, speaking in this same hall, suggested some of the elements essential to an effective Atlantic partnership. He addressed you then as Germans, but—just as I am doing this evening—he spoke to you also as citizens of the new Europe that you and your neighbors are building with such inspiring vigor.

Tonight I shall attempt to carry the Attorney General's suggestions a little farther. I shall try to bring you something of the flavor of the discussion that is taking place in the United States and to indicate the general directions of the policies we are shaping.

### End of American Isolationism

The United States approaches Europe from a background of history with which you are generally familiar. We were originally a group of colonies that broke away to form a Federal state. During the formative years of our existence as a nation, we concentrated on establishing our national integrity and turned our backs on our colonial past. Preoccupied with the problem of building a nation and conquering a vast frontier, we followed the advice of our first President, George Washington, to avoid entangling alliances with the great nations of Europe.

Our policy of keeping aloof from European problems was intensified by the influence of those emigrants from Europe who came to settle our farms and cities during the 19th century. Most of those emigrants, including the stalwart men and women who left Germany after the failure of

the 1848 revolution, had fled Europe for religious, economic, or political reasons. They sublimated their disenchantment with Europe by immersing themselves in the formidable work of building a new nation on the soil of the New World. They contributed to the American distrust of the Continent they had left behind them—distrust which persisted well into the 20th century.

But times and events have changed all this. You and we—on the opposite shores of the Atlantic—have learned to work closely and effectively together. And tonight I need hardly insist that American isolationism is a dead issue. It has disappeared forever.

If one likes to mark historic changes by significant dates, one can say that American isolationism finally died on August 24, 1949—the day the United States Senate ratified the North Atlantic partnership. By that solemn compact America and Europe guaranteed the survival not only of freedom but of free men. When today President Kennedy tells the people of America that he would regard an attack on Berlin as an attack on Washington or Chicago, he is giving explicit recognition to the central principle of our alliance—that the destinies of Western Europe and North America are irrevocably intertwined and that their defense is indivisible.

This principle is not limited to the views we constantly express in the councils of the alliance: All plans and efforts to improve the defensive posture of NATO are based upon it. It is the foundation of security on which our Atlantic partnership rests.

I can say with confidence that our joint military posture has never been stronger, yet I would be less than candid if I were to express complete satisfaction.

<sup>1</sup> Address made before the German Society for Foreign Affairs at Bonn, Germany, on Apr. 2 (press release 214).

Today, as President Kennedy has made clear, there is a real and urgent need to give a new priority to the conventional elements of our common defense. NATO needs a wide spectrum of capabilities if it is to respond to widely varying types of attack with appropriate force. The nuclear deterrent will be fully credible only if reinforced by a substantial nonnuclear capability that will give us flexibility in dealing with aggression.

The United States has substantially increased its conventional forces, including the number of its combat divisions. Our Navy and Marine Corps, as well as our antiguerrilla forces, have been strengthened and expanded. We have added air and sea-lift capabilities. We are spending billions of additional dollars on these added programs. Some of our European partners have also recognized the need for expanded conventional force. As a result there has been a substantial improvement in our combined nonnuclear strength during the past year. But this, while gratifying, is still not enough. We need to do more if the deterrent to every kind of aggression is to remain effective in the face of growing power in the East. Nuclear strength, of course, remains basic to our common and indivisible defense of Western Europe and North America. The United States has provided for substantial acceleration and strengthening of the Polaris and Minuteman programs, giving the alliance added nuclear capabilities under varying conditions.

We recognize that defense plans cannot be static: They must respond to changing conditions of power and resources. There is need, therefore, for constant and serious consideration of future arrangements if our nuclear forces are to be truly expressive of the ideas of the Atlantic partnership. We wish to respond constructively to the desire of our allies for an increasing role in nuclear deterrence.

We strongly favor the multilateral approach suggested by President Kennedy in his speech at Ottawa last May.<sup>2</sup> As the President stated then, we are willing to join our allies in serious consideration of the possibility of a sea-based NATO MRBM [medium-range ballistic missile] force under truly multilateral ownership and control. He also offered to commit five Polaris submarines—or even more in appropriate circumstances—to NATO. We feel that a constructive

solution to this problem of NATO's future nuclear role is both important and possible. We remain prepared to work with our allies to that end. We believe that such a multilateral solution is greatly to be preferred to any proliferation of national nuclear capabilities.

### **U.S. Support of European Integration**

If our common efforts toward an effective combined military force are defensive in character, our efforts toward cooperation in the area of economics have a more positive aim. They are based upon the amply demonstrated fact that in the modern world the major industrial economies are increasingly interdependent. In a world of swift transport and instantaneous communications, where every man is every other man's close neighbor, no nation can afford to be an economic island. As the volume of goods and services that we exchange grows higher every year, so does the need for us to develop more effective ways of working together.

It is for this reason, among many others, that the United States has, from the beginning, given active support to the development of an integrated Europe. We have regarded a united Europe as a condition to the development of an effective Atlantic partnership.

Let me emphasize at this point that the pace of evolution of the Atlantic partnership in the economic area has depended upon an essential phasing. It has been necessary for Europe to move toward substantial internal cohesion in order to complete the foundation upon which the structure of an Atlantic partnership can be erected.

Through the whole of the postwar period we Americans have taken no comfort from the disparity between our own resources and those of any other nation of the free world. We have been proud that the United States is a world leader, but we have sometimes found it less than satisfactory to be a world leader isolated by the possession of an overwhelming proportion of the total wealth, power, and resources. To our minds—and I am sure to your minds as well—a strong partnership must almost by definition mean a collaboration of equals. When one partner possesses over 50 percent of the resources of so great an enterprise and the balance is distributed among 16 or 17 others, the relationship is unlikely to work with full effectiveness. And so long as Europe remained

<sup>2</sup> BULLETIN of June 5, 1961, p. 839.

fragmented, so long as it consisted merely of nations small by modern standards, the potentials for true partnership were always limited.

But a Europe united and strong can be an equal partner in the achievement of our common endeavors—an equal partner committed to the same basic objectives as we ourselves. For, after all, you and we alike believe in the preservation and extension of freedom and in the values that distinguish free men from slaves.

### **Reality of Our Common Objectives**

I cannot overstate the enthusiasm with which Americans have welcomed the burgeoning strength and cohesion of Europe. But why is it that one sometimes hears in Europe—almost never in America—timid voices ominously complaining that a united Europe might become a neutralist “third force”?

Let me say emphatically that we Americans have no fear that the new Europe will be neutralist any more than we fear that America will return to isolationism. The neutralism of which we heard a fair amount a decade ago was an expression of weakness, not strength. It sprang from a belief that Europe could no longer play a significant role in the power contest between the United States and the Communist bloc. Persuaded that they could not influence the outcome by taking sides, its advocates assumed a role of Olympian detachment from the battle, measuring out equal amounts of criticism for each side. As the nations of Western Europe have grown more united, the voices of neutralism that produced such a frightful cacophony 10 years ago have been largely stilled.

But there are a few who still profess fear of a strong, united Europe for yet a different reason. They see the specter not of a neutralist third force but of a third force and an America following increasingly divergent paths. A powerful Continental entity, they argue, could be tempted to try a new kind of balance-of-power politics, to play the East against the West, to sell its weight and authority to the highest bidder to serve its own parochial and selfish objectives.

Such a prediction, I am persuaded, misconceives the nature of the forces at work on both sides of the Atlantic. It overlooks the vitality and solidity of our common heritage. It ignores the reality of our common objectives. It ignores the direction in which Europe is already moving. It rejects, in

fact, the very interdependence of the members of the NATO alliance on which our national security is now based.

To my mind both you and we have everything to gain by the construction of a strong and united Europe. Europe united will almost certainly display a deeper and stronger feeling of responsibility for the defense of Western values than will the individual nation-states in a Europe weak and fragmented. Unity builds strength. The experience and awareness of strength engender not only the ability but the will to influence events. And for Europeans, as for Americans, the will to influence events is merely another way of expressing a sense of responsibility.

We Americans are thoroughly convinced, therefore, that the farther Europe proceeds down the road toward unity the more Europe can be expected to play an affirmative and responsible role in our common concerns. In expressing this belief we recognize, of course, that the Atlantic partnership can never be one-sided and that we ourselves must fulfill the obligations of a good partner.

### **Implications of European Economic Community**

United States support for European integration and for the European Economic Community has deep roots. It springs from a recollection of our own Federal experience and from a desire to end the sanguinary rivalry that once divided the great states of Western Europe.

But Americans have recognized that the commercial manifestation of the Community—the Common Market—implies a substantial degree of discrimination against American trade. Of necessity it will require adjustments for the industry, agriculture, and labor of the United States and of nonmember third countries.

Yet this has never deflected us from the larger objectives of our policy. In spite of the problems for America implicit in the development of the Common Market, we have given consistent and active support to the growth of the European Community.

In providing this support we have acted on two convictions: first, that the Community would be conducted as an outward-looking society, liberal in its trading and economic policies, and second, that it would be increasingly prepared to bear responsibilities around the world as its strength and unity develop.

## Purposes of Proposed Trade Legislation

Our faith in the liberal intentions of the European Community has been given concrete expression in the trade legislation that President Kennedy has recently submitted to the United States Congress.<sup>3</sup> Since there has been some misunderstanding in Europe with regard to the nature and purposes of these proposals, I should like to comment on them briefly.

By the proposed legislation the President is seeking authority to negotiate new trade arrangements, primarily with the Community but also with other trading nations. Under the American constitutional process such authority must be granted by the Congress. The Executive can negotiate reductions in tariffs only to the extent that the Congress delegates this power to him.

The powers sought by the President are tailored to the kinds of problems that we now both have in common. The trading world is radically changing. The prospect of the United Kingdom's membership in the Common Market would mean, in a very short period of time, that 90 percent of the industrial production and 90 percent of the trade in industrial goods in the free world would be concentrated in two great common markets—the United States and an enlarged EEC.

In negotiating with each other these two common markets would be dealing for the first time on a basis of near equality. In terms of population, trade, and the general state of the industrial arts and productive techniques, the United States and the EEC are not far apart. Our respective external tariffs will be at roughly the same average level; for certain goods the tariff of the Community will be fixed at rates exceeding those of the United States tariff; for other goods the reverse will be true. By negotiating with each other we should be able to increase access to each other's markets on a basis that would be mutually advantageous.

At the same time, because of our combined predominance in world trade, the United States and an enlarged EEC would bear a special responsibility toward third countries. Strength and power involve, for those who possess it, a special set of obligations. By negotiating with each other within the framework of the GATT [General

Agreement on Tariffs and Trade] and substantially reducing tariffs on a most-favored-nation basis, these two great common markets could diminish to manageable and tolerable proportions the difficulties and apprehensions of all countries of the free world. This assumes, of course, that third countries would also play their part by providing reciprocal concessions.

## Integrity of Common Market Not Affected

In the proposed legislation the President has requested the bargaining authority that would enable him to negotiate for a substantial increase in the free exchange of goods across the Atlantic. In asking the Congress to grant him that authority the President is not seeking to dictate the ground rules under which a negotiation must be conducted. Those rules are a matter for mutual agreement among the negotiating parties.

The principal authority sought by the President is the power to negotiate reductions in American tariffs by as much as 50 percent.

The proposed legislation would also provide a special authority permitting the President, in negotiations with the EEC, to offer concessions in the United States tariff to the extent of 100 percent. By the nature of its technical limitations this special authority could be effectively employed only if the United Kingdom becomes a member of the European Economic Community.

In seeking this special authority the President has not sought in any way to prejudice the negotiations now under way between the EEC and the United Kingdom. He has wished merely to provide himself with the power to bargain with an expanded EEC in the event those negotiations are successfully concluded. Under this special authority the President could, with respect to a limited range of goods—those goods that are predominantly supplied by the United States or the expanded EEC—reduce tariffs by as much as 100 percent in return for reciprocal concessions.

The President's request for this special authority has created some critical comment in Europe. It has been suggested, for example, that such an American initiative might have the effect of eroding away the common external tariff that has both defined and given integrity to the European Economic Community.

This concern is not well founded. The fact that certain goods might, in the course of a trade nego-

<sup>3</sup> For text of the President's message to Congress, see *ibid.*, Feb. 12, 1962, p. 231; for a summary of the draft legislation, see *ibid.*, Feb. 26, 1962, p. 343.

tiation, be put on the free list by the EEC would not mean the elimination across the board of the common external tariff. Each of us already has a number of industrial products on our free lists. The United States presently imposes no duties on typewriters, newsprint, fertilizer, or a number of machinery items. The common external tariff of the EEC will be at zero for synthetic rubber, some pulp or paper products, and certain types of ships and boats, and jewelry; it has been suspended on aircraft.

Is there any reason why such free lists should not be expanded? Moreover, I question the assumption that the integrity of the European Common Market is dependent, to the extent suggested, on the maintenance of substantial levels of external protection. The implications of their reduction depend again on phasing. While the common external tariff wall may initially have been its defining element, the Community has already achieved integrity through other far-reaching means. It has a well-developed set of common institutions, and its cohesion will, at least in the final analysis, depend on the continued extension of common action over an increasingly wide range of policies.

#### **Consultation on Economic Policies**

If it be wrong to maintain that the President's trade proposals are somehow a threat to the integrity of the Common Market, another European reaction has seemed to us exaggerated. This is the suggestion that a substantial reduction of tariffs on both sides of the Atlantic can be safely achieved only if the two parties will commit themselves to common economic policies. In effect, these critics seem to be saying that freer trade is impossible unless the United States joins with the EEC in committing itself to a discipline similar to that imposed by the Rome Treaty.

In my view this greatly overstates the problem. In requesting new trade legislation the President is not proposing a customs union or a free trade area with the Common Market. Nor is he proposing an exclusive trading arrangement of any kind with the EEC; whatever agreements are made must be on a most-favored-nation basis. He is proposing rather that the United States, in agreement with the EEC, should move toward the liberalization of trade under conditions in which all countries would share in the benefits of com-

parative advantage. The fact that American wage rates are substantially higher than those in Europe, for example, does not necessarily price our exports out of your market any more than your lower productivity or higher energy costs price your goods out of ours.

Nevertheless we recognize that, if transatlantic commerce is to expand with requisite freedom, the United States and the European Community must move together toward a progressively greater coordination of economic policies. For that reason, we have welcomed the suggestions of our European friends for more vigorous common action.

In fact it was because my Government recognized the hard facts of interdependence among the major industrialized powers that it proposed the creation of the Organization for Economic Cooperation and Development. With the coming into being of that organization last September—and in fact, in the months preceding that event—the Atlantic community has acquired an instrument of incalculable value for the orderly and accelerated growth of our economies. And we have only begun to exploit the potential for economic consultation and cooperation available through OECD's various committees.

We are prepared to go as far as any other member of the OECD in concerting our economic policies and in developing and amplifying techniques for consultation and coordination. We are prepared to consult on any aspect of American economic policy, including the broad fields of monetary, fiscal, and trade policy. We are also prepared to discuss the harmonization of agricultural policies, particularly those policies that would facilitate the access of efficient farm production to world markets and the constructive and imaginative use of world farm surpluses to serve the vital interests of the free world—especially in the developing nations. And we recognize that, to be effective, consultation must include consideration of national policies in the formative state—that is, before they have been hardened by official decision.

In approaching the harmonization of our economic policies we are, of course, committed to the development and preservation of competition and the avoidance of restrictive arrangements.

The adoption of anticartel rules and procedures by the European Economic Community has seemed to us, by setting a course parallel to our own, to enhance the possibilities of cooperation. As a nation with a long antimonopoly tradition and

with a continuing allegiance to the market mechanism as an economic regulator, we welcome this step. For in undertaking to extend the depth and broaden the area of cooperation, we must, in loyalty to our own traditions, reject any idea of transatlantic cartelization—and for that matter seek to avoid arrangements that might interfere with the free movement of capital or with the freedom of choice of entrepreneurs' investment decisions.

### **Perspective on Recent U.S. Tariff Actions**

The course of liberal trade is not always smooth. Within the past fortnight the President of the United States felt compelled to approve recommendations to raise import duties on certain kinds of carpets and on flat glass.<sup>4</sup> These recommendations were based on findings of the Tariff Commission, made following public hearings open to all interested parties. This action has excited comment in Europe, and questions have been raised about its longrun implications for United States trade policy. Let me tell you precisely what those implications are.

At the present moment, and until a new law is enacted, the President's powers to change United States tariffs are based upon the existing Trade Agreements Act. The philosophy and approach of that act are clear: When an American industry is suffering from serious injury that can be attributed to imports, the law provides for the restoration of import restrictions. Under that law the President raised the tariffs on carpets and glass.

This was the only form of relief which the President could provide under existing law. That will no longer be the case if Congress enacts the proposed Trade Expansion Act. That act provides a different approach to the problems of adjustment created by imports. Reflecting the experience of the EEC itself, the act proposes to rely upon domestic adjustments as the first response to such problems. Industries finding difficulties in adjusting to lower tariffs will be given various types of financial and tax aid to enable them to shift to new lines of production; workers will be helped through retraining and by other means. Import restrictions may be resorted to only as an exceptional procedure and then only for a limited period.

But even apart from the proposed change in

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<sup>4</sup> For background, see *ibid.*, Apr. 16, 1962, p. 649.

U.S. escape-clause policy, the recent tariff actions assume smaller dimensions if put in proper perspective. In all the years in which escape clauses have been the prescribed mechanism the President has found it necessary to apply such clauses only to 17 cases. This has been a creditable record. Few other countries of the world have exercised such restraint; in fact some of the nations—although not all—that have expressed the strongest views with respect to the President's recent action have on past occasions seen fit to restore protection to many domestic industries. Some have done this by availing themselves of procedures under article XXVIII of the GATT, raising hundreds of their tariff rates in the process. Others have occasionally applied quotas in violation of the agreement. Such actions have frequently caused severe hardships, especially in other parts of the free world, such as Japan.

But the important question for us is not what restrictions have been applied in the past: It is what policies we are to pursue in the future. The proposed trade legislation now before the United States Congress embodies the principle that trade adjustments, rather than trade restrictions, should be the preferred approach to import competition. I am confident that in the end this principle will be widely adopted in the trading relations between nations.

### **Equal Sharing of Burdens Necessary**

The United States has taken it for granted that the European Economic Community will be outward-looking, that it will resist the temptation to create a trading bloc isolated from the rest of the free world. We have assumed also that, with the developing strength and unity of Europe, the member nations of the European Community will feel a growing sense of responsibility for the security and well-being of the rest of the free world.

As the nation with the preponderance of resources, the United States, since the end of World War II, has provided an economic defensive shield behind which Europe has been able to develop. It has provided also a continuing flow of capital to the less developed nations of the world to assist them to attain rising standards of living so essential for stability and independence.

All of this has not been accomplished without exertion and strain. Today our troublesome balance-of-payments deficit is proving a dramatic

measure of the burden the United States is carrying. The causes of this deficit are unique in history. It does not result from the failure of the United States to compete in world markets; our annual commercial balance continues to be in surplus in the amount of several billion dollars. It results purely and simply from the fact that we are carrying an extraordinary burden of effort for the defense of the free world and for assistance to the less developed nations.

The United States is not faltering in its commitments. It will continue to carry its full share of the financial and technical weight of the security shield for the free world.

The United States Government has faced its balance-of-payments problems with restraint. It has rejected proposals for redressing the balance either by restrictive measures or by reducing our commitments around the world.

At the same time I need hardly emphasize that this persistent deficit is a matter of continuing concern to my Government. We are not wholly persuaded that Europe, growing continually stronger and more unified, has yet fully assumed that share of the burden that its growing strength warrants.

The task before us may be divided into two parts. I have already discussed the urgent need for a still greater military effort to increase the credibility of our deterrent. It hardly needs saying that the disproportionate share of the common defense borne by the United States is one of the principal strains upon our payments situation. Within the last year, for example, the maintenance of our military forces in Europe has resulted in a net drain on the United States balance of payments in the amount of \$1,600 million.

The second part of the task is the responsibility that we in the industrialized nations of the Atlantic community owe to that half of the free world's population that has not yet achieved a decent standard of living. This is the responsibility to provide the flow of financial resources necessary for those hundreds of millions of human beings to attain adequate—and eventually self-sustaining—economic development, to respond to the imperatives of the “revolution of rising expectations.”

Permit me at this point to congratulate the German Government and the German people on the deepening awareness they have shown of the magnitude of this problem. We in the United States are confident that, with your growing strength,

you will continually increase your exertions and improve the quality of aid, expanding the volume of assistance and shaping the terms on which it is provided so as to minimize the burden on the balance of payments of the recipient countries.

One of the problems before us is to coordinate and expand our assistance programs. We have created an admirable instrument for this purpose in the Development Assistance Committee of the OECD. If we use this vehicle with vigor and determination, we should be able to convert it into an institution of notable value to our common effort. Work is well under way inside that Committee toward the creation of teams for specific countries and areas to assist in the coordination, expansion, and application of aid in such countries and areas. Each team will be composed of representatives of two or more industrialized countries, together, when appropriate, with existing international financial institutions. They will of course work with the consent of, and in close cooperation with, the recipient nations.

#### **Creating a Healthy World Trade Environment**

But direct assistance can perform only part of the task. Sooner or later the less developed countries must themselves achieve the means to expand and sustain economic growth above and beyond immediate injections of outside public aid. In the long run they can accomplish this only by creating an environment congenial to private investment and by selling their products to the world at reasonably stable prices.

In the years just ahead the nature of the economic ties between the advanced countries and the emerging areas of Asia, Latin America, and Africa will undergo a considerable evolution. Two patterns are possible: one in which the less developed countries attain increasing access to the markets of all the advanced nations of the world as a basis on which to speed their growth, and another in which the preferential trading habits of the old colonial systems are perpetuated in new forms.

The second course leads to a dead end. It tends to distort patterns of trade, encourage artificial and inefficient production, limit the scope of economic diversification, and perpetuate discrimination against other developing countries. More than that, the countries within preferential systems—even though they may find their special

privileges attractive at the moment—are likely to grow restive with any arrangement that, over the long term, impedes their freedom of choice.

If the United States and the EEC together agree to open their markets to the primary products of less developed countries on a basis of nondiscrimination, they can set the direction for an evolutionary process, a process that will in the long run create a healthy world trading environment in which the less developed countries can develop their production for world markets. Obviously this cannot be achieved overnight. The shift to nondiscriminatory trade with the less developed nations will require transitional arrangements—compensatory mechanisms that will ease the adjustment to nondiscriminatory trade for nations now dependent upon preferences and assistance in the achievement of sound long-term development plans. It will require also that the economically advanced countries work closely together in order to assure that the critical problem of price fluctuation for primary commodities is squarely faced through adequate global arrangements.

To such efforts the United States is prepared to contribute its share.

Through this course, in the long run, you and we should be able to achieve a world environment in which the economically advanced countries share their responsibilities for assisting the less developed in the areas both of aid and trade, recognizing full well that these are common problems of such magnitude that it will require all of the resources, skills, and imagination we can muster if we are to create stability and strength in the free world.

### **Decade of Development**

Finally I would like to recall that President Kennedy has called for the sixties to be the “decade of development”<sup>5</sup>—the decade in which the economically advanced countries, guided by high purpose and sensitive to the sweep of history, play

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<sup>5</sup> For an address by President Kennedy before the U.N. General Assembly on Sept. 25, 1961, see *ibid.*, Oct. 16, 1961, p. 619.

a role worthy of their traditions and their strength.

The Atlantic partnership has the means to realize this goal. We are making progress. We must, and we will, increase our effort. And in doing so, in sharing the fruits of our own prosperity, we can make this an era that historians will note, not for the alarms and bitterness of the cold war but as the moment when mankind at last found the path to freedom from want and fear.

### **Post of Deputy Assistant Secretary for Atlantic Affairs Established**

Press release 197 dated March 28

The Department of State announced on March 28 the creation of a new post of Deputy Assistant Secretary of State for Atlantic Affairs under the jurisdiction of the Assistant Secretary of State for European Affairs. J. Robert Schaetzel, now Special Assistant to the Under Secretary of State, will be appointed to this post.

During the past few years the Atlantic nations have been moving forward on a broad front to consolidate their unity and to create new and closer relationships among themselves. The North Atlantic Treaty Organization (NATO) has continued to grow and develop as the principal safeguard for the security of the North Atlantic area. The Organization for Economic Cooperation and Development<sup>1</sup> came into force last September, linking the countries of Western Europe and North America in a new organization to promote growth and prosperity not only in the Atlantic area but in the less developed nations of the free world. The success of the European Common Market and its prospective enlargement to include other European members creates an opportunity for closer partnership between the United States and Europe in many fields of common activity, in the interests of the North Atlantic nations and the free world as a whole.

The Deputy Assistant Secretary of State for Atlantic Affairs will have primary responsibility in the Department for following these developments and working out policies to promote the further progress of the Atlantic partnership. The Deputy Assistant Secretary will have authority over two new offices, one responsible for NATO problems and the other for OECD and European integration problems. These offices will be headed by Russell Fessenden and Stanley M. Cleveland.

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<sup>1</sup> For background and text, see BULLETIN of Jan. 2, 1961, p. 8.

## A Balance Sheet on Asia

by Chester Bowles<sup>1</sup>

Lenin has been quoted as summing up the Communist strategy for world conquest in one memorable sentence: "The road to Paris lies through Calcutta and Peking." Scholars assert that Lenin never made such a statement. I would reply that he *should* have—and would have, with the assistance of better speechwriters. For I know of no sentence that describes more cogently the thrust of Soviet strategy.

I have just returned from a 6-week trip<sup>2</sup> during which I visited many Asian countries which are special objects of Soviet or Chinese attention. My assignment from the President was to take a sober look at United States relations with these countries and to try to assess for him where we stand. My journey took me into northeast Africa and from one end of Asia to the other—from Ethiopia, the Sudan, Egypt, and Iran to Pakistan, Afghanistan, and India, then to Thailand, Cambodia, the Philippines, and Japan.

After visits to these 11 countries I feel on balance more assured about the direction and conduct of United States foreign policy than at any time in the past 10 years.

This may be explained in part by the differing perspective from which we view the world here on the other side of the oceans. In Washington our desks are loaded with reports of crises and new catastrophes, of conflict and confusion. This is the stuff of daily news. It is also the stuff of daily diplomacy. The quieter and less immediately newsworthy events which—haltingly but, I believe, with increasing force—may be contributing to the development of a more rational world

are likely to be put aside for weekend reading which often does not take place.

I realize that my reckless suggestion that the world is not necessarily coming to an end may be interpreted by some as an assurance that all is well and that the Communists are about to throw in the sponge. I hasten, therefore, to knock on wood in the hope that at least I may be spared the fate of a friend who published a book called *Permanent American Prosperity, Its Causes and Effects* on the very day before the stock market collapsed in 1929.

In a mood of nervous optimism I shall now discuss three or four specific situations which I encountered on my trip that may be of particular interest and significance and then offer some general impressions of our overall position.

### Visit to Egypt

Let us first consider Egypt, where I met for 4 crowded days with President Nasser and some of his top economic and political advisers.

Although I went to Cairo with no expectation of achieving miracles of good will, I believe my visit helped to eliminate certain misunderstandings. I came away with some hope that we may be entering into a period of calmer, more realistic and rational relationships.

We must expect that Egypt will remain a revolutionary country laboring under the psychological load of past conflicts and frustrations in its encounters with the West. Moreover, our relations with Egypt will continue to be conditioned by our deeply held conviction that Israel's independence and integrity must be preserved.

Yet there are a number of questions on which we see eye to eye. For example, Egypt's leaders have come to realize that communism offers no solution to Egypt's manifold problems. They also

<sup>1</sup> Address made before the National Press Club at Washington, D.C., on Mar. 23 (press release 183). Mr. Bowles is the President's Special Representative and Adviser on African, Asian, and Latin American Affairs.

<sup>2</sup> For an announcement of Mr. Bowles' trip see BULLETIN of Feb. 12, 1962, p. 251.

appear determined to provide a greater measure of social justice and economic opportunity for Egypt's people.

If the leaders of the Egyptian Government come to see that their role in history will be determined not by what they say over the radio to the people of other Middle Eastern nations but rather by what they actually do about the aching poverty and misery that oppress the people of Egypt, there will be opportunities for constructive, peaceful cooperation between the American and Egyptian Governments.

In this event tensions may gradually be eased throughout the Middle East and energies may increasingly be diverted from angry conflict to constructive development.

### **Developments in South Asia**

In South Asia it is easy to become preoccupied by such urgent questions as the dispute over Kashmir or the closing of the Pak-Afghan border. However, if our policies are to make sense over the longer run, it is important that we not overlook some of the less immediately newsworthy developments.

On the positive side, India and Pakistan are making extraordinary strides in economic planning and development and in extending local democracy to the villages. We have placed heavy bets on each of these nations, and we were right in doing so. India, for instance, has a population larger than that of Latin America and Africa combined. Her continuing economic and political progress will contribute decisively to world stability; her failure would be catastrophic.

In Iran, with the Shah's support and encouragement, the government headed by Prime Minister [Ali] Amini is pressing reform programs which Iran has so long desperately needed in the agricultural, administrative, and economic fields.

On the negative side of the South Asian ledger, however, we find some worrisome developments. Afghanistan is one example.

For several generations this fiercely independent nation has successfully maintained its position as a buffer state between Russia, the Middle East, and South Asia. Today, however, it is being subjected to Soviet pressures which are novel, well-financed, and potentially effective.

No visible attempt is being made by Soviet representatives to introduce Communist ideology as

such. Indeed, Afghanistan right now is said to have fewer indigenous Communists than any nation in Asia. Nor is there any effort to stir up antagonism against the royal family or the Government.

The Soviets have set out simply and directly to persuade both the rulers and the ruled that Soviet dams, roads, agricultural methods, and technical skills are best adapted to Afghanistan's needs and that bountiful Soviet capital and skills are theirs for the asking with the usual assurance of "no political strings."

Soviet military advisers are busily training the Afghan Army and supplying it with modern Soviet equipment. At the same time, some 2,200 Soviet development technicians are hard at work on several dozen projects. For instance, Soviet roadbuilders, speaking excellent Farsi, work shoulder to shoulder with Afghan labor crews. Soviet farm technicians are moving into the Afghan countryside to assist in opening additional agricultural lands.

Through these massive assistance efforts and the increased flow of trade from across the Oxus, the Afghan economy is being increasingly tied to that of the Soviet Union.

No one who knows the present Afghan leaders and the courageous Afghan people will seriously doubt their deep personal commitment to freedom. Generation after generation of Afghans have fought, and fought successfully, to protect their country against the incursions of the Russians from the north and of the British from their old imperial base in India. However, this generation of Afghans has been persuaded by the sheer magnitude of their problems that they can somehow use massive Soviet aid to modernize their archaic land and still remain masters in their own house.

We should fervently wish them well. At the same time we must face the hard fact that Afghanistan's continuing role as an independent, neutral, buffer state in a critical area is likely to depend in large measure on the economic assistance, political sophistication, and moral support of the United States Government.

### **Encouraging Events in Cambodia**

In Southeast Asia the all-too-familiar conflicts in Laos and Viet-Nam claim a lion's share of the headlines and present us with military challenges of the most difficult and dangerous sort. Yet

there are other less dramatic developments in Southeast Asia which are not generally understood, and some of them, at least, are encouraging.

In Cambodia, for instance, it is heartening to see the powerful popular support which the Cambodian Government enjoys throughout the Kingdom. Widespread ownership of land has helped to insulate the Cambodian peasantry against Communist infiltration or subversion, and there is a remarkably close bond between the army and the people.

This latter point is of particular significance.

Seven years ago the army was disliked and distrusted by the average Cambodian. Now it is welcomed eagerly as it moves into the rural areas to clear forests, resettle families on improved lands, build roads and schools, dig wells, and even teach literacy classes.

However, Cambodian "nonalignment" in the international field should not lead us to assume any lack of understanding of the threat of Communist subversion. When the Geneva agreements<sup>3</sup> ended the Indochinese war in 1954, large Viet Minh forces were active throughout more than half of Cambodia. All of these Communist guerrillas were eliminated without outside help.

Cambodia can teach us and the governments of many developing new nations some valuable lessons in the handling of subversion—if we are ready to listen.

### **U.S. Performance Steadily Improving**

Now I shall briefly offer some general impressions of what I believe to be our own steadily improving performance in this part of the world.

Everywhere I went I saw evidence, sometimes marginal, sometimes totally persuasive, that we are beginning to look beyond the crises which we face to the forces which are creating those crises. Moreover, I believe we are beginning to deal with these forces with a tough-minded but sensitive realism that is new in the conduct of American foreign affairs.

This realism was strikingly evident at last week's Regional Operations Conference at Baguio in the Philippines.<sup>4</sup> This meeting was the sixth

<sup>3</sup> For texts, see *American Foreign Policy, 1950-1955: Basic Documents*, vol. I, Department of State publication 6446, p. 750.

<sup>4</sup> For an announcement of the conference, see BULLETIN of Mar. 26, 1962, p. 511.

in a series of such meetings that have now covered all our missions in Africa, Latin America, the Middle East, South Asia, and East Asia. It was attended by U.S. ambassadors and their principal associates from 15 Asian posts, plus key officials from Washington representing various Government agencies that deal with foreign affairs. These Regional Operations Conferences have had three main objectives:

1. To confirm beyond question the overall authority and responsibility of our ambassadors;
2. To improve the coordination and administration abroad of the many instruments of United States foreign policy; and
3. To review the policies of the present administration in depth, not only on a regional basis but in all parts of the world.

As tools of improved management and communication, all of these meetings have demonstrated their usefulness. At Baguio there was a particularly frank attempt to reach a balanced assessment of past mistakes and successes in Asia and our present overall position there.

In regard to Communist China it was agreed that the time has come for more solid thought and fewer slogans. Although some may still hope that the so-called "China problem" will conveniently disappear, thoughtful observers agree that this is not in the cards. Consequently there was general agreement at Baguio that our approach to Communist China must look beyond the narrow question of recognition—on which our policies are clear—to consider some of the pressures now being generated within mainland China, pressures whose significance is undeniable but whose results remain obscure.

At present, Peiping-Moscow relations appear to be steadily worsening. At the same time mainland China is facing an acute food shortage that stems not merely from bad weather and mismanagement but more fundamentally from a shortage of arable land, inadequate fertilizer production, and a population increase of 16 million people annually.

The political implications are both explosive and unpredictable.

Will the Peiping government adopt a more aggressive course in Southeast Asia? Or will it gradually move toward a more moderate approach? Are we fully prepared for either contingency?

These and many other equally hard questions occupied the center of our discussions. Although no final answers were reached, frank discussion is a first essential step.

In Asia I also saw evidence of a new appreciation of the relevance of the American revolutionary tradition to world affairs—not simply as an anticolonial force but in its broad economic, social, and political implications. I had sensed a similar appreciation in earlier trips to Africa and Latin America.

In this context we are beginning to develop a more positive idea of what American foreign policy is striving to achieve. In today's world it is not enough to be against communism; people everywhere want to know what we stand for.

With increasing effectiveness we are beginning to tell them.

### **Total Diplomacy**

A new generation is now serving our Government which does not look back—as many of the older generation do—to a so-called “normal life” of quiet isolation. On the contrary, they see in our new global commitments an exciting new frontier of human opportunity.

We are also coming to realize that foreign operations in today's world call for a *total diplomacy* that reflects all of the dynamic phases of our own American society—from our industrial capacity and military defense to our educational system and our dedication to the rights of the human individual.

American ambassadors can no longer be content with wining and dining, reporting, analyzing, and cautiously predicting. They must act as administrators and coordinators, responsible for the effective operation of all U.S. Government activities in the countries of their assignment.

Growing out of these factors is a new understanding in every nation and in every corner of every nation of the overriding importance of *people*—what they think, what they fear, what they seek. No longer can a wealthy minority in a developing country depend on docile peasant soldiers to defend its privileges.

Not even the best equipped, American-trained troops can successfully defend their own country unless their fellow citizens feel that they have something meaningful of their own for which they are prepared to give their lives. This is a decisive

new factor in world affairs and therefore a basic new element of power.

In this respect we are now beginning to encourage the developing nations to create military forces capable of effective defense against Communist guerrillas; in the tradition of our own U.S. Army Engineers, such forces are also trained in the building of roads, dams, bridges, and schools. This helps create a working partnership between soldiers and citizens.

We have also become aware of the need for flexible, mobile, American military power capable of dealing vigorously with the kind of local wars which we may be called upon to fight in support of independent governments.

In our aid programs, through painful experience, we have learned that we cannot impose our own system on others, that we cannot effectively use our aid to buy friends, and that it is unproductive to use economic assistance simply to outbid the Communists. We have become aware that the true purpose of our assistance is to help developing nations exercise their own freedom of choice, to decide within their own religions and cultures and within the framework of their own history what kind of societies will best serve their own people.

We have always known that orderly political growth requires material progress. But now we are coming to see that the manner in which the growth is achieved may be decisive. To what extent, for instance, have the people as a whole participated in the process of development? To what extent has it given them an increasing sense of individual justice and dignity?

Steady improvement is now clearly evident in the effectiveness of our information program and in the ways we use our agricultural plenty through Food for Peace. And everywhere I heard praise for the operations of our new Peace Corps—a new and promising concept in people-to-people relations.

As a result I believe that most Asians are gradually beginning to trust us, to sense that the United States is not simply another rich nation out to exploit the less fortunate, and to see that the weary old colonial issue is no longer in fact relevant.

As they consider the contradictions of Marxism and the internal difficulties and divisions facing the Soviet Union and mainland China, Asians are also beginning to understand the sterility of the Communist doctrine itself. They are even begin-

ning to appreciate the importance of the United States military shield, without which there would be little opportunity to build the independent Asian societies on which they have set their hearts.

On the basis of these generally hopeful impressions, I therefore return to Washington with a greater sense of confidence than when I left—and yet still keenly aware that a naked act of aggression or a tragic miscalculation could blow us all sky high by sunset.

## Strategy of American Foreign Policy

*by George C. McGhee*

*Under Secretary for Political Affairs*<sup>1</sup>

For nearly 15 years the Department of State has received—almost every week—a certain number of letters that ask us, in effect, why we don't "do something about the Communist menace." They suggest that we are "too soft" on communism and that we must "win the cold war."

During this same period we have also received almost as many letters that seem to suggest that the Department isn't doing enough to preserve international peace. Sometimes they say that we should "learn to trust other nations," "iron out our misunderstandings with Russia," "stop the arms race," and eliminate the terrifying threat of nuclear hostilities.

I believe the people who wrote these letters—as well as millions of other Americans—are really asking serious and reasonable questions. They want to understand the "grand strategy" of American foreign policy—what our nation is trying to do in the world, why we are trying to do it, and how we are going about it. And I believe they are entitled to an answer.

This grand strategy isn't really mysterious, but it is almost unbelievably complex. It is complex because the world is a big place, because we must

The situation in Asia has its mixture of the reassuring and the grim. Yet I believe that the wave of the future belongs to free men of many races and creeds, working together in a massive effort to create some kind of rational world partnership.

Moreover, I believe that the faint outlines of such a partnership are already beginning to show themselves and that in the 1960's—barring a nuclear accident—they may become increasingly clear for all to see.

have not one but many different purposes, and because we must use many and specialized tools to accomplish these purposes. As a result no man alive sees the whole picture nor can tell you the whole story. My purpose today is to put together for you certain parts of the picture that I consider vitally important to our survival as free men and women in a free and prosperous nation.

The strategy of American foreign policy today is designed to pursue realistically the totality of American interests, as these interests have been expressed by the American people both directly and through their elected representatives.

The key to the success of our international strategy—like all strategy—is the development and use of strength. We must not, however, be misled by oversimplification of the problem into placing our reliance upon any single element of strength. Our nation cannot be protected—nor our ultimate objectives promoted—by military strength alone, nor by economic strength alone, nor by moral strength alone.

The struggle known as the cold war calls for the effective utilization of all our resources. We cannot confine ourselves to one or even a limited range of tools or techniques. We must have the strength that comes from a mighty military establishment, from a prosperous and dynamic economy, from an evolving science and technology, from a free and

<sup>1</sup> Address made before the San Francisco Area World Trade Association, World Trade Club, San Francisco, Calif., on Mar. 27 (press release 188 dated Mar. 26).

orderly society, from intellectual and spiritual growth, and from unity of purpose and action—all at the same time.

Strength, like charity, must begin at home. Today the United States is in almost every sense a healthy and powerful nation. However, we learned many years ago that we could not attain our national objectives, nor even assure our survival, solely through our own strength. Our country has only about 6 percent of the world's territory and population. We are blessed by an abundance of natural resources, but these are not adequate to make us militarily or economically self-sufficient.

We have an advanced science and technology, but we depend heavily upon the science and technology of other friendly nations. It is well for Americans to remember that the first atomic bomb was produced by combining the knowledge and skills of scientists from many nations.

Even if we could ignore our moral and humanitarian interests in the freedom and well-being of other nations, we could not ignore the fact that their health and strength are essential to our own freedom and well-being. The United States could not survive indefinitely as an island fortress in a hostile world. For these reasons, as well as others, we have cast aside the concept of isolationism. There still lingers, however, some of the mythology of that era to obscure our perception of international issues.

### **Survey of World Objectives**

To survey our objectives in the world, we wish, as a minimum, for all other nations that are free of Sino-Soviet domination to retain their independence. This is true even of nations that have political and economic systems markedly different from our own—nations that have even expressed hostility toward our values and our policies—nations that have little or nothing to contribute at the present time to the cause of peace and freedom. Where such a nation's policies and actions are uncooperative, of course, our own ability to cooperate and assist is limited.

Nevertheless we recognize the great importance of the fact that any nation, so long as it retains true independence, retains at the same time a freedom of choice as to its future—a freedom which is lost once it has been subjected to Sino-Soviet control. It also retains the opportunity for change

and growth. Moreover, so long as it remains independent, its human and material resources cannot be used to augment the power of the Sino-Soviet empire.

As a maximum we wish other nations to achieve sufficient national and personal freedom, together with sufficient strength and sense of common purpose, that will enable them to make a positive contribution to our common interests and objectives. Obviously there are many intermediate stages between our minimum and maximum goals. At the end of World War II there was virtually no free nation that could make a significant contribution to our most important interests. Our closest and strongest friends had been strained or ravaged by war and could add little or nothing to our own political, military, or economic strength. They seemed to be liabilities rather than assets.

Fortunately our nation had the foresight to recognize that liabilities could be converted into assets and the imagination and courage to undertake this task. We do not fear the strength of other free nations, nor do we feel obliged to keep them divided. On the contrary, we have worked to increase their strength and to encourage their efforts at unity.

In Japan our military occupation did not milk the Japanese economy but rather sought to lay a foundation for a free and prosperous Japanese society. In Western Europe we undertook and supported a bold series of measures to build strength and unity—the Greek-Turkish aid program, the Marshall plan, the OEEC [Organization for European Economic Cooperation], the North Atlantic Treaty Organization, and various policies aimed at achieving maximum integration among the European nations themselves. We made a very substantial investment in Western European strength and unity, and this investment has paid handsome dividends.

The nations of Western Europe have, with our help, maintained and extended their political and social freedom. They have recovered from the ravages of war and have achieved unprecedented levels of economic prosperity, based essentially upon competitive private enterprise. Their large colonial empires have almost entirely disappeared; about 800 million people formerly under Western European rule have attained statehood.

However, the virtual elimination of colonialism has not diminished Western Europe's overall

strength and influence; first, because Western Europe still retains close political, economic, and cultural ties with many of these new countries; and second, because Western Europe has been permitted to turn its vast energies from the burdens of colonialism to its own evolution and development. Meanwhile several of the Western European nations have developed substantial military as well as economic capabilities.

The nations of the Atlantic community, including the United States, Canada, and the free nations of Western Europe, now possess about 90 percent of the free world's industrial and technological capacity. They possess virtually all of the free world's modern military power. They have numerous ties with the nations of Asia, Africa, and Latin America. In brief, the Atlantic community is the hard core of the strength and unity of the free world as a whole.

It is important to remember that the "Atlantic community" is not a formal organization but is rather a concept, a series of institutions and a steadily evolving process of cooperation. Fifteen nations of the Atlantic community have joined together in NATO, a defensive military alliance and an instrument of political cooperation. Twenty Atlantic nations have also joined together in the Organization for Economic Cooperation and Development, through which the member governments are seeking to coordinate many of their economic and fiscal policies and to provide more ample and effective assistance to the lesser developed regions of the world.

#### **United States and the Common Market**

Meanwhile we have witnessed and encouraged another development of tremendous significance. For centuries European statesmen have sought to eliminate the frictions and rivalries that have dissipated Europe's strength and have produced two disastrous world wars. Some have dreamed of a United States of Europe. Thus far attempts at uniting Western Europe by conquest, by political federation, and by military integration have proved unsuccessful. However, six Western European nations have made an unprecedented breakthrough in the field of economic integration. Beginning in 1950 with the European Coal and Steel Community, these nations have moved forward to establish a European Atomic Energy Community and are now in the process of per-

fecting a European Economic Community, better known as the European Common Market.

The members of this Common Market have pledged themselves to remove by gradual stages all artificial barriers to trade and the movement of their citizens across national boundaries, with the objective of achieving by 1970 an economic relationship comparable to that which exists among the 50 States of our own country. While the ultimate goals of the European Common Market have not yet been realized, the process of economic integration, in the opinion of most European statesmen, has already passed the point of no return. Moreover, this process has gone far enough to demonstrate conclusively the political and economic value of unity. By reducing tariffs and other barriers of trade—thus simultaneously providing wider markets and the powerful stimulus of competition—industry, commerce, and agriculture have gained new vitality.

The sick national economies that we used to hear about a few years ago have become healthy and vigorous economies. Profits, wages, and living standards have risen. Western Europe is competing more effectively in world markets. Unemployed workers in certain countries are finding good jobs in other countries. Finally, the nations of the Common Market have attained an annual rate of economic growth that is approximately twice the recent growth rate of the United States.

For the first time in history the United States is confronted by an economic entity roughly equivalent in size and capacity to itself. The Common Market is already larger than the United States market in terms of population and is potentially larger in purchasing power. Last year the United Kingdom applied for full membership in the Common Market, and other Western European nations may follow. These applications for membership will involve delicate negotiations, and the outcome cannot be predicted at this time. However, the Common Market has already altered world trading patterns and has developed the capacity to play a dynamic role of leadership on the political stage. Its maximum potentialities are very great.

President Kennedy and his advisers are keenly aware of the immense significance and potentiality of the expanding Common Market, both in terms of our domestic prosperity and in terms of our general foreign policy. The members of the expanded Common Market, for example, account for

a major portion of American export trade—altogether \$6 billion a year—and much of our import trade. Existing tariff legislation does not, however, give the President sufficient authority to bargain effectively with the European Common Market nor to cope with radically changing trading patterns in other parts of the world. Therefore the President has asked the Congress for new legislation to enlarge and broaden his bargaining authority and to provide more flexible and selective protection for American workers, farmers, and businessmen.<sup>2</sup>

I do not want to enter into a detailed discussion of the domestic economic advantages of the proposed trade legislation. There is overwhelming evidence that it will be beneficial to the American people without inflicting significant injury upon any segment of the economy. This is not a question of making a sacrifice in order to help our European friends but of our whole future as a world trading nation.

We have every reason to anticipate that the adoption of this legislation, followed by an effective negotiation with the European Common Market and other countries, will add to our domestic prosperity, increase employment, provide new opportunities to industrial and agricultural producers, help to check inflation, and in the long run contribute substantially to the dynamism of our whole economic system.

However, the implications of the President's trade proposals go far beyond their domestic economic benefits. These proposals, in fact, represent the most important single example of the positive elements of our international strategy. They are designed to serve as an essential foundation stone for a world community of free, prosperous, and peaceful nations.

As I have already pointed out, the expanding European Common Market will be a true equal of the United States in many important respects. This fact is extremely important. Despite the close relationships that already exist—institutional and otherwise—between North America and Western Europe, there has always been a missing ingredient. While several members of NATO and the OECD may properly be described as major powers, none has approached the United States in terms of wealth, production and consumption,

<sup>2</sup> For text of the President's message to Congress, see BULLETIN of Feb. 12, 1962, p. 231; for a summary of the bill (H.R. 9900), see *ibid.*, Feb. 26, 1962, p. 243.

science and technology, military strength, international commitments, etc. Both the United States and the other members of the Atlantic community have been discomfited by the fact that there has been no equality, either in capacities or responsibilities.

If we can negotiate a mutually beneficial trade agreement with the Common Market on a broad category of goods, permitting expanded and intimate trading between us, we shall have taken the first and perhaps decisive step toward converting a relatively loose association of unequals into a tightly knit partnership of equals.

By the same step we shall have increased the economic and technological dynamism of both partners. We shall have cemented and consolidated existing institutional relationships which might be imperiled if the two great common markets of Western Europe and North America should make the tragic mistake of becoming economic rivals. In brief the adoption of the President's trade proposals and their effective implementation can vastly increase the strength—and simultaneously tighten the unity—of Western Europe and North America by creating a new Atlantic partnership.

### **Strength and Unity of Free World**

In view of my earlier remarks the direct and immediate value of such a partnership should be obvious. It can contribute to the security, prosperity, and freedom of both the United States and the European Economic Community. But its implications go much further. A strong and united Atlantic partnership can also contribute to the strength and unity of the free world as a whole.

All Americans know that the United States has interests and obligations involving many nations and regions outside the European Economic Community. These include those Western European states which cannot or do not choose to join the Common Market. They include our northern neighbor and partner—Canada—as well as other members of the British Commonwealth. They include our old and intimate friends and allies in the Organization of American States. They include Japan, which has become a major center of freedom and economic vitality in the Far East, and other friends and allies in the Western Pacific. Finally, they include the newly emerging and lesser developed countries of the world, primarily in Asia and Africa.

The present and prospective members of the European Common Market also have worldwide interests and responsibilities. The unity provided by the Common Market system, enhanced further by an economic partnership with the United States, will vastly increase the capacity of both parties to pursue these interests and meet these responsibilities. Neither the United States nor any other Atlantic nation wishes to be a member of an exclusive "rich man's club." Our ultimate purpose is to attain the kind of world community contemplated by the United Nations Charter. The profound significance of the Atlantic partnership lies in the fact that the consolidation and expansion of its own strength and unity can help to impart strength and unity to the remainder of the free world.

To be more specific, we should understand the fact that the President's trade proposals provide for the maintenance of the most-favored-nation principle. This means that the benefits of any trading agreement reached with the European Common Market will be available automatically to all other free nations that have made or are willing to make comparable trading concessions. The Atlantic partnership, therefore, will not be an instrument of discrimination in trade with other areas but instead will be a means of reducing and eliminating such discrimination.

Expanded trade, in turn, will benefit these other areas in many ways. In the lesser developed regions, for example, expanded trade will stimulate investment, provide more stable export markets and sources of supply, and thereby permit these countries to earn foreign exchange to supplement that now being received in the form of loans and grants. Eventually, of course, these earnings are expected to substitute for loans and grants as the lesser developed countries advance toward the ultimate goal of self-sustaining economic growth.

Expanded trade will also provide cement for the entire community of free nations. In the long run the unity we seek cannot be assured by force, diplomacy, psychological strategy, or even intimate cultural and personal contacts. It must rest upon a real identity of interests, and there is probably no single common interest that draws countries so closely together as a mutually beneficial trading relationship.

We expect expanded trade to be reflected in a growth of commerce with the Far East, which

is of particular interest—and rightly so—to the people of your city and State. Japan, already one of our best customers, will, under conditions of freer trade, enhance its growth and hence its demand for United States imports. The less developed countries of the Far East will at the same time be moving toward self-sustaining growth and higher levels of economic activity and trade with this country.

Increase in trade with the Far East, both in imports and exports, will, of course, have a direct and major impact on California, its industries, its workers, and its farmers. The shipping industry would benefit directly and importantly from the new trade program proposed by the President. The port of San Francisco handles about half of all California's exports and imports—2,000,000 and 3,000,000 tons, respectively, a year. Expanded trade, particularly with the Far East, would give it a tremendous boost.

Your State's exports total about \$1.8 billion a year, second only to New York's. More than one-fourth of this total represents exports of agricultural commodities, another fourth transportation equipment, mainly aircraft. Canned foods, petroleum products, construction equipment, and electrical machinery account for most of the remainder. Some 500 California firms each have annual exports totaling more than \$25,000, nearly half of which use the port of San Francisco. Together they employ nearly a half million persons. Food and manufactured products shipped from the San Francisco Bay area go all over the world—to France, West Germany, the Netherlands, England, Japan, Mexico, Brazil, Colombia, and elsewhere in Latin America.

Reduced tariffs on imports and the vast expansion of the Nation's export markets envisaged by the new trade program would help the San Francisco area—indeed, the entire State of California—as much as any area of the Nation.

#### **A Policy of Dynamic Growth**

The Atlantic partnership will increase the capacity of its members to protect and assist the lesser developed regions. Strength begets strength and attracts strength. A strong and united Atlantic partnership will be able to make available to the lesser developed nations more money and resources—more technical advice and assistance—than ever before, and will also be able to insure that all this aid is used more effectively. A

stronger Atlantic partnership will also be able to establish a more secure world in which these countries will be better protected against aggression.

Its strength should have an impact on the numerous and persistent crises in various parts of the world—Berlin, the Congo, Viet-Nam, Laos, etc. Neither we nor our allies can ignore areas of weakness nor areas under attack—actual or threatened—however far these areas may be from the centers of our own strength and interests. As Secretary Rusk has said, if we ignore the periphery, the periphery may become the center.

But let us not, either, focus exclusively upon the crisis areas—upon weakness and danger—and thereby make the even more serious error of ignoring the center itself: the hard core of Atlantic nations which supply most of the aid resources and military strength of the free world. We must be as quick to seize opportunities in strengthening the center as to respond to challenges on the periphery.

The basic strategy of American foreign policy is thus not a policy of static defense. It is a strategy of dynamic growth. Our task is to use all the means available to us to increase the strength and unity of other free nations and peoples and thus to extend the frontiers of freedom itself.

But the purpose of this strength and unity is not just to be able to fight and win a nuclear war, nor just to fight a more effective cold war—unless the Sino-Soviet bloc chooses to continue this wasteful struggle. Rather our purpose is to offer the rulers and peoples of the Communist world powerful incentives to abandon the cold war and to substitute genuine peace and cooperation for the vague and mysterious “coexistence” they have offered.

We must never close the door to cooperation with any nation. While we cannot be so optimistic as to assume that the Communist system is on the brink of collapse, neither should we be so pessimistic as to ignore the possibility of change—gradual or sudden—in the structure of the Communist system or the objectives of its rulers. It is our duty to be suspicious and distrustful so long as we have evidence to justify distrust, but it is also our duty to offer incentives for cooperation and to be prepared for all possibilities—the possibilities of good and evil alike. We must keep our hopes high and our powder dry.

In other words our strategy is to attain and extend a combination of strength and unity that will, in the first instance, render the United States, the Atlantic community, and all other free nations unassailable, and at the same time make freedom and cooperation attractive. Strength is a magnet as well as a fortress. In the long run our stick is the same as our carrot.

## **J. F. Friedkin Named to U.S.–Mexican Boundary and Water Commission**

The Department of State announced on April 2 (press release 217) that Joseph F. Friedkin had taken his oath of office on that day as U.S. Commissioner on the International Boundary and Water Commission, United States and Mexico. He succeeds Col. L. H. Hewitt (U.S. Army, retired). The new Commissioner, a career employee, has been with the U.S. Section of the Commission continuously since April 2, 1934, except for military service. He became Principal Engineer (Supervising) in 1952.

The International Boundary and Water Commission, United States and Mexico, consists of a U.S. and a Mexican Commissioner, and the treaty of 1944 with Mexico stipulates that each must be an engineer. Functioning under the policy direction of the Department of State and the Mexican Ministry of Foreign Relations, the Commission is charged by numerous treaties and laws with the conduct of an international program for the solution of engineering problems along the 1,935-mile boundary with Mexico.

Among its activities the Commission is presently entering the construction phase of a second great international dam on the Rio Grande. The first, Falcón Dam, was completed in 1953 and has already more than paid for itself in flood control. The Congress authorized the U.S. Section in June 1960 to proceed with the still-larger structure to be known as Amistad Dam. The Commission also administers the delivery of Colorado River water to Mexico under the 1944 treaty and is engaged in an intensive study to remedy a salinity problem that has arisen with Mexico.<sup>1</sup> The Commission is in charge of flood control on the lower Rio Grande.

<sup>1</sup> For background, see BULLETIN of Apr. 16, 1962, p. 650.

## U.N. Security Council Rejects Cuban Call for Opinion of World Court on OAS Action

*Following are statements made by Adlai E. Stevenson, U.S. Representative in the Security Council, on March 15 and 23, and the text of a Cuban draft resolution.*

### STATEMENT OF MARCH 15

U.S./U.N. press release 3940

This is the third time this year that United Nations organs have met in response to a Cuban complaint. They are all essentially alike—attacks on the United States or the Organization of American States. But this time something has been added: The objective of the Communists is very clear; it is to extend the Soviet veto to all regional organizations by way of the Security Council.

When the Cuban government sought to bring its last charge before the Security Council a couple of weeks ago, just after almost 2 weeks of examination of the same charge in the General Assembly, my Government opposed further discussion of the complaint.<sup>1</sup> But this time we have not opposed placing the item on our agenda, not, as I say, because it differs in its political content but because we believe this Council should dispassionately examine any request that an opinion be sought of the International Court of Justice.

The representative of Cuba [Mario García Incháustegui] regrettably has not approached his own request for a judicial opinion in a judicial manner. Rather, by the tone and substance of his speech it is clear that he is again pursuing a dispute which his government has created between

<sup>1</sup> On Feb. 27 the Security Council met to consider a Cuban complaint against the United States (S/5080) and decided, by a vote of 4 to 0, with 7 abstentions (U.S.), not to include the item in its agenda; for U.S. statements in the General Assembly on Feb. 14 and 20, see BULLETIN of Apr. 2, 1962, p. 553.

it, on the one hand, and all the Republics of the hemisphere on the other.

This time the attack is against the Organization of American States. But it is clearly aimed at *all* regional organizations. It is an attempt to subject the activities of all regional organizations to the Soviet veto in the Security Council.

Let there be no mistake about the objective of this complaint. The Cuban letter is camouflaged with legalisms, but the issue it raises is 100-percent political. That issue is whether a regional organization, one which has cooperated fully with the United Nations, has the right to manage its own affairs and defend itself against a foreign dominated government or whether the Soviet Union is to be allowed to paralyze that organization's activities through Soviet exercise of its veto power in this Council.

We believe that everyone who recognizes the great contributions to the progress of the world which regional organizations have made and can make, whether it be the Organization of American States, the Arab League, or some future regional associations of African or Asian states, will join in rejecting this threat to the independence and vitality of such regional organizations and this effort of the Soviet Union to extend its veto over their activities.

This is not the first time the Communist bloc has tried to extend the veto to advance its campaign for world domination. Soviet vetoes in the Security Council so impaired its functions and effectiveness over the years that it became necessary to adopt the "Uniting for Peace" resolution<sup>2</sup> so that the General Assembly, at least, can act with decisiveness and dispatch. Even in the Assembly and its committees we have seen efforts to spread the Soviet veto through the concept of unanimity. And it was only last fall that we

<sup>2</sup> For text, see *ibid.*, Nov. 20, 1950, p. 823.

facéd a Communist move, stimulated by the effectiveness of the Secretariat, to impose a troika on the office of the Secretary-General, which would have subjected the entire Secretariat to the Soviet veto. That move was decisively rejected. And this new effort to extend the veto to regional organizations should be just as decisively rejected.

What is it that the Cuban letter<sup>3</sup> before us is asking the Security Council to do? The letter contends that the resolutions<sup>4</sup> adopted by the Organization of American States at Punta del Este constitute "aggression against the sovereignty of our country and a serious threat to international peace and security," that they require the authorization of the Security Council, under article 53 of the charter, on the ground that they constitute "enforcement action" within the language of that article, and that without such approval they violate the Charter of the United Nations.

So that we may not forget what the real issue at Punta del Este was and so that we may determine whether its decisions did or did not constitute aggression, violate the charter, or require Security Council approval as "enforcement action," I must ask your indulgence while I deal with each of the Punta del Este resolutions. They are all set forth in full in the Final Act of Punta del Este, document S/5075, which is before the Security Council.

### **Communist Offensive in America**

The first resolution relates to the offensive by the Communist bloc against the American Republics. I shall read from paragraphs 1, 2, and 3 of that resolution, which was adopted by the unanimous vote of all the American Republics (except Cuba):

1. The Ministers of Foreign Affairs of the American Republics . . . declare that the continental unity and the democratic institutions of the hemisphere are now in danger.

The Ministers have been able to verify that the subversive offensive of communist governments, their agents and the organizations which they control, has increased in intensity. The purpose of this offensive is the destruction of democratic institutions and the establishment of totalitarian dictatorships at the service of extracontinental powers. The outstanding facts in this intensified offensive are the declarations set forth in official documents of the directing bodies of the international communist

<sup>3</sup> U.N. doc. S/5086.

<sup>4</sup> For background and texts of resolutions, see BULLETIN of Feb. 19, 1962, p. 270.

movement, that one of its principal objectives is the establishment of communist regimes in the underdeveloped countries and in Latin America; and the existence of a Marxist-Leninist government in Cuba which is publicly aligned with the doctrine and foreign policy of the communist powers.

2. In order to achieve their subversive purposes and hide their true intentions, the communist governments and their agents exploit the legitimate needs of the less-favored sectors of the population and the just national aspirations of the various peoples. With the pretext of defending popular interests, freedom is suppressed, democratic institutions are destroyed, human rights are violated and the individual is subjected to materialistic ways of life imposed by the dictatorship of a single party. Under the slogan "anti-imperialism" they try to establish an oppressive, aggressive, imperialism, which subordinates the subjugated nations to the militaristic and aggressive interests of extracontinental powers. By maliciously utilizing the very principles of the Inter-American system, they attempt to undermine democratic institutions and to strengthen and protect political penetration and aggression. The subversive methods of communist governments and their agents constitute one of the most subtle and dangerous forms of intervention in the internal affairs of other countries.

3. The Ministers of Foreign Affairs alert the peoples of the hemisphere to the intensification of the subversive offensive of communist governments, their agents, and the organizations that they control and to the tactics and methods that they employ and also warn them of the dangers this situation represents to representative democracy, to respect for human rights, and to the self-determination of peoples.

And then the Ministers conclude with a declaration that:

The principles of communism are incompatible with the principles of the Inter-American system.

Here, then, is a resolution in which the members of the OAS have unanimously alerted the Western Hemisphere to the dangers of Communist aggression in the form of subversion. This resolution is a statement of policy by the OAS and a statement of its great concern about the Communist threat to our security. It was to deal with just such problems that the OAS was established.

Does such a resolution constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does.

### **Establishment of Committee on Security**

The second resolution, adopted 19 to 1 (Cuba), with one abstention (Bolivia), requested the Council of the Organization of American States to

maintain vigilance for the purpose of warning against acts of aggression, subversion, and other dangers to peace and security resulting from the continued intervention of Sino-Soviet powers in the Western Hemisphere.

The resolution directed the Council to establish a special consultative committee of experts on security matters to advise member states that may request assistance. The resolution also urged member states to take steps considered by them appropriate for their individual or collective self-defense and to cooperate to strengthen their capacity to counteract threats or acts of aggression, subversion, or other dangers to peace and security resulting from the continued intervention in the Western Hemisphere of Sino-Soviet powers.

Does such a resolution constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does. Clearly the resolution is an exercise of the inherent right of nations to prepare for their own self-defense, whether individually or collectively. And so to prepare was elementary prudence in the face of the extracontinental Communist threat.

#### **Resolutions Calling for Free Elections**

The third resolution reiterated the foreign ministers' adherence to the principles of self-determination and nonintervention and, in a second paragraph, urged the governments of the member states to organize themselves on the basis of free elections that express, without restriction, the will of the people.

The Cuban regime voted against—I repeat, against—free elections and voted against—I repeat, against—the resolution itself. Every other American Republic voted for that paragraph and for the resolution.

Does such a resolution, calling for free elections to express the people's will, contravene the United Nations Charter or require Security Council authorization? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does. The real problem in the Caribbean is disclosed by the fact that the Cuban regime felt compelled to vote against such a basic right, a basic right enshrined in the Universal Declaration of Human Rights.

The fourth resolution recommended that gov-

ernments whose structure or acts are incompatible with the effective exercise of representative democracy should hold free elections in order to guarantee the restoration of a legal order based on the authority of the law and respect for the rights of the individual. The Cuban regime also voted against that resolution, again denying the principle of free elections. Every other American Republic voted for free elections and for the resolution.

Does such a recommendation constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course it does not, and there is no reason to ask the International Court of Justice whether it does.

#### **Alliance for Progress Resolution**

The fifth resolution, also unanimously adopted (except for Cuba), declared in part:

1. That the preservation and strengthening of free and democratic institutions in the American republics require . . . the prompt, accelerated execution of an unprecedented effort to promote their economic and social development for which effort the public and private, domestic and foreign financial resources necessary to those objectives are to be made available, economic and social reforms are to be established, and every necessary internal effort is to be made in accordance with the provisions of the Charter of Punta del Este.

2. That it is essential to promote energetically and vigorously the basic industries of the Latin American countries, to liberalize trade in raw materials by the elimination of undue restrictions, to seek to avoid violent fluctuations in their prices, to encourage the modernization and expansion of services in order . . . to increase national wealth and to make such increased wealth available to persons of all economic and social groups, and to satisfy quickly, among other aspirations, the needs for work, housing, land, health, and education.

Does such a resolution—and it is interesting to note that this resolution has been thoroughly deprecated by Cuba—constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does.

#### **Self-Exclusion of Cuba From American System**

The sixth resolution is entitled "Exclusion of the Present Government of Cuba From Participation in the Inter-American System." This resolution is one of those most critical of the present

government of Cuba, and for this reason it has provoked strong Cuban reaction. But this does not make the resolution "aggression" or make it subject to Security Council approval.

The resolution refers to the report of the Inter-American Peace Committee, which stated:

3. As regards the intense subversive activity in which the countries of the Sino-Soviet bloc are engaged in America and the activities of the Cuban Government that are pointed out in this report, it is evident that they would constitute acts that, within the system for the "political defense" of the hemisphere, have been classed as acts of "political aggression" or "aggression of a non-military character." Such acts represent attacks upon inter-American peace and security as well as on the sovereignty and political independence of the American states, and therefore a serious violation of fundamental principles of the inter-American system, as has been repeatedly and explicitly declared at previous Inter-American Conferences and Meetings of Consultation.

Based on these facts, among others, the resolution declared:

That, as a consequence of repeated acts, the present government of Cuba has voluntarily placed itself outside the inter-American system.

The resolution goes on with two operative paragraphs, reading as follows:

1. That adherence by any member of the Organization of American States to Marxism-Leninism is incompatible with the inter-American system and the alignment of such a government with the communist bloc breaks the unity and solidarity of the hemisphere.

2. That the present government of Cuba, which has officially identified itself as a Marxist-Leninist government, is incompatible with the principles and objectives of the inter-American system.

These two paragraphs were adopted by the unanimous vote of the 20 American Republics, with Cuba alone dissenting. Do these two operative paragraphs, expressing the convictions of the OAS membership, constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course not, and it would be pointless to ask the International Court of Justice whether they do. They are statements of the unanimous views (except, of course, for Cuba) of the members of a regional organization—not only fully within its rights but specifically within the purposes for which the organization was established.

There were two further operative paragraphs in the resolution:

3. That this incompatibility excludes the present Gov-

ernment of Cuba from participation in the inter-American system.

4. That the Council of the Organization of American States and the other organs and organizations of the inter-American system adopt without delay the measures necessary to carry out this resolution.

As to these two paragraphs, 14 countries, namely two-thirds of the membership, voted in favor, 1 (Cuba) against, and 6 abstained. Their abstentions in no way affected the unanimous decision, in which all except Cuba joined, that the Castro regime and its Communist aggressions are incompatible with the American system of democratic freedom.

Cuba and the U.S.S.R. claim that these paragraphs constitute "aggression" and that they require Security Council approval. Let us look at these two contentions. First, do the paragraphs constitute aggression against Cuba? The answer to that is obvious. To claim such a resolution is aggression is to distort the meaning of words beyond all reason. The fact is that it was a defensive reaction to the Cuban regime's subversive activities against the free institutions of the American Republics. Those aggressive activities were the cause of the resolution and are the source of present tensions.

#### **Cuba's Violations of OAS Charter**

Let me review the facts brought out at the Punta del Este conference. It was there clearly shown that the Castro regime, with the assistance of local Communist parties, is employing a wide variety of techniques and practices to overthrow the free democratic institutions of Latin America. It is bringing hundreds of Latin American students, labor leaders, intellectuals, and dissident political leaders to Cuba for indoctrination and for training, to be sent back to their countries for the double purpose of agitating in favor of the Castro regime and undermining their own governments. It is fostering the establishment in other Latin American countries of so-called "committees of solidarity" with the Cuban revolution for the same dual purpose. Cuban diplomatic personnel encourage and finance agitation and subversion by dissident elements seeking to overthrow established government by force.

The Cuban regime is flooding the hemisphere with propaganda and with printed material. The recent inauguration of a powerful short-wave radio station in Cuba now enables the regime to

broadcast its propaganda to every corner of the hemisphere, and these broadcasts have not hesitated to call for the violent overthrow of established governments. Such appeals have been directed to Peru, Brazil, Guatemala, and, most recently, the Dominican Republic. On January 22, 1962, Radio Habana beamed a broadcast to the Dominican Republic calling on the people to "overthrow the Council of State"—the very democratic Council which is now expressing the will of the Dominican people to be free of the last remnants of the Trujillo dictatorship.

The military training of Latin Americans in Cuba by the Castro regime and the wide distribution throughout the hemisphere of the treatise on guerrilla warfare by "Che" Guevara, Castro's chief lieutenant, are clear evidence that the Castro regime will use guerrilla operations as another important device for gaining its objectives. The large amounts of arms which Castro boasts of having obtained from the Communist military bloc place him in a position to support such operations, and, in fact, we have seen him aiding or supporting armed invasions in other Caribbean countries, notably Panama and the Dominican Republic. If we are to believe Castro's threats made prior to and during the Punta del Este conference, there will almost certainly be further Cuban-inspired guerrilla operations against its Latin American neighbors.

#### **OAS Calls Cuba Bridgehead of Communism**

What the OAS decided—unanimously—is that Cuba today represents a bridgehead of Sino-Soviet imperialism in the Western Hemisphere and a base for Communist aggression, intervention, agitation, and subversion against the American Republics. It is small wonder that the American Republics unanimously recognized that this situation is a serious threat to their security and the ability of their peoples to choose freely their own form of government and to pursue freely their goals of economic well-being and of social justice.

In the face of these facts it is absurd to contend that the Punta del Este resolution excluding the present Cuban regime from the OAS constitutes aggression against Cuba when it is the Cuban regime's own aggression against the OAS which has caused that exclusion. What the Cuban regime has done is to create a condition which makes OAS action necessary and then appear before this Council to complain of the action made

necessary by the very condition they themselves created. Clearly a regional organization can determine for itself the conditions of membership. If it could not so decide, it would clearly be incapable of its own defense and therefore have no reason for existence.

Equally clearly such self-exclusion, caused by Cuba's aggressive acts against members of the OAS, is not "enforcement action" by the OAS within the meaning of article 53 of the United Nations Charter. Security Council "authorization" cannot be required for regional action—in this case exclusion from participation in a regional organization—as to matters which the Council itself cannot possibly act on and which are solely within the competence of the organization itself.

The Organization of American States is, in the language of article 52, paragraph 1, of the United Nations Charter, a regional agency for the maintenance of international peace and security. Surely the Organization of American States, like any other regional agency, is and, as an agency for the exercise of the right of collective self-defense, must be entitled to determine who should participate in its proceedings without being subject to a Soviet veto or any other veto in the Security Council. The Council cannot pretend to determine what states should and should not participate in such a regional agency like the Organization of American States and the Arab League.

It should be noted that the Cuban government's self-exclusion from the Organization of American States was not based on its "social system," as Cuba alleges. It was based on that government's violations of the OAS Charter, to which Cuba had solemnly subscribed. In violation of that charter the present Cuban government has conducted aggressive and subversive activities against its fellow American Republics, and in violation of that charter it has suppressed the fundamental rights of the individual.

Surely it is not a violation of the United Nations Charter to suspend a government for the very aggressive activities which the United Nations Charter is designed to prevent, and surely it is not a violation of the United Nations Charter to suspend a government for suppressing the human rights and fundamental freedoms which the United Nations Charter is designed to uphold. Nor did the framers of the United Nations Charter intend it to protect a government from the con-

sequences of such aggressive activities and such violations of human rights and fundamental freedoms. The OAS is clearly entitled to suspend the participation of a government which deliberately violates one of the basic principles of membership in the organization.

### **Cuban Reasoning Erroneous**

The reasoning by which the Cuban representative has sought to justify his contention that the suspension—or, as he put it, expulsion—of the Cuban government from the OAS was unlawful was this:

Since the OAS Charter, an international treaty, contains no clause expressly authorizing suspension or expulsion, such a right of suspension or expulsion cannot be implied. He claimed that treaties must be interpreted restrictively and that the principle of restrictive interpretation of treaties in this case prohibited implying a right of suspension.

The Cuban representative is wrong for three reasons:

First, it is for the Organization of American States to interpret its own charter. The required two-thirds of the membership of the Organization of American States has interpreted its charter to justify suspension.

Second, treaties, including the OAS Charter, are to be interpreted effectively and not restrictively. It is the cardinal rule of the interpretation of treaties that they must be interpreted so as to give effect to their essential purposes. Since the present Cuban government is doing its best to frustrate the essential purposes of the OAS Charter, effective interpretation of that treaty requires the exclusion of the Cuban government.

Third, it is obvious that no regional body can be forced to accept or maintain the presence of a government which the members of that regional body determine to be violating the very terms of the charter of that body. In this case all of the members of the OAS except Cuba determined that the Cuban government is violating the OAS Charter, to which Cuba had solemnly subscribed. The independence and effectiveness of regional agencies would be destroyed by a rule that required regional organizations to continue in their midst governments that oppose themselves to the organizations' principles and violate their charters.

### **Further Actions at Punta del Este**

To return to the Punta del Este resolutions, the next resolution—the seventh—was also unanimously adopted (except for Cuba). It excluded the present Cuban regime from the Inter-American Defense Board until it should be determined by the Council of the Organization of American States that membership of the government of Cuba is not prejudicial to the work of the Board or to the security of the Western Hemisphere.

Does such a resolution constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does.

The Inter-American Defense Board consists of military and naval experts whose function is to study and recommend measures for the defense of the Western Hemisphere. Surely the American Republics are entitled, without subjecting themselves to a Soviet veto, to exclude from such study a government which is hostile to the very purposes of the Board and which is an acknowledged member of the Communist bloc constituting the very threat the American Republics are attempting to defend themselves against.

The eighth resolution, adopted by the vote of 16 to 1 (Cuba), with 4 abstentions (Chile, Mexico, Ecuador, and Brazil), recited the statement by the report of the Inter-American Peace Committee that the intense subversive activity of the Sino-Soviet bloc and the Cuban government in America constitutes "a serious violation of fundamental principles of the inter-American system," and resolved as follows:

1. To suspend immediately trade with Cuba in arms and implements of war of every kind.

2. To charge the Council of the Organization of American States, in accordance with the circumstances and with due consideration for the constitutional or legal limitations of each and every one of the member states, with studying the feasibility and desirability of extending the suspension of trade to other items, with special attention to items of strategic importance.

3. To authorize the Council of the Organization of American States to discontinue, by an affirmative vote of two-thirds of its members, the measure or measures adopted pursuant to the preceding paragraphs, at such time as the Government of Cuba demonstrates its compatibility with the purposes and principles of the system.

Does such a resolution constitute aggression or

contravene the United Nations Charter or require Security Council authorization as an enforcement action? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does. In the first place, suspension of trade in arms is the very reverse of aggression and in this instance is a measure of self-defense against aggression. Nor is such suspension an "enforcement action" within the meaning of article 53 of the charter. It is a step that any state can properly and legally take, individually or collectively, without authorization from anyone.

As regards extending the trade suspension to other items, the resolution instructs the Organization of American States Council to study the feasibility and desirability of such an extension, with due consideration for the constitutional or legal limitations of the member states. Obviously no "enforcement action" was involved.

I now come to the ninth and final resolution, adopted by a vote of 19 to 1 (Cuba), with 1 abstention. This resolution recommended that the Statute of the Inter-American Commission on Human Rights be revised to broaden and strengthen the Commission's attributes and faculties and permit it effectively to further respect for these rights in the Western Hemisphere countries.

Does such a resolution constitute aggression or contravene the United Nations Charter or require Security Council authorization? Of course it does not, and it would be pointless to ask the International Court of Justice whether it does.

From this survey of all the Punta del Este resolutions, three conclusions emerge: First, the only aggression involved is the documented aggressive activities of the Cuban Communist regime, which the countries of Latin America found unanimously at Punta del Este to be directed against the free democratic institutions of the American Republics; second, nothing remotely resembling a violation of the United Nations Charter is involved; and third, nothing is involved which would justify the Council in invoking article 53 of the United Nations Charter. The responsibilities of the OAS were satisfied when it reported under article 54.

There is accordingly no question which merits submission to the International Court of Justice for an advisory opinion.

### Council's Decision in Dominican Case

Furthermore the issue is one which the Security Council has already considered thoroughly and as to which it has reached a clear-cut decision. I refer, of course, to the discussion in the Council in September 1960<sup>5</sup> as to whether the Council considered its authorization to be required, under article 53 of the charter, for the action that had then been taken by the OAS with respect to the Dominican Republic.<sup>6</sup> At that time also a Communist country (the Soviet Union) tried to have decisions of the Organization of American States subjected to Soviet veto.

In that case the Organization of American States had applied against the Dominican Republic measures more far-reaching than those in the case now before us. There the members of the OAS had severed diplomatic relations with the Dominican Republic and had instituted a partial interruption of economic relations.

In that case the Soviet Union, as does the Castro regime here, contended that the Organization of American States resolutions constituted "enforcement action" under article 53 of the charter which had to be authorized by the Security Council and introduced a resolution to that effect. An extensive debate took place during which the Security Council's authority and responsibilities with respect to article 53 were thoroughly discussed. The Soviet resolution received no support, and the Soviet representative ultimately would not even put it to a vote.

Instead, nine members of the Council supported a resolution, sponsored by Argentina, Ecuador, and the United States, the purpose of which was explicitly to limit Security Council action to "noting," not authorizing or approving or disapproving, the OAS action which had been reported to the Security Council in accordance, solely, with article 54.

We have, then, a square decision by this Council, after thorough debate, as to the extent of the Council's authority under article 53. That decision was that measures even more far-reaching than those now before us do not involve "enforcement action" within the meaning of article 53 and therefore do not require Security Council authorization. It is even clearer that the milder Punta

<sup>5</sup> *Ibid.*, Oct. 3, 1960, p. 542.

<sup>6</sup> *Ibid.*, Sept. 5, 1960, p. 355.

del Este resolutions now before us involve no such "enforcement action" and require no Security Council authorization.

I cannot help but refer, in this connection, to the blatantly cynical statement by the permanent representative of the Soviet Union at the meeting of the First Committee held on February 27, 1962, when he said, referring to the interpretation of article 53 in the Dominican Republic case (provisional record, document S/PV.991, page 22) :

In the first place, in 1960 the question involved action against the Dominican Republic. To us there is a difference. The Dominican Republic is one matter; Cuba another; Chile another.

The Soviet Union's political orientation is thus against the Dominican Republic in one case and in favor of Cuba in another, and it is that political orientation which is what determines its interpretation of the charter.

We do not believe that the other members of this Council look upon the interpretation of the charter in a spirit of any such blatant cynicism. The Soviet Union's attempt in the Dominican Republic case to have the Security Council authorize action of which the Soviets approved was recognized at the time as a prelude to a later effort to employ its veto against the OAS and in defense of its base of operations in the Western Hemisphere—Cuba.

That effort is precisely what the Council is now faced with.

### **Insubstantiality of Cuban Demands**

Viewed in the context of the resolutions adopted at Punta del Este and the square precedent of the Dominican case, the seven questions which the Cuban representative advances should be dismissed for lack of substantiality, quite apart from the fact that Cuba comes into court, in the common law phrase, with unclean hands.

Moreover, the insubstantiality of the questions demonstrates that there is even less reason for the Council to consider the Cuban demand that provisional measures be adopted, under article 40, to suspend the implementation of the resolutions of Punta del Este.

The United States Government has repeatedly made clear that it favors increased recourse to the International Court of Justice. But it does not favor use of the Court for cold-war political pur-

poses foreign to the charter and the Court's statute. It is significant, in this connection, that the Soviet representative, whose Government is consistently hostile to the use of the Court for the settlement of genuine legal disputes between states and has deprecated the Court's advisory jurisdiction, should so enthusiastically favor submission to the Court of the rhetorical and self-serving questions which have been conjured up by the Cuban representative.

It will not do to say that if even one country, Cuba, believes that an issue concerning this Council's authority is debatable, then that issue might well be referred to the Court for an advisory opinion. Here the very issue of this Council's authority over OAS decisions has already been decided by this Council under circumstances in which regional action was more far-reaching than in this case.

There is, therefore, no reason why we should reopen that decision. There is even less reason why we should again give any consideration to the substance of Communist charges of OAS aggression against Cuba or to the Cuban regime's effort to prevent the OAS from reacting to the situation which the regime itself created.

Mr. President and members of the Council, what we have here is no legal dispute. What we have is a cold-war political attack by the Soviet Union, through the Cuban Communist regime, on the Organization of American States.

What is more, what we have here is an attempt to shackle the OAS with the Soviet Union's Security Council veto. If that attempt were to be successful, it would mean the impotence not only of the OAS but of all other regional organizations, through subjection to the untender mercies of the veto.

We do not believe that the members of this Council or, indeed, the members of the General Assembly wish to have any regional organization fettered by any such subservience.

### **STATEMENT OF MARCH 23**

U.S./U.N. press release 3948

Before we proceed to the vote I should like to summarize hurriedly the arguments of the complainants which we have heard on this item from the representatives of Cuba and the Soviet Union for an entire week.

What we have heard is literally daily repetition of the identical assertions that were made here on the first day and which have been answered by almost every other member here present over and over again. But each day the representatives of Cuba and the Soviet Union disregard what has been said the day before and begin anew to solemnly repeat the same charges. This procedure could go on for years. It is what we call in English the dialog of the deaf; in Spanish, I believe, it is *el discurso entre sordos*; and I have no doubt that there is more than one Russian equivalent for endlessly repeating the same thing like a stuck phonograph and refusing to hear the answers.

I submit that it is long past time to bring this rhetorical endurance contest to an end, for we have heard nothing new since the first day, and before we conclude this undistinguished episode in the history of this Council I will, as I say, hurriedly review only those few arguments which relate to the letter filed by Cuba.

The Cuban and Soviet representatives have asserted over and over, with characteristic deafness for the facts, that Cuba was excluded from the Organization of American States because of its social system. The fact is, of course, that Cuba was not excluded because of its social system; it was excluded because of its violations of the Charter of the Organization of American States, as all the American Republics represented here have testified. And as the resolution of Punta del Este makes explicitly clear, the fact is that, in violation of the Charter of the Organization of American States and in pursuit of aims contrary to the principles of the American system, the present Cuban government has conducted aggressive and subversive activities against other American Republics and has suppressed the fundamental rights of the individual in Cuba. It was on the basis of these violations that the members of the Organization of American States at Punta del Este decided that Cuba's government—not Cuba but its present government—was no longer compatible with the inter-American system.

Secondly, these same delegations have reiterated that the OAS had no right to exclude Cuba from its membership because of these violations of the OAS Charter. On its face this is absurd. It is the inherent right of any regional organization to determine which countries shall participate and which shall not. Yet from what the Soviet rep-

resentative has been saying this principle applies only in those instances which fit Soviet political motives. Stripped of polemics, what he would have us believe is that the Latin American countries cannot decide for themselves with whom they wish to associate in their regional organization, and such a proposition hardly merits serious discussion.

### **Integrity of Regional Organizations**

Thirdly, the Soviet Union has attempted to separate the Organization of American States from other regional organizations, present or future. Council members have already drawn attention to this distortion in their statements. The problem we face here today—that is, the problem of extending the Soviet veto over decisions of regional organizations—is not in any sense limited to the Organization of American States. It applies equally to any regional organization. The Soviet position, in short, is an assault on the whole system of regional organizations, and if it is successful it would nullify a fundamental provision of the Charter of the United Nations.

Two days ago the Council heard the penetrating analysis and defense of the regional organization system by the representative of Ireland. He said that regional organizations as such have long since proved their usefulness and daily were growing in importance and in vigor. He expected that before too long there might be a regional organization in Africa. And this was not surprising. Mr. [Frederick H.] Boland intimated, since with a growing United Nations it must be anticipated that much of the work within a region would have to be undertaken by the region itself, this would perforce lead to the establishment of an increasing number of regional organizations in the days ahead. The Council, Mr. Boland said, should therefore be careful to avoid reaching any conclusions which might appear to undervalue or to challenge the principle of regional organizations.

We submit that it is this very independence and this very integrity of a regional organization which the Soviet Union is continually trying to destroy by subjugating the decisions of regional organizations to the Security Council and, therefore, Soviet approval. The list of rhetorical questions contained in the Cuban draft resolution (S/5095) would seem to prove this conclusively.

## No "Enforcement Action" Involved

Finally, the Soviet representative has accused us of trying to force acceptance of our interpretation of the words "enforcement action" in article 53 upon the members of this Council. This is simply not true. We are not trying to force anything, nor are we attempting to define these words in a way which the Security Council has not already accepted. We have cited repeatedly here the Dominican case. It was referred to by the representative of Ghana, who cited statements by Council members to support his feeling that the issue may not have been clearly met at that time. The fact is, however, that the Council did decide in the Dominican case that no enforcement action was involved.

The whole purpose of the Soviet Union in bringing the case before the Council was to insist that Security Council approval under article 53 was required. The entire debate revolved around whether the resolution of the Organization of American States in the Dominican case did or did not constitute enforcement action under the terms of article 53. If it was enforcement action, the Security Council was required—not authorized, but required—to give its approval or disapproval under article 53. The fact that it refused to act under article 53 is conclusive. The Soviet contention had so little support that the Soviet Union declined even to put its draft resolution to the vote at that time. A counterresolution presented by Argentina, Ecuador, and the United States, which explicitly did not come under article 53, was adopted by the Council. It may not have defined what enforcement action under article 53 was, but it most definitely did decide that action of the sort embraced in the Dominican case was not subject to article 53.

For these reasons, we hope that the Council will dispose of the draft resolution before us by rejection, and in so doing the Council will again be making an important contribution toward the preservation and the integrity and the independence of regional organizations of the United Nations.

I am very happy to waive translation in order to save time and, I hope, the patience of members.

[In a later intervention Ambassador Stevenson said:]

I understand that both the representatives of the Soviet Union and of Cuba, who have sponsored

this resolution, now propose to withdraw it. I must object most emphatically to any attempt to avoid a vote on this resolution as a whole.

The rule is very clear. Rule 35 says that a motion or draft resolution can at any time be withdrawn so long as no vote has been taken with respect to it. A vote has been taken with respect to it. Therefore the resolution can no longer be withdrawn, and I move that it be put to a vote, as a whole, forthwith.<sup>7</sup>

## TEXT OF DRAFT RESOLUTION<sup>8</sup>

*The Security Council,*

In accordance with Article 96(1) of the Charter,

*Decides* to request the International Court of Justice to give an advisory opinion on the following questions:

1. Is the Organization of American States, under the terms of its Charter, a regional agency within the meaning of Chapter VIII of the United Nations Charter and do its activities have to be compatible with the Purposes and Principles of the United Nations?

2. Under the United Nations Charter, does the Organization of American States have the right as a regional agency to take the enforcement action provided in Article 53 of the United Nations Charter without the authorization of the Security Council?

3. Can the expression "enforcement action" in Article 53 of the United Nations Charter be considered to include the measures provided for in Article 41 of the United Nations Charter? Is the list of these measures in Article 41 exhaustive?

4. Does the Charter of the Organization of American States provide for any procedure for expelling a State member of the Organization, in particular because of its social system?

5. Can the provisions of the Charter of the Organization of American States and the Inter-American Treaty of Reciprocal Assistance be considered to take precedence over the obligations of Member States under the United Nations Charter?

6. Is one of the main principles of the United Nations Charter that membership in the United Nations is open to

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<sup>7</sup> A ruling by the President of the Council concerning the application of rule 35 of the rules of procedure was upheld on Mar. 23 by a vote of 7 (Chile, China, France, Ireland, U.K., U.S., Venezuela) to 2 (Rumania, U.S.S.R.), with 2 abstentions (Ghana, U.A.R.).

<sup>8</sup> U.N. doc. S/5095. On Mar. 23 the Security Council voted first on operative paragraph 3, which it rejected by a vote of 4 (Ghana, Rumania, U.S.S.R., U.A.R.) to 7 (Chile, China, France, Ireland, U.K., U.S., Venezuela). The remainder of the draft resolution was then put to the vote and rejected by 2 votes in favor (Rumania, U.S.S.R.), 7 against, with 1 abstention (U.A.R.); Ghana did not participate.

States which meet the requirements of Article 4 of the Charter, irrespective of their system?

7. In the light of the replies to the foregoing questions are, or are not, the resolutions adopted at Punta del Este at the Eighth Meeting of Consultation of American Ministers of Foreign Affairs relating to the expulsion of a State member of the regional agency because of its social system and the taking of other enforcement action against it, without the authorization of the Security Council, consistent with the provisions of the United Nations Charter, the Charter of the Organization of American States and the Treaty of Rio?

*Also decides* to request the International Court of Justice to give priority to the consideration of this matter.

## International Cooperation in Synoptic Meteorology

### DEPARTMENT ANNOUNCEMENT

The Department of State announced on March 23 (press release 185) that more than 100 weathermen from all over the world would gather at the Department of State on March 26 for the third session of the Commission for Synoptic Meteorology of the World Meteorological Organization (WMO).

Technical experts from more than 100 nations are expected to attend the 26-day session, where weather observations, codes, communications, and methods of forecasting will be considered. The Commission will have before it reports from its various working groups on code problems, observational networks, telecommunications, pressure reduction methods, and the use of data received from weather satellites.

The international exchange of weather information fostered by the WMO and its technical commissions makes it possible to prepare weather maps covering an entire hemisphere twice each day. The basic ingredients for these maps are the individual observations taken at weather stations throughout the entire world.

Edward M. Vernon, Chief of the Weather Bureau's Forecast and Synoptic Reports Division, will head the U.S. delegation at the session and will be assisted by the following six experts in the field of synoptic meteorology:

#### *Delegates*

Santoro R. Barbagatto, Weather Bureau, Department of Commerce

Charles G. Reeves, Weather Bureau, Department of Commerce

Leonard W. Snellman, Air Weather Service, Department of the Air Force

#### *Advisers*

W. R. Franklin, Captain, USN, Navy Weather Service, Department of the Navy

W. C. Huyler, Air Weather Service, Department of the Air Force

George G. Sink, Federal Aviation Agency

### REMARKS BY HARLAN CLEVELAND<sup>1</sup>

Mr. President, distinguished delegates to the third session of the Commission for Synoptic Meteorology of the World Meteorological Organization: The long name of this meeting puts me in mind of that speaker at a high school graduation ceremony who chose to use the letters in the name of his college—Yale—as an acrostic. He spoke for 15 minutes on “Youth,” for 20 minutes on “Ambition,” for 25 minutes on “Loyalty.” Just as he was ready to start on “Energy” a loud stage whisper floated across the hall: “Thank God he didn’t go to the Massachusetts Institute of Technology!” My remarks will be brief—or should I say synoptic?

It is a great pleasure to welcome you to Washington and to this meeting. Although it is well known that the first meeting of your organization was held here in Washington in 1953, it is not so well known that the first international conference in which the United States officially participated was the meteorological conference of 1853 in Brussels.

There was a maritime conference to devise a uniform system of meteorological observations at sea. In 14 sessions the conference succeeded in achieving the objectives for which it had been convened. The members agreed on recommendations concerning instruments to be used in making meteorological observations. They adopted a form for an abstract log and directions for its use in recording weather data. They suggested that a set of standard instruments be used by each government and that instructions in their use be exchanged with every other government to promote

<sup>1</sup>Made at the opening meeting of the third session of the Commission for Synoptic Meteorology of the World Meteorological Organization at Washington, D.C., on Mar. 26 (press release 192). Mr. Cleveland is Assistant Secretary of State for International Organization Affairs.

accuracy in comparing the recorded weather data.

Does it sound familiar?

Representatives of 10 nations attended the Brussels meeting in 1853: Belgium, Denmark, France, Great Britain, the Netherlands, Norway, Portugal, Russia, Sweden, and the United States. I am glad these same nations—and many more—are represented here today. The fact that men of different backgrounds and nationalities have been working together successfully for more than 100 years is not just an example of sentimental fact; it is also a very practical demonstration of a basic reason for international cooperation: a real and recognized need on the part of many nations, a need which cannot be met except through such cooperation.

In the area of weather prediction and control we see an outstanding example of how the self-interests of many sovereign nations join together in one large mutual interest. Such mutual interest led to mutual action 100 years ago and to mutual benefits ever since. And these mutualities are the only lasting basis for partnerships of any kind—whether among men, organized groups, or nations.

It is encouraging to me that cooperation is possible—in your case actual—among nations whose structure of government and economies seem to be so different. Differences do not have to mean conflicts, nor do they have to mean insidious comparisons of “good” and “evil”—of “better” or “worse.” Among men of reason, differences of opinion and belief can exist in peace. If the differences need to be resolved, such resolution is on the basis of facts—greater knowledge and deeper understanding. President Kennedy said last week,<sup>2</sup> “. . . knowledge, not hate, is the passkey to the future. . . .” He added, “As men conduct the pursuit of knowledge, they create a world which freely unites national diversity and international partnership.”

Maybe these prospects come as less of a surprise to you who have devoted your lives to science. It often seems easier for men to work together to understand, to live with, and to control the forces of their external environment than to put the same amount of time and energy into study and understanding of the mysterious forces inside their minds and hearts and souls.

Still, international cooperation in many areas is

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<sup>2</sup> BULLETIN of Apr. 16, 1962, p. 615.

an actual and continuing fact. In the field of meteorology it has progressed in one century from sea to land, to air, and now to outer space. And from observation, collection, and analysis of data to hemispheric predictions and even efforts at weather modification and control.

Despite the existence of weather reporting satellites, and the prospect of more as the result of greater cooperation in the peaceful uses of outer space, there remain great gaps in the data from which you work. The difficulties of making continuous observations in remote areas of the earth's surface have resulted in incomplete coverage.

Today, however, two separate developments may help solve this problem: first, the development of an unmanned weather station powered by nuclear wastes; second, the development of communication satellites.

The United States has developed such an unmanned weather station. It is powered by a derivative of strontium 90—strontium 90 with its fangs removed. With the cooperation of the Government of Canada this station has been installed on an island in the Arctic and is sending in reports.

Such unmanned weather stations, collecting raw data from many areas not presently covered, could make a major difference in weather prediction. Signals could be bounced off communication satellites.

Thus through a scientific marriage of convenience great progress can be expected, peaceful progress for the benefit of all mankind.

We have come a long way since that first conference in Brussels. No one can predict—not even such gifted predictors as yourselves—how far we have to go. Only one thing is certain: The progress in science must be matched by progress in building international institutions. There is no shelter from the social fallout of science.

## **United States Delegations to International Conferences**

### **UNESCO Conference on Education in Asia**

The Department of State announced on March 29 (press release 201) that a five-man American observer delegation will attend a meeting of ministers of education of Asian countries at Tokyo April 2–11 under the auspices of the United

Nations Educational, Scientific and Cultural Organization (UNESCO) and the U.N. Economic Commission for Asia and the Far East (ECAFE). The American delegates are:

Charles B. Fahs, *chairman*, U.S. Information Service, Tokyo

Robert H. B. Wade, *vice chairman*, Special Assistant, Bureau of Education and Cultural Affairs, Department of State

James H. Faulhaber, Office of Financial Support, Agency for International Development

Joseph B. Jarvis, Special Assistant to the Commissioner of Education, Department of Health, Education, and Welfare

William A. Wolffer, Office of Technical Support, Agency for International Development

The Tokyo meeting will examine overall education planning in Asia and review country-by-country progress made to implement the so-called Karachi Plan. This plan, adopted in 1960 by 17 Asian member states of UNESCO, called on their governments to attain free and compulsory primary education by 1980. UNESCO endorsed the plan at its 11th General Conference in 1960.

## **Current U.N. Documents: A Selected Bibliography**

*Mimeographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y.*

### **Security Council**

Reports of the officer-in-charge of the U.N. Operation in the Congo. S/5053, January 9, 1962, 5 pp.; Add. 1, January 20, 1962, 19 pp.; Add. 2, January 23, 1962, 4 pp.; Add. 3, January 29, 1962, 10 pp.; Add. 4, January 30, 1962, 2 pp.; Add. 5 and Corr. 1, January 30, 1962, 3 pp.; Add. 6 and Corr. 1, February 3, 1962, 4 pp.; Add. 7, February 12, 1962, 3 pp.; Add. 8, February 19, 1962, 14 pp.; Add. 9 and Corr. 1, March 9, 1962, 9 pp.

Letter dated January 9, 1962, from the Portuguese representative addressed to the President of the Security Council concerning border-violation charges by Senegal. S/5055. January 10, 1962. 2 pp.

### **General Assembly**

Letter dated January 27, 1962, from the Portuguese representative addressed to the President of the General Assembly concerning the situation in Angola. A/5087. January 27, 1962. 14 pp.

Information from non-self-governing territories (summaries of information transmitted under article 73e of the U.N. Charter): African and adjacent territories, A/5078, January 31, 1962, 196 pp.; A/5078/Add. 1, March 20, 1962, 42 pp. Asian territories, A/5079, February 8, 1962, 132 pp.; A/5079/Add. 1, March 22, 1962, 5 pp.

## **TREATY INFORMATION**

### **Accession of Cambodia, Israel, and Portugal to GATT**

Press release 229 dated April 6

Protocols for the accession of Cambodia, Israel, and Portugal to the General Agreement on Tariffs and Trade (GATT) were opened for signature on April 6, 1962. Tariff negotiations required under GATT accession procedures were carried out by each of the three Governments during the 1960-61 GATT tariff conference at Geneva. Their accession will bring the total number of GATT contracting parties to 43.

The accessions of Israel and Portugal become effective 30 days after their respective acceptances. Cambodia's accession may also come into effect on the same basis, or at a later date, depending upon the Contracting Parties' approval of a decision on Cambodian accession now before them for balloting. Decisions agreeing to the accession of Israel and Portugal were taken by the Contracting Parties on December 8, 1961.

Special provisions in the Portuguese protocol of accession recognize the present regime of preferential customs regulations for Portuguese customs territories as an arrangement leading toward the formation of a free-trade area to be attained no later than 1974. Accordingly the protocol does not require that the existing preferences be eliminated.

Israel had provisionally acceded to the GATT at the time it began tariff negotiations for accession, while Portugal and Cambodia have participated in the work of the GATT since June 4, 1960, and November 17, 1958, respectively.

### **U.S. Agrees to International Inspection of Four Atomic Reactors**

The Department of State announced on March 30 (press release 208) the signing of an agreement<sup>1</sup> on that date between the United States and

<sup>1</sup> For text, see Department of State press release 208 dated Mar. 30.

the International Atomic Energy Agency under which the effectiveness of a system of safeguards against the misuse of atomic reactors designed for research and development purposes will be put to the test.

The agreement allows access by IAEA inspectors to four U.S. atomic reactors whose design and operation are compatible with safeguard procedures agreed upon by the International Agency. These safeguards, which provide for reports and inspections, have been developed by the IAEA to assure that nuclear assistance made available through the Agency is not used to further any military purpose.

The agreement will test the workability of such safeguards and will provide a field laboratory in which the methods and techniques of inspection can be tested.

Sigvard Eklund, Director General of the IAEA, signed the agreement on behalf of the Agency. Harlan Cleveland, Assistant Secretary of State for International Organization Affairs, signed for the United States. The signing ceremony took place at the Department of State.

The following four reactors have been placed under the agreement for a period of 1 to 2 years: the Brookhaven Graphite Research Reactor, Brookhaven National Laboratory, Upton, N.Y.; the Medical Research Reactor, Brookhaven National Laboratory; the Experimental Boiling Water Reactor, Argonne National Laboratory, Lemont, Ill.; and the Piqua Organic Cooled and Moderated Power Reactor, Piqua, Ohio.

The agreement enters into effect on June 1, 1962.

## Current Actions

### MULTILATERAL

#### Health

Constitution of the World Health Organization, as amended. Opened for signature at New York July 22, 1946. Entered into force April 7, 1948; for the United States June 21, 1948. TIAS 1808 and 4643.  
*Acceptance deposited:* Tanganyika, March 15, 1962.

#### Rice

Amended constitution of the International Rice Commission, and rules of procedure, as amended. Approved by the seventh session of the Food and Agriculture Conference, Rome, December 10, 1953. Entered into force December 10, 1953. TIAS 3046 and 4110.  
*Acceptances deposited:* Nigeria, November 13, 1961; Venezuela, November 27, 1961.

#### Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4014.  
*Acceptance deposited:* Nigeria, March 15, 1962.

#### Weather

Convention of the World Meteorological Organization. Done at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.  
*Accession deposited:* Sierra Leone, March 30, 1962.

## BILATERAL

#### Bolivia

Agreement amending the agricultural commodities agreement of February 12, 1962. Effected by exchange of notes at La Paz March 27, 1962. Entered into force March 27, 1962.

#### Dominican Republic

Military assistance agreement. Signed at Santo Domingo March 8, 1962. Enters into force upon receipt by the United States of notification of ratification in conformity with the constitutional procedures of the Dominican Republic.

#### El Salvador

General agreement for economic, technical, and related assistance. Signed at San Salvador December 19, 1961.  
*Entered into force:* January 16, 1962.

Agreement relating to grants for the training of Salvadoran citizens in various economic, social, and technical fields. Effected by exchange of notes at San Salvador April 18, 1951. TIAS 2251.

*Terminated:* January 16, 1962 (superseded by agreement of December 19, 1961, *supra*).

Agreement relating to assurances required by the Mutual Security Act of 1951. Effected by exchange of notes at San Salvador December 11, 1951, and January 7, 1952. TIAS 2631.

*Terminated:* January 16, 1962 (superseded by agreement of December 19, 1961, *supra*).

General agreement for technical cooperation. Signed at San Salvador April 4, 1952. TIAS 2527.

*Terminated:* January 16, 1962 (superseded by agreement of December 19, 1961, *supra*).

#### Greece

Amendment to the agreement of August 4, 1955, for cooperation concerning civil uses of atomic energy, as amended (TIAS 3310 and 4837). Signed at Washington April 3, 1962. Enters into force on the date on which each Government shall have received from the other written notification that it has complied with all statutory and constitutional requirements.

#### International Atomic Energy Agency

Agreement for the application of agency safeguards to four U.S. reactor facilities, with annexes. Signed at Washington March 30, 1962. Enters into force June 1, 1962.

#### Japan

Understanding relating to export of typewriter-ribbon cloth from Japan to the United States. Effected by exchange of notes at Tokyo March 23, 1962. Entered into force March 23, 1962.

#### Liberia

Agreement relating to the establishment of a Peace Corps program in Liberia. Effected by exchange of notes at Monrovia March 5 and 8, 1962. Entered into force March 8, 1962.

## Panama

General agreement for technical and economic cooperation. Signed at Panamá December 11, 1961.

*Entered into force:* March 5, 1962.

General agreement for technical cooperation, as amended. Signed at Panamá December 30, 1950. Entered into force December 30, 1950. TIAS 2167 and 2644.

*Terminated:* March 5, 1962 (superseded by agreement of December 11, 1961, *supra*).

## Peru

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 73 Stat. 610; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Lima March 20, 1962. Entered into force March 20, 1962.

## United Arab Republic

Agreement amending the rate of exchange applicable to deposits under the agricultural commodities agreement of September 2, 1961 (TIAS 4844). Effected by exchange of notes at Cairo March 28, 1962. Entered into force March 28, 1962.

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on March 29 confirmed the following nominations:

Walter L. Lingle, Jr., to be a Deputy Administrator of the Agency for International Development.

Robert J. Manning to be an Assistant Secretary of State. (For biographic details, see Department of State press release 242 dated April 11.)

John L. Salter to be Assistant Administrator for Congressional Liaison, Agency for International Development.

Herbert J. Waters to be Assistant Administrator for Material Resources, Agency for International Development.

The Senate on April 4 confirmed Robert F. Woodward to be Ambassador to Spain. (For biographic details, see White House press release dated March 27.)

### Appointments

James L. Greenfield as Deputy Assistant Secretary for News, Bureau of Public Affairs, effective April 3. (For biographic details, see Department of State press release 247 dated April 12.)

### Designations

Selma Freedman as Public Affairs Adviser, Bureau of Economic Affairs, effective April 2.

Roger W. Tubby as U.S. Representative to the European Office of the United Nations and Other International Organizations at Geneva, effective April 2. (For biographic details, see Department of State press release 215 dated April 2.)

## Check List of Department of State Press Releases: April 2-8

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases appearing in this issue of the BULLETIN which were issued prior to April 2 are Nos. 183 and 185 of March 23; 188 and 192 of March 26; 197 of March 28; 201 of March 29; and 208 of March 30.

No.	Date	Subject
†210	4/2	Expansion of Foreign Service commercial program.
*211	4/2	Program for visit of President of Brazil (revised).
†212	4/2	Cieplinski: "Refugees Here and Around the World."
*213	4/2	U.S. participation in international conferences.
214	4/2	Ball: "The Developing Atlantic Partnership."
*215	4/2	Tubby sworn in as U.S. Representative to European office of U.N. and other international organizations at Geneva (biographic details).
†216	4/2	Air talks with Austria.
217	4/2	Friedkin sworn in as U.S. Commissioner, U.S.-Mexican boundary and water commission (rewrite).
*218	4/3	Coppock: "U.S. Trade Policy and Free-World Leadership."
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OFFICIAL  
WEEKLY RECORD  
UNITED STATES  
FOREIGN POLICY

THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1192 • PUBLICATION 7367

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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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# Pan American Day, 1962

*Address by Secretary Rusk*<sup>1</sup>

I am grateful to you, Mr. Chairman, Mr. Secretary General, and members of the Council, for your invitation to address this special meeting in observance of Pan American Day [April 14]. It affords me the happy occasion of becoming another among my country's Secretaries of State who have met with the members of this venerable body which has long been deeply and productively concerned with furthering international cooperation among the sovereign states of this hemisphere.

We meet after two historic meetings held since we last celebrated Pan American Day, both at Punta del Este.<sup>2</sup> One committed us to a sustained cooperative effort in economic and social progress; the other committed us to defend together the humane, democratic traditions in which our societies are rooted. Looking back at those meetings and the enterprises they launched, I am sure that we have strengthened the possibilities of progress in freedom in this hemisphere. Furthermore, we have demonstrated that the Organization of American States has the vitality to survive, to grow, and to help shape the history of this hemisphere and its peoples.

We are bound together now—as always—not merely by geography but by a shared vision of the destiny of men and societies. In the preamble to the Charter of Punta del Este,<sup>3</sup> our Governments have given that vision a new expression and have defined their responsibility for giving it a special vitality in this decade. They accepted the task of demonstrating that “the creative powers of free

men hold the key to their progress and to the progress of future generations.”

We are allied in a vast, imaginative, but highly practical enterprise. We have pledged our material resources, and our resources of heart and mind, to transform this hemisphere economically and socially, through the awakened cooperation of free peoples. We have begun our immense undertaking in full awareness that this transformation will, in many areas, bring about complex social and political as well as economic change. We face these changes resolutely and with confidence for a simple reason: They are necessary to effect the will of our peoples, who demand and require that the fruits of modern science and technology yield for themselves and their children a better life. One of my illustrious predecessors, the first Secretary of State, Thomas Jefferson, defender of the rights of man, declared: “Laws and institutions must go hand in hand with the progress of the human mind.” The human mind has opened up vast possibilities for improved welfare, and it has fractured the isolation of our societies one from the other. Our laws, institutions, and societies must reflect these facts and the impulses they have released.

## The Alliance for Progress

Exactly 1 year and 1 month ago today the President of the United States presented to the ambassadorial corps of the American Republics the project of an Alliance for Progress.<sup>4</sup> He crystallized on that occasion the response of the United States to the growing demand and initiative of the Governments and peoples of the hemisphere that we mount a collective attack on poverty, stag-

<sup>1</sup> Made before the Council of the Organization of American States at the Pan American Union, Washington, D.C., on Apr. 13 (press release 250).

<sup>2</sup> For background, see BULLETIN of Sept. 11, 1961, p. 459, and Feb. 19, 1962, p. 270.

<sup>3</sup> For text, see *ibid.*, Sept. 11, 1961, p. 463.

<sup>4</sup> *Ibid.*, Apr. 3, 1961, p. 471.

nation, and social injustice. He called on the American peoples to prove to the entire world that man's as yet unsatisfied aspiration for economic progress and social justice can best be achieved by free men working within a framework of democratic institutions. He affirmed for his Government—as the Charter of Punta del Este was to reaffirm a few months later for us all—that public and private investment, domestic and foreign investment, must interact and work together throughout the Americas.

This common effort, both within our societies and among them, is required to attain the simple, basic goals the hemisphere has set itself: work and bread; better homes; better education and health for all our citizens. These goals are achievable by equally basic means: by regular increase of per capita income, more equitably distributed; by a systematic mobilization of the material and human resources at our disposal; by tax and land reforms where they are needed; by a consensus in our societies, reaching into all their groupings, that this hemisphere shall create and sustain an environment of growth.

#### **Maintaining Institutions of Free Men**

These objectives are not confined to this hemisphere. The Alliance for Progress is our own expression of a determination which is sweeping through every continent. The challenge here, as elsewhere, is to achieve these objectives while maintaining and developing the institutions of free men.

The challenge is not abstract. Throughout our hemisphere the Communists and those drawn to their doctrines will tell us that the social changes required for the growth and modernization of societies and the organization required to mobilize the necessary resources can only be achieved by a totalitarian dictatorship and the techniques of the police state. Where men have succumbed to this perspective—and found the conspiracies which have installed such dictatorships—the results have been not merely the humiliation and degradation of a police state, but hunger and inefficiency. But then it is too late to return to the ways of freedom.

We are therefore challenged by the need to demonstrate urgently that free men can carry forward the great transformation to which we are committed; and we are challenged equally by

the need to frustrate the techniques by which Communists seek power in societies disrupted by the process of modernization.

There will be those who are reluctant to take the steps and demand the sacrifices necessary to make good the Alliance for Progress within their societies. There will be those who will insist that only violent revolution can achieve its objectives.

In the center, however, are the vast majority of our citizens. They know that in fact this hemisphere has seen already many constructive changes. They know—and it is the deepest part of our common tradition—that the goals we achieve will depend on the means we use. They know that progress and freedom are compatible and are prepared to stake their lives on that proposition. They know that in carrying forward with the Alliance for Progress they are working in continuity with a tradition of evolutionary and humane change more than a century old.

I am confident that over this decade we shall in our hemisphere see the triumph of this great majority of the center, neither fearful of the future nor tempted by illusory efficiency of totalitarian methods.

#### **Tradition of Cooperation**

The working agenda ahead of us is long. Serious national development programs cannot be produced overnight; projects require studies of feasibility and blueprints, and these take time and technical skill. But we are moving. We are beginning to give life to the ideas of Latin American statesmen and economists who, over the past decade, have been preparing the way for the Alliance for Progress and preparing a generation of young men and women technically capable of carrying it forward. Out of this ferment will come not merely development plans and projects but a coming together of the Latin American nations themselves, through regional markets, improved communications, and the common day-to-day efforts that flow from the commitment to build on a grand scale in this hemisphere and to protect what we are building. The principle of cooperation is, in itself, an old tradition in the hemisphere.

From the inception of the idea of inter-American cooperation my Government has maintained faith in its potential for good, in all the phases through which it has passed. President John Quincy Adams, early in the past century, ac-

claimed Bolívar's "great design" of hemisphere alliance. In December 1889 President Benjamin Harrison said in his message to Congress:

It is a matter of high significance, and no less of congratulations, that the first year of the second century of our constitutional existence finds, as honored guests within our borders, the representatives of all the independent states of North and South America met together in earnest conference touching the best methods of perpetuating and expanding the relations of mutual interest and friendliness existing among them. . . .

And, President Harrison's message continued, while much was expected from that first conference in mutually beneficial commercial cooperation,

. . . the crowning benefit will be found in the better securities which may be devised for the maintenance of peace among all American nations, and the settlement of all contentions by methods that a Christian civilization can approve.

### **Unity of Thought and Purpose**

Twenty-nine years ago yesterday, on April 12, 1933, President Franklin D. Roosevelt reminded this august Council's predecessors that celebration of Pan American Day here in the House of the Americas, dedicated as it is to international good will and cooperation, "exemplifies a unity of thought and purpose among the peoples of this hemisphere." "It is," he said, "a manifestation of the common ideal of mutual helpfulness, sympathetic understanding, and spiritual solidarity." Those three elements of our present alliance—helpfulness, understanding, solidarity—have been manifested repeatedly during the intervening years. They are attested not only by resolutions of Inter-American Conferences and of this Council but by the innumerable cooperative acts through which these resolutions have been made effective.

As our alliance moves forward, let us not forget José Martí's reminder to governors and the governed. In words that have operational meaning in every quarter of the globe, free or enslaved, he said:

By being men, we are endowed with the principle of freedom; by being intelligent, we incur the obligation of making that principle a reality.

At Punta del Este in January of this year we heard a most moving and significant statement, rooted in the same moral tradition. It was made by the Foreign Minister of the Dominican Republic, José Antonio Bonilla Atilés. He said:

Freedom itself is not democracy. Democracy is not an end in itself. But it is the best means to attain the objective of a people's well-being and happiness; and so long as there are poverty, ignorance, and social injustice, there can be no happiness and well-being.

This is the challenge we face and the injunction that should guide us as we move forward together.

## **United States and Brazil Reaffirm Existing Close Relations**

*João Goulart, President of the Republic of the United States of Brazil, visited the United States April 3-8. Following is the text of a joint communique issued by President Kennedy and President Goulart on April 4 at the close of the Washington portion of Mr. Goulart's visit.*

White House press release dated April 4

The meetings of the President of the United States of Brazil and the President of the United States of America during the past two days have been marked by a spirit of frankness, cordiality, and mutual understanding. During their talks the two Presidents examined relations between their two countries with respect to topics of world-wide and hemispheric, as well as bilateral, concern. On the conclusion of these extremely fruitful talks, they agreed to publish the following joint communique:

They reaffirm that the traditional friendship between Brazil and the United States has grown through the years as a consequence of the faithfulness of the Brazilian and the American peoples, to common ideals of representative democracy and social progress, to mutual respect between the two nations, and to their determination that both Governments work together in the cause of peace and freedom.

The two Presidents declared that political democracy, national independence and self-determination, and the liberty of the individual are the political principles which shape the national policies of Brazil and the United States. Both countries are joined in a world-wide effort to bring about the economic progress and social justice which are the only secure foundations for human freedom.

The Presidents discussed the participation of their countries in the Geneva disarmament talks

and agreed to continue to work to reduce world tensions through negotiations insuring progressive disarmament under effective international control. Resources freed as a result of such disarmament should be used for peaceful purposes which will benefit peoples everywhere.

The two Presidents reaffirmed the dedication of their countries to the Inter-American system and to the values of human dignity, liberty, and progress on which that system is based. They expressed their intention to strengthen the Inter-American machinery for regional cooperation, and to work together to protect this hemisphere against all forms of aggression. They also expressed their concern that political crises in American nations be resolved through peaceful adherence to constitutional government, the rule of law, and consent of the people expressed through the democratic processes.

The Presidents reaffirmed their adherence to the principles of the Charter of Punta del Este<sup>1</sup> and their intention to carry forward the commitments which they assumed under that Charter. They agreed on the need for rapid execution of the steps necessary to make the Alliance for Progress effective—national programming to concentrate resources on high priority objectives of economic and social progress; institutional reforms, including reform of the agrarian structure, tax reform, and other changes required to assure a broad distribution of the fruits of development among all sectors of the community; and international financial and technical assistance to accelerate the accomplishment of national development programs.

The Presidents stressed the important role which trade unions operating under democratic principles should play in advancing the goals of the Alliance for Progress.

President Goulart stated the intention of the Government of Brazil to strengthen the machinery for national programming, selection of priorities and preparation of projects. President Kennedy indicated the readiness of the United States Government to assign representatives to work closely with such Brazilian agencies to minimize delays in project selection and the provision of external support.

The Presidents noted with satisfaction the effective cooperation of the two Governments in working out an agreement for large-scale United

States support of the Brazilian Government's program for development of the Northeast of Brazil. They expressed the hope that this program would provide a fruitful response at an early date to the aspirations of the hard-pressed people of that area for a better life.

The President of Brazil stated the intention of his Government to maintain conditions of security which will permit private capital to perform its vital role in Brazilian economic development. The President of Brazil stated that in arrangements with the companies for the transfer of public utility enterprises to Brazilian ownership the principle of fair compensation with reinvestment in other sectors important to Brazilian economic development would be maintained. President Kennedy expressed great interest in this approach.

The two Presidents discussed the efforts which the Government of Brazil has undertaken for a program of financial recovery, aiming at holding down the cost of living and assuring a rapid rate of economic growth and social development in a context of a balanced economy. The Government of Brazil has already taken significant action under this program. The Presidents agreed that these efforts, effectively carried through, will mark an important forward step under the Alliance for Progress. The Presidents welcomed the understanding recently reached between the Brazilian Finance Minister and the U.S. Secretary of the Treasury, under which the United States is providing support for the program which has been presented by the Government of Brazil.

In order to promote the expansion of Latin American markets and to encourage the most efficient use of available resources, the two Presidents indicated their support for the Latin American free trade area and their intention to speed its development and strengthening.

The two Presidents discussed the major aspects of the problem of raw materials and primary products. They decided to give full support to the completion of a world-wide agreement on coffee, which is now in process of negotiation. They will jointly support representation to the European economic community looking toward the elimination of excessive excise taxes which limit the sales of such products and customs discrimination which reduces the ready access to European markets for the basic products of Latin American origin.

<sup>1</sup> For text, see BULLETIN of Sept. 11, 1961, p. 463.

In conclusion, the two Presidents agreed that their exchange of views had confirmed the close relations between their two governments and nations. President Kennedy reaffirmed his country's commitment to assist the Government of Brazil in its efforts to achieve its people's aspirations for economic progress and social justice. The two Presidents restated their conviction that the destiny of the hemisphere lay in the collaboration of nations united in faith in individual liberty, free institutions and human dignity.

## Letters of Credence

### *Iran*

The newly appointed Ambassador of Iran, Hosein Qods-Nakhai, presented his credentials to President Kennedy on April 6. For the texts of the Ambassador's remarks and the President's reply, see Department of State press release 228 dated April 6.

## U.S. and U.K. State Position on Nuclear Testing

### *Joint Statement*

White House press release dated April 10

Discussions among ourselves and the Soviet Union about a treaty to ban nuclear tests have been going on in Geneva for nearly a month.<sup>1</sup> The Soviet representatives have rejected international inspection or verification inside the Soviet Union to determine the nature of unexplained seismic events which might be nuclear tests.

This is a point of cardinal importance to the United States and the United Kingdom.<sup>2</sup> From the very beginning of the negotiations on a nuclear Test Ban Treaty, they have made it clear that an essential element of such a treaty is an objective international system for assuring that a ban on nuclear tests is being observed by all parties. The need for such a system was clearly recognized in

<sup>1</sup> For a statement by Secretary Rusk before the 18-nation Disarmament Committee on Mar. 23, see BULLETIN of Apr. 9, 1962, p. 571.

<sup>2</sup> For a statement by President Kennedy on Mar. 29, see *ibid.*, Apr. 16, 1962, p. 624.

the report<sup>3</sup> of the scientific experts which was the foundation of the Geneva negotiations. For nearly three years this need was accepted by the Soviet delegation at Geneva. There was disagreement about details, but the principle of objective international verification was accepted. It was embodied in the Treaty tabled by the United States and the United Kingdom on April 18, 1961,<sup>4</sup> which provides for such a system. Since the current disarmament meetings began in Geneva, the United States and the United Kingdom have made further efforts to meet Soviet objections to the April 18 treaty. These efforts have met with no success as is clearly shown by the recent statements of the Foreign Minister of the Soviet Union [Andrei A. Gromyko] and of their representative in Geneva, Mr. [Valerian A.] Zorin, who have repeatedly rejected the very concept of international verification. There has been no progress on this point in Geneva; the Soviet Union has refused to change its position.

The ground given seems to be that existing national detection systems can give adequate protection against clandestine tests. In the present state of scientific instrumentation, there are a great many cases in which we cannot distinguish between natural and artificial seismic disturbances—as opposed to recording the fact of a disturbance and locating its probable epicenter. A treaty therefore cannot be made effective unless adequate verification is included in it. For otherwise there would be no alternative, if an instrument reported an unexplained seismic occurrence on either side, between accepting the possibility of an evasion of the Treaty or its immediate denunciation. The opportunity for adequate verification is of the very essence of mutual confidence.

This principle has so far been rejected by the Foreign Minister of the Soviet Union, and there is no indication that he has not spoken with the full approval of his Government. We continue to hope that the Soviet Government may reconsider the position and express their readiness to accept the principle of international verification. If they will do this, there is still time to reach agreement. But if there is no change in the present Soviet position, the Governments of the United States and the United Kingdom must conclude that their efforts to obtain a workable treaty to

<sup>3</sup> For background and text of report, see *ibid.*, Sept. 22, 1958, p. 452.

<sup>4</sup> For text, see *ibid.*, June 5, 1961, p. 870.

ban nuclear tests are not now successful, and the test series scheduled for the latter part of this month<sup>5</sup> will have to go forward.

## **U.S. Comments on Soviet Statement Calling for Nuclear Test Moratorium**

### *Department Statement*

Press release 245 dated April 12

The statement today [April 12] by the Soviet Union that a new uninspected moratorium on nuclear tests should be undertaken for as long as the 18-nation disarmament conference remains in session is another unfortunate effort to substitute paper pledges for guaranteed agreements. The United States hopes that this statement is not the final answer of the Soviet Government to the joint U.S.-U.K. message of April 10<sup>1</sup> on nuclear testing, which clearly states the position of the two Governments toward this vital issue.

The United States is deeply sensitive to the apprehensions which have been expressed by the eight new nations at the Geneva conference regarding nuclear testing. But it does not believe that a solution to this vital issue can result from paper pledges. Rather, it is essential that the conference direct its energies to reaching an agreement on adequate verification arrangements which will result in a safeguarded agreement. This is where an answer to the world's desire for an end to all nuclear testing will be found.

This latest Soviet proposal must be judged in the light of the actions of the Soviet Government last fall during the course of the test ban conference. Even as these discussions were continuing, the Soviet Union resumed tests,<sup>2</sup> thus ending the unpoliced moratorium which it now proposes to reinstate.

The United States does not intend to place its security and the security of its allies at the mercy of Soviet on-again-off-again tactics. We are ready to conclude an effective test ban agreement now. But we cannot be led into another paper pledge which, far from guaranteeing a halt to nuclear

testing, would only give rise to a false sense of security and provide yet another opportunity for the Soviet Union to prepare in secret for its own nuclear testing.

## **President Commends General Clay on Mission to Berlin**

### *Statement by President Kennedy*

White House press release dated April 12

General [Lucius D.] Clay and I have had a thorough discussion of the situation in Berlin and of his own role in it. General Clay has served for several months beyond the duration of this assignment as originally expected. He has served with great effectiveness in helping to sustain the close partnership and mutual understanding of the people of West Berlin with the United States in a time of grave danger.

While there is still no settlement of the differences among the great powers over Germany and Berlin and while the defense of the freedom of West Berlin remains a matter of the highest concern to the United States, General Clay has reported to me that the morale and economy of the city are such that his full-time presence as my personal representative is no longer required. This is particularly true as Allied planning and coordination have advanced rapidly in the last several months.

While personal considerations would not lead General Clay to ask to be relieved in time of emergency, he should not be called upon to stay indefinitely when his immediate mission is over. With regard to his work in Berlin, General Clay's contributions to the situation there are too well known to require comment other than to say that I am glad that he will remain in service on call as my adviser on matters relating to Berlin. In this capacity he will be returning to the city at frequent intervals in future months, and in case of emergency he is only 8 hours away from the city. He will go back to Berlin Sunday [April 15], where he will remain for a few weeks.

General Clay has made a great contribution in the last autumn and winter, and it is good that this contribution will continue as he comes home from full-time service.

<sup>5</sup> For an address to the Nation by President Kennedy on Mar. 2, see *ibid.*, Mar. 19, 1962, p. 443.

<sup>1</sup> See p. 707.

<sup>2</sup> For background, see BULLETIN of Nov. 20, 1961, p. 844.

# The New Europe—Its Challenge and Its Opportunities for the United States

*by Douglas MacArthur II*  
*Ambassador to Belgium*<sup>1</sup>

It is not only a great privilege, but it is also a pleasure to participate in the annual convention of the Young Presidents. It is a privilege because the Young Presidents are known not only in the United States but in many other countries of the world which they have visited over the years as a vigorous, progressive, and forward-looking group of young business leaders—leaders who are making a very substantial contribution to the mainstream of industrial and economic thought and action, which will help not only our own country but the free world meet the great challenge it faces. It is a pleasure to be here because it gives me the opportunity to see again old friends from your distinguished group with whom I had the good fortune to meet and discuss common problems in Tokyo in 1958 during your Far Eastern seminar and in Brussels last November during your European seminar.

In inviting me to meet and talk with you today it was suggested that I first discuss the background of the United States support for the truly revolutionary movement toward European unity that is in progress and then turn to the great opportunities as well as the great challenge we will face as a result of the Common Market and other European institutions. This subject seems most appropriate since you represent businesses and industries whose future depends not just on American domestic commercial transactions and policies but to a very considerable extent on international trade and particularly on the kind of international trade policy that your Government is enabled to follow with respect to the European

Common Market and other foreign outlets for our products. And of course the kind of foreign trade policy we adopt will have a major impact on the entire world economic and political picture, particularly insofar as the future of free nations is concerned.

However, before discussing trade policy, I will first review briefly certain aspects of the European picture which make clear why both Democratic and Republican administrations in the United States have in the postwar period given full and wholehearted support to the concept of European economic and political integration. This, I think, is important, for it holds the answer to questions that are sometimes asked, such as: "In giving Marshall plan aid to Europe and in otherwise supporting European moves toward unification did we not just build up a competitive industrial base that will put American industry out of business?"

## **Postwar Hostility of Soviet Leadership**

To explain fully the background of our support of European integration, I will first go back to 1945. When the cruel chapter of World War II ended, Americans hoped and prayed that a new era of genuine international cooperation and co-existence would be ushered in. And in particular it was hoped that the Soviet Union, responsive to the many billions of dollars of lend-lease assistance extended to it by the United States and the thousands of Allied lives that were sacrificed to get such help to Russia to enable it to survive Nazi Germany's assault, would modify its traditional policy of trying to undermine and destroy all governments and systems that it did not dominate. In other words, we hoped that Communist Russia,

<sup>1</sup> Address made before the Young Presidents' Organization, Inc., at Phoenix, Ariz., on Apr. 9 (press release 225 dated Apr. 5).

although having a substantially different political system from that of the United States and other democratic countries, would be willing to live and let live.

For our part, and despite the basic difference in political philosophy, we were not only willing but eager to live together and cooperate with the Soviets in a world where force, the threat of force, and subversion would be replaced by the rule of law and the settlement of international differences by peaceful means. Knowing full well the terrible power of the atom, we wanted to avoid another world conflagration that could well be fatal to humanity.

Alas, this bright dream of the future was never realized. Soon after the war ended the Soviet leadership clearly indicated it did not intend to tolerate the existence of systems of government other than its own. Indeed on February 6, 1946, in an important speech, Stalin openly blamed the Western Powers for the war and said that the continued existence of "capitalism" meant the basic causes of war were still present. Thus, despite the massive assistance extended by the West to Soviet Russia during the war, Stalin and the leaders of the Kremlin refused to modify that basic tenet of Soviet Communist doctrine which is responsible for today's cold war and the great tension and threat to world peace. The fundamental tenet of which I speak is the implacable and unremitting hostility of Soviet leadership past and present to any other government or system that it does not control or dominate, and its active efforts through force, the threat of force, and subversion to impose its system on other peoples.

Let me emphasize that, contrary to what some people say, this is not just a question of conflict between "communism" and "capitalism," or "socialism" and "free enterprise," as the recent 22d Congress of the Soviet Communist Party so clearly demonstrated. At that congress the Soviet leadership stated its complete hostility toward the Communist Albanian government because the latter was not fully subservient to Moscow's control. Similarly, you will recall that in 1948, when Communist Yugoslavia refused to submit to Moscow's direction, the Soviet Union did its best to undermine and destroy the Yugoslav Government. I mention these events only to emphasize that the cold war and related problems that free peoples face today do not stem from mere differences of

political or economic systems but from Moscow's determination to dominate the world and its unremitting and relentless efforts to impose its control on all governments and systems.

And so it became clear shortly after World War II that the United States and other free societies were faced with a threat of great magnitude. I used the expression "great magnitude" advisedly, because one of the major results of World War II, indeed one of the great phenomena of this century, is the cataclysmic change in the overall ratio of military strength and power in the world—the disappearance of the traditional military strength of Germany and Japan, which had for centuries helped contain Russian expansionism; the reduction in the great military strength, land and sea, of France and Britain respectively; and the emergence of the tremendous power of the Soviet Union, with its expanded empire stretching from the Pacific right into the heart of Western Europe.

#### **Rehabilitation of Europe's Potential**

As we assessed the threat to the survival of our own country and other free nations, it soon became apparent that the United States would by itself be unable to meet successfully the challenge of Soviet expansionism. The imperative and crying need was for greater free-world strength which, joined with our own power, would be adequate to meet the challenge.

Where were we to find such additional muscle? One area of great potential strength came immediately to mind. This was the Western European complex, from which America sprang. I used the phrase "potential strength" advisedly, because we recognized that over the past century Western Europe had possessed greater assets in terms of population, industry, and scientific skills and knowledge than either the United States or Russia. However, this great Western Europe potential had never been realized because of the senseless bloodlettings and internecine struggles in Western Europe—political, economic, and military—which over the past 100 years have successively gutted that vitally important area and sapped its strength and vigor.

Furthermore, as a result of devastation of the war, Europe's industrial plant had been largely destroyed. It was clear that without economic assistance and rehabilitation there would not be economic, social, or political stability and Europe

might even fall to the formidable offensive that the Communists unleashed against it soon after the end of the war.

However, if Europe's great potential—economic, industrial, and human—could be rehabilitated and if our European friends would work together in cooperation with each other and with us and other like-minded people, then indeed Western Europe's great potential could be realized and the balance of free-world-Communist-world military power could be more than redressed.

And so in the late 1940's we extended Marshall plan aid to help restore Europe's shattered economy and thus provide a basis for social and political stability—the basis for a strong Europe that could help share the burden of free-world security.

And at the same time, because we recognized that without close intra-European cooperation the rehabilitation of Europe's shattered industries might simply reproduce the tragic past, we gave encouragement to those European leaders who were working for European integration within the framework of a broader Atlantic community in order to develop Europe's strength and also to provide a framework for close political, economic, and military cooperation between Western Europe and North America.

### **Importance of European Integration**

But there were other historical and compelling reasons for our support of European integration far transcending the present East-West confrontation. European integration was not in our view just a cold-war instrument but was a genuine necessity for us and for the future of Western nations irrespective of the state of relations with the Soviet bloc. Why? Because twice within the span of a single generation the jealousies and rivalries of Europe had led to explosions and world wars which had eventually involved us at the cost of hundreds of thousands of young American lives and tens of billions of dollars of our resources.

One of the principal obstacles to a prosperous and peaceful Europe had been the traditional animosity and hostility between France and Germany that three times within the lifespan of living men and women had torn Europe apart and drained it so terribly of its strength and vitality. In what framework could this ancient enmity be

transformed into a cooperative arrangement where the great assets and qualities of both the French and German people would work together to strengthen the fabric of peace in Europe? Given the larger population and the traditional vigor of Germany, France was understandably reluctant to enter alone into a partnership with Germany in which the latter might gain dominant control.

A few European leaders of great vision believed that a lasting French-German rapprochement and partnership was only feasible within some broader and stronger framework, the framework of an integrated Europe. Thus the vigor and resources of Germany would be joined in equal partnership with the assets and energies of other Western European countries so that Germany, with its superior numbers and great industrial capability, would not by itself have the dominant voice.

And related to this aspect of the problem there is still another reason why an integrated Europe was important to Europe and to us. This was the desirability of Germany's being woven solidly into a fabric of Western European "collectivity" so that the great and traditional energy, vitality, and vigor of the German people would not once again be channeled into the narrow and destructive stream of xenophobic nationalism but could find adequate and constructive scope and expression in an integrated and more prosperous Europe, to which Germany could make its own unique and indispensable contribution.

Let me make clear that we did not try to impose European integration on any nation or people. But for all the above reasons the enlightened self-interest of the United States and the American people seemed to dictate our encouragement of the views of those European leaders who were working so actively for an economically and politically integrated Europe.

### **Need for Liberal Trade Policies**

However, while recognizing the advantages of a strong and integrated Europe, we also recognized that it held both political and economic risks for us unless certain fundamental principles were observed—principles which we understood our Western European friends fully shared.

One of the basic assumptions on which we gave our support to European political integration was that the politically integrated Europe which would emerge would not be a political "third

force" that would adopt a policy of political opportunism and blackmail and try to play the United States off against the Communist bloc. What we had in mind was the emergence of a Europe, united and strong, that could serve as an equal partner with the United States in the achievement of our common aims and endeavors. Our assumption in this respect has thus far been more than justified. Although the process of political integration is still proceeding, we have seen ever-growing bonds and ties developing not only between the nations of Western Europe but also between this new Europe and ourselves.

A vitally important premise on which we gave support to European economic integration was that the trade policies of a European Common Market would be liberal and outward-looking and that such a Common Market would not, while lowering its internal tariffs, at the same time erect around itself high tariff walls that would exclude products of the United States and other third countries that had traditionally had important outlets in Europe. This of course was of overriding importance, not only for our own economy but for free-world strength and unity. For obviously a narrow protectionist policy on the part of a unified Europe or the United States would invite retaliation from the other side and do not only irreparable damage to the economies of each but also strike a mortal blow at the solidarity, strength, and cohesion of the Western World. Creation of a high, outside tariff wall would also tend to preclude an increase in the total volume of trade which should otherwise result from formation of a customs union and which should in the long run offset the immediate disadvantages to third countries inherent in the removal of the barriers between the members of the customs union.

And of course we made clear in our talks with European leaders that liberal trade policies of a Common Market must apply not just to industrial commodities but agricultural products as well. For the stability of our economy and our ability to deal successfully with our difficult balance-of-payments problem depends not only on outlets for industrial products but also on the maintenance of our market for agricultural products in Europe—our greatest single market for such commodities. And since the Common Market is of such great importance to us I would like to say just a few words about it.

## European Common Market

Following World War II, under the genius and drive of such great Europeans as Jean Monnet, [Konrad] Adenauer, [Alcide] de Gasperi, Robert Schuman, and Paul-Henri Spaak, the movement toward European unity slowly took form and steadily progressed until 5 years ago a revolutionary development occurred that has galvanized and transformed the situation—a development which holds for us not only great challenge but also great opportunities. I refer to the signing of the Treaty of Rome in 1957 and the subsequent formation of the Common Market for which it provided.<sup>2</sup>

When the Common Market came into being in 1958, there were some who believed it would not amount to very much and others who preferred at that time to remain outside its framework for understandable reasons. Britain, the Scandinavian and other European countries were in the latter category.

But those who did not believe in the Common Market have been proved dramatically wrong. For since the Common Market got under way, the level of industrial activities of its members has advanced at the very high rate of some 7 percent per year, whereas the progress in other European countries, such as Britain and the Scandinavian countries, has been only about half as great.

During the period 1957–1960 the gross national product of the Common Market countries increased by more than 45 percent, while the gross national product of the United States increased by only about 18 percent. This dramatic increase in the level of economic activity of the members has been accompanied by a very substantial increase in trade and commercial activities both with other countries and especially between the members.

Total foreign trade of the Common Market with all countries increased from about \$43 billion in 1956, just before formation of the Common Market, to just under \$60 billion in 1960, a whopping 39 percent. Trade between the six members of the Common Market increased during that same period from \$12.7 billion to \$20.3 billion, an incredible 60 percent. Although both of these

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<sup>2</sup>The six members of the European Common Market are Belgium, France, Germany, Italy, Luxembourg, and the Netherlands.

increases are important, the latter is particularly significant, as it reflects the development of closer trading ties among the six Common Market countries as trading barriers are lowered between them. That development is one which I shall refer to again a bit later.

It is a fact that the Common Market has succeeded dramatically and with a rapidity which has astounded even its most ardent supporters. The result has been that Greece has stated its desire ultimately to join and is already an associated member, while Britain, Denmark, and Ireland have asked to join and Norway is also contemplating doing so.

What are the challenges as well as the opportunities that this situation presents for us?

### **The Challenge to the United States**

The challenge can, I believe, best be evaluated by a few facts relating to population, industry, and trade of the six Common Market countries and the other European nations that desire to join it.

(a) The Common Market nations today have a population of 170 million and, should the present negotiations with Britain and the subsequent negotiations with Denmark, Ireland, and Norway be successful, it will have a population of about 250 million, as contrasted with our population of 185 million. In terms of population it will represent a single market substantially larger than either the United States or the Soviet Union.

(b) Furthermore, in the Common Market real wages and purchasing power are steadily rising. During the period 1953-1960 consumption expenditures per person increased by 30 percent in the Common Market countries while in the United States such expenditures increased by only 13.5 percent. It is of course true that those countries started from a lower base than we and their standards of living are still lower than ours. However, in view of its dynamics, it is clear that wages, standards of living, and consumption expenditures are now rising at an even more rapid rate and will continue to grow toward those of the United States. In fact, should Britain and the other three nations join the Common Market, it will become the world's greatest single market.

(c) The Common Market has great industrial strength that should increase. In 1960 steel production of the Common Market was almost that

of the United States and well ahead of the Soviet Union. Its coal production was exceeded only by that of the United States and of the Soviet Union. Its productivity is increasing at a rate of almost twice that of the United States, and in automobiles, transport equipment, machinery, chemicals, steel products, and a host of other manufactures it is giving us hard competition in world markets.

(d) It will have an unrivaled pool of scientific and technological skills and knowledge to apply to industrial advances.

(e) And it will comprise the greatest single international trading bloc in the world. In 1960 the six Common Market countries, without Britain and the other three countries I mentioned, had imports of \$29.6 billion and exports of \$29.7 billion for an overall trade total of just under \$60 billion. In comparison our own imports amounted to about \$15 billion and our exports to \$20 billion for a total of about \$35 billion.

It is crystal clear that, if our own American economy is not to stagnate and become depressed, we must have maximum access to this great new market for both our industrial and our agricultural products. Today we sell to the six Common Market countries, Britain, and the other countries which now contemplate joining it approximately \$3½ billion of our industrial products. We also sell to them just under \$2 billion of American agricultural products, for Western Europe is by far our greatest agricultural market.

I mention agricultural products because, while there is general understanding of the importance of markets for our industrial products, there is sometimes less understanding about the vital necessity of preserving our great West European market for agricultural products if our balance-of-payments situation is not to suffer, with serious effects on our economy.

To sum up, our annual industrial and agricultural exports to Western Europe are just under \$6 billion, about 30 percent of our total exports. And, as contrasted with the postwar years when Europe was so heavily dependent on us, we are now more dependent than ever on our European market. For if our industrial and agricultural exports to Europe were substantially reduced, we would be faced with a major balance-of-payments crisis; many of our industries which depend on foreign trade would be threatened; our ability to deal successfully with our very difficult agricul-

tural surplus problem would be endangered; and we would in fact face the prospect of a most serious economic crisis.

### **Opportunities for American Export Trade**

Although the challenge of the Common Market is great, the opportunities are equally great. It is a market where American products, both industrial and agricultural, are well and very favorably known. Indeed today our exports to the Common Market are 50 percent greater than our imports from it; it is a market where real wages, and hence consumption, are rising rapidly; it is a market with a rapidly expanding population. It is in fact rapidly becoming the world's greatest single market, and it thus holds great opportunities for us.

### **Problems for U.S. Government and Industry**

One of the most important problems we face today is how to maintain and expand our access to this new and great European market on which our own economy and the prosperity and well-being of the American people so largely depend.

It seems to me that the answer to this question has two basic aspects:

First, there is the problem of reducing to the maximum extent possible the official customs barriers and other protective devices which the Common Market and other nations may apply against imports of American products. This part of the problem must be dealt with by your Government rather than by American business and industry. However, your Government can only do so successfully if it is given the necessary tools.

The second aspect relates to the ability of United States products to compete successfully in world markets. And here, I think, American business and industry have an indispensable contribution which they alone can make.

### **Protecting U.S. Trade Position**

Let me deal first with the problem of how we are to prevent tariff barriers and other protective devices from walling American products out of the European Common Market and other foreign markets. The only way we can protect our position against such governmental devices is to undertake negotiations at the governmental level with the Common Market or other countries involved.

And let me emphasize most emphatically that in these negotiations we do not hold all the cards. Too many Americans today do not realize that our own relative strength and position in the world have vastly changed since the immediate postwar period, when Europe and much of the rest of the world was prostrate or in distress and we were pretty well able to call the tune in trade and economic matters without fear of being successfully challenged. The unbalanced postwar situation where we alone in the free world had any real economic strength and power is gone for good. Today in Europe we have a strong and equal partner, a partner with great and increasing economic and industrial strength and vigor.

If we are to safeguard our own vital interests—industrial and agricultural—we will have to engage in give-and-take tariff negotiations with this new Europe. The President will need all the authority and flexibility he has requested in his foreign trade legislation<sup>3</sup> to meet the challenge we face.

Let me also state my own conviction that with such authority we will be able to negotiate arrangements which will be best designed to protect not only American industry but also labor and agriculture. Without that authority your Government's hands will be tied; we will be unable to negotiate successfully on tariffs, and the results will be tragic for our economy and the well-being of the American people.

### **Need for Broad Authority To Negotiate**

Some people may have a question as to the horse-trading skill of the American negotiators. I have complete confidence in their toughness of mind and ability to hold their own in any future negotiations, just as they recently did in the difficult negotiation in GATT [General Agreement on Tariffs and Trade] under our present trade agreements legislation.<sup>4</sup>

These last GATT negotiations, where for the first time we could bargain with the Common Market as a single negotiator, were the most complex and, I must add, the most long-drawn-out of

<sup>3</sup> For text of President Kennedy's trade message to Congress, see BULLETIN of Feb. 12, 1962, p. 231; for a summary of the proposed legislation, see *ibid.*, Feb. 26, 1962, p. 343.

<sup>4</sup> For a summary of tariff negotiations concluded at Geneva on Mar. 7, see *ibid.*, Apr. 2, 1962, p. 561.

the major negotiating sessions in the history of GATT. But the result was satisfactory for our interests. We granted concessions on goods imported into the United States worth about \$2.9 billion; in return we received concessions on about \$4.3 billion worth of exports, all based on 1960 figures. As the most-favored-nation principle applies to those negotiations, we can safely say that there should be ultimate and appreciable benefits not only to us but to all the trading partners of GATT from the results.

However, while the existing Trade Agreements Act under which we conducted the recent GATT negotiations has served a very useful purpose for many years, it is today as outmoded as the faithful old DC-3 aircraft. We must have new and up-to-date authorization if we are to negotiate successfully.

Trade among the six members of the Common Market has already increased by 60 percent since the Common Market entered into force and the trade barriers between its members began to be lowered. In order to maintain our European markets while members of the present or an expanded Common Market are eliminating the internal trade barriers between themselves, we must be able to negotiate down the Common Market's external tariff barriers.

The importance of such negotiations for us is emphasized by the fact that, if the British and other prospective applicants join the Common Market, that organization and the United States will together have almost 90 percent of total free-world industrial production. In such circumstances and to protect our own interests, it will no longer be feasible to negotiate tariff reductions item by item. Instead there must be broad authority for across-the-board tariff cuts, carefully negotiated on a reciprocal basis which insures benefits not only for the two negotiating parties but also for our other free-world friends, who will benefit by reason of the most-favored-nation principle.

#### **President's Trade Proposals**

I should like to emphasize that President Kennedy's trade program is one that serves both our national as well as our vital overall international interests. The program seeks to preserve the interests of the United States in a worldwide trading context, not just with regard to Europe and

the Atlantic community. Our aim is that the benefits of lower American and European tariffs will also benefit other non-Communist countries in other parts of the world, establishing a pattern of economic relations that will unify rather than divide the free world.

It is indeed possible that some of our businesses or enterprises will encounter difficulties because of reductions of tariffs and other trading barriers. However, our country has grown great by our spirit of progress through competition, and I have seen no evidence that American management and labor cannot face up to this challenge. Furthermore, there are safeguards in the President's program to cope with temporary hardships and of course our nation as a whole stands to benefit infinitely more from expanded exports than from a restrictive policy that eventually would only lead to disaster.

Now there are some sincere people who think that the answer to the great challenge we face in the field of international trade lies in protectionism rather than broad authority to negotiate liberal trade arrangements on a give-and-take basis. I would only reply by saying that if the United States insists on a policy of trade protectionism and import restrictions, we will face retaliation from our friends. And such retaliation will be applied not only against American industrial commodities and products but against American agriculture as well. What retaliation against American industrial products would mean to business and labor needs no elaboration. The effect on agriculture would be equally disastrous.

Today we have heavy agricultural surpluses that we have great difficulty in disposing of and which represent a heavy burden on our budget. But even with the surpluses that are stockpiled here in America or used so effectively in some of our foreign economic aid programs to promote economic and political stability and progress, we do sell in foreign markets approximately \$5 billion worth of agricultural commodities a year. If we lost a very substantial part of our market for agricultural products, the greatest single part of which lies in Europe, I need not tell you of the problems that would be created for our balance of payments, our farmers, and our overall economy.

And one of our problems is that some of the American agricultural products in heaviest surplus are also in heavy surplus in other countries. Can-

ada, Australia, and the Argentine have large surpluses of grain. India, Pakistan, Egypt, and other countries have surpluses of cotton. The Netherlands, Denmark, and others have surpluses of dairy products. And so it goes. If we insist on imposing high tariffs and restrictions on industrial imports from our friends, we must be realistic enough to expect that our friends would feel obliged to turn elsewhere for many of the agricultural commodities they now obtain from us.

Of course in any discussion of foreign trade the question of Japan always arises. All the factors I have just mentioned apply with particular force to our trading relations with Japan. Because there is a very close connection between Japan's external trade and the country's domestic well-being, and because the United States occupies a very important place in that external trade, United States actions in the trade field often have direct economic and political repercussions in Japan. It is clear, therefore, that in our own interests and those of the free world we should act in a way which will minimize friction and foster an expansion of trade between the two nations—an expansion in both directions.

We need not think of our purchases from Japan as mere acts of political necessity, however. Japan is an ever-growing market for American goods. Last year Japan was our second best foreign customer, and our exports to Japan exceeded our imports by some \$700 million or by almost 70 percent.

Nor do we need to think of our purchases from Japan as the unavoidable means of sustaining our exports, though it is axiomatic that if we are to sell to Japan we must buy from Japan. Imports are part of a desirable process wherein we get from the highly productive and increasingly inventive industrial economy of Japan a great many useful things which make our lives more comfortable and our economy stronger. Imports can displace domestic production temporarily and locally, but they can also lead through a chain of actions to the expansion of domestic industry and to the creation of new jobs.

The President's new trade proposals are realistic in dealing with the problem of import competition. They recognize that there must be an effective method of dealing with this problem if there is to be real progress in reducing barriers to imports. To meet the problem the President is pro-

posing a program of assistance to workers, firms, or industries which have enjoyed protection from imports and which may suffer dislocation after that protection has been reduced. These provisions in the bill recognize that the community as a whole has an obligation to assist those who may be adversely affected by actions taken on behalf of the whole community.

### **U.S. Industry Must "Root, Hog, or Die"**

Now let me return to the second aspect of our foreign trade problem—the ability of American goods to compete in world markets. This is an area where much of the problem lies not with your Government but with you, the American business community.

I will say to you very frankly, as I said to your Far Eastern and European seminar groups when I met with them in Tokyo and Brussels, that I do not think American business and industry in recent years have always made the contribution to our foreign trade that they are capable of making. While, obviously, if we are to compete successfully there cannot be endless wage-price spirals which result in pricing our products out of world markets, and while it also seems clear that wage increases should generally be absorbed through increased productivity rather than higher prices, the problem of America's ability to earn its living through exports is very substantially influenced by the vigor and imagination with which American business approaches the problem of selling American products abroad. After all, our country developed and came to greatness through foreign trade. Our Yankee forebears went to the four corners of the earth in their clipper ships trading and selling American products. If I may frankly say so, we seem to have lost some of the vigor and drive of our Yankee ancestors in developing and holding foreign markets.

The reasons are perhaps understandable. From the period roughly from 1940 until 1953 American industry enjoyed what amounted to almost total and absolute protection. What do I mean by this? I mean that, following the outbreak of war in 1939, the two great traditional areas of traditional industrial competition—Western Europe and Japan—were no longer in the picture as serious competitors. Circumstances of the war prevented their industrial and agricultural prod-

ucts from competing with us, not only in the United States but also in most third countries.

And after the war the destruction of industry had been so great and privations so heavy that for many years, as the industrial strength of Japan and Western Europe was gradually rebuilt, their industrial output went largely into the home markets to fill the needs caused by the destruction and privations of the war. The result was that not until about 1953 or 1954 did we begin to feel any real competition from Western Europe or Japan.

However, as the basic and immediate needs of the peoples of Western Europe and Japan and the surrounding areas were met, we began once again to face stiff competition in our own domestic market. And, faced with such competition, there was often a tendency to call for protection rather than trying to meet the competition by appropriate industrial and business techniques and methods.

At the same time competition in third markets was increasing. For 4 years I served as American Ambassador to Japan, and for 3 years preceding that period I traveled every year extensively through the nations of free Asia. And as I traveled in Asia I was struck by the fact that wherever I went I found business and trade teams from Britain, from Germany, from France, from Italy, from the Benelux countries, actively studying and estimating the potential market and making effective plans to penetrate it. These foreign business teams often spent weeks in a single small Asian country estimating the needs and costs of entering the market. They studied such questions as advertising methods, language and translations, servicing of their product, local representation, and so forth. For them it was a question of "root, hog, or die" to obtain that market.

And in some of these same countries I occasionally saw American businessmen who were looking into the market. They had talks with local leaders and were entertained by them. But the general attitude of some seemed to be that their product was so outstanding it sold itself. Therefore, if the country wanted their product or business, the market would come to them and they would not have to go after it aggressively with a selling campaign. In other cases, I recall, they felt the market might not be large enough to justify any great effort. And so the business went to European competitors. The tragedy was that

it was quite clear that in a good many instances we had products which were competitive and would sell, even though sometimes priced a bit higher, but which were not selling because the effort and salesmanship had not been put into the endeavor.

Gentlemen, if we are to gain or even hold the foreign markets we have today, we will have to do much more. As time passes our European friends are working more closely together to expand their research and technical improvements of their products. At the same time they are beginning to lower their prices as a result of increased production resulting from the expanding Common Market. We are in fact going to find the competition in the future much tougher than in the past. And yet I am sure the genius and ability of American industry can meet competition it will face in Europe and other countries. But to sell we will have to get out and "root, hog, or die." We can do it, but it will require research, technical improvements, and of course salesmanship.

This is something that the Government cannot do for you. We can negotiate—successfully, I believe—to keep tariff walls and restrictions against the import of American products generally within reasonable and manageable proportions. But we cannot develop or sell the products for you. This is a job that American business will have to do if our American free and competitive enterprise system is to make the grade.

In conclusion let me say that as we face the future I am not pessimistic. On the contrary I am optimistic because we not only clearly have the capability of successfully meeting the challenge that the new Europe poses to us in the field of trade but we can actually benefit from the opportunities that this great and expanding market holds for us. Furthermore, in successfully and constructively meeting the challenge of the new Europe we will be contributing to the prosperity, strength, and unity of the whole free-world economic system, thus helping to assure the ultimate victory of the free world over Soviet totalitarianism on the battlefield of peaceful competition.

The problem is not one of capability but of will. Do we have the will to get out and "root" for foreign markets? Is there the will to give the President and the administration the tools to

work with? I believe the answer to both these questions is yes.

However, let me reiterate my conviction that the decision we take with respect to the President's foreign trade program will have a direct and major bearing on the future of free-world unity and strength. There are two courses open to us. One is a policy of protectionism and restriction that will divide and destroy free-world unity and strength and sap our own vitality and power. The other course is to maintain our liberal trade policy and adopt those measures that will make it effective so that trade can become the great unifying force and source of strength for the United States and the free world.

## **U.S. and Austria Suspend Air Talks, To Resume in Near Future**

### **Department Announcement of April 2**

Press release 216 dated April 2

Delegations of the Governments of the United States and Austria met on April 2 at the Department of State to initiate consultations regarding operations under the Interim Air Transport Agreement of October 8, 1947.<sup>1</sup> The Government of Austria requested the consultations for the purpose of bringing up to date the terms and conditions of the interim agreement and giving it permanent effect.

The U.S. delegation is chaired by Philip H. Trezise, Acting Assistant Secretary of State for Economic Affairs. Alan S. Boyd, Chairman of the Civil Aeronautics Board, and other officers of the Department of State, the Civil Aeronautics Board, and the Department of Commerce will participate. A representative of the Air Transport Association of America is attending as observer.

The chairman of the Austrian delegation is Hermann Gohn, Head of the Finance and Traffic Division of the Federal Ministry for Foreign Affairs. He is assisted by Otto Jettmar, Head of the Civil Aviation Department of the Federal Ministry of Communications and Electric Power Development, and by other officials of the Civil Aviation

Department and the Austrian Embassy in Washington. An official of Austrian Airlines is attending as observer.

### **Department Announcement of April 9**

Press release 230 dated April 9

Delegations of the Government of the United States and the Austrian Federal Government held negotiations from April 2 to April 7, 1962, in Washington for the purpose of renegotiating the U.S.-Austrian Interim Air Transport Agreement of October 8, 1947. Considerable progress was made in establishing the terms of a new agreement. Negotiations were suspended on April 7 by mutual agreement between the two delegations with the expectation that they will be resumed in the near future.

## **Claims on Austrian Persecutee Fund Must Be Filed by August 31, 1962**

Press release 235 dated April 10

The Department of State again calls attention to the Austrian fund for settlement of persecutee property losses (*Fonds zur Abgeltung von Vermoegensverlusten politisch Verfolgter*) and points out that the time for filing claims against this fund will expire on August 31, 1962.<sup>1</sup> Claims may be filed by persons who were subject to racial, religious, or political persecution in Austria from March 13, 1938, to May 8, 1945, their spouses, children (grandchildren are eligible to receive the share of deceased children), or parent(s), in the order given. Awards will be made from the fund, which amounts to \$6,000,000, to cover bank accounts, securities, mortgages, or moneys which were the subject of forced transfers or which were confiscated by Nazi authorities, as well as payments of the discriminatory taxes known as "Reichsfluchtsteuer" and "Suchneleistung der Juden (JUVA)."

Reports from Vienna indicate that only 1,300 claim applications have been received to date from the United States. Further, even if the present claims are paid in full, the fund will be left with over \$1.5 million unexpended.

<sup>1</sup> For background, see BULLETIN of May 8, 1961, p. 691, and Oct. 2, 1961, p. 553.

<sup>1</sup> Treaties and Other International Acts Series 1659.

Applications should be addressed to the Fonds zur Abgeltung von Vermoegensverlusten politisch Verfolgter, Taborstrasse 2-6, Vienna II. Forms may be obtained from the above address or from the Austrian Embassy, 2343 Massachusetts Ave., Washington, D.C., or at the nearest Austrian con-

sulate. Austrian consulates are located in New York, New Orleans, Chicago, Detroit, Portland (Oreg.), San Francisco, Los Angeles, Dallas, Miami, Atlanta, Cleveland, Boston, and Seattle, and inquiries for further information should be directed to Austrian representatives.

## Change and Challenge in Africa

by G. Mennen Williams

Assistant Secretary for African Affairs<sup>1</sup>

*Tempora mutantur, et nos mutamur in illis.*

It is so exciting to be with an audience where Latin is still good coin of the realm that I cannot resist the opportunity to make a bow to the lamp of learning that burns brightly at Boston College and, indeed, throughout the entire academic community of Greater Boston.

This quotation is more than a gesture, however. The Reverend William Harrison's statement of 1577, "Times change, and we change with them," actually states quite well my theme for this meeting. Change is the principal factor characterizing the African scene today, and the effects of change in Africa have had an enormous impact on the development of U.S. interests in Africa, its lands and its people.

Although U.S. relations with Africa date back nearly two centuries, it is only in recent years that our interests have attained their present broad scope and complexity.

Historically, our first political contacts with the continent came shortly after our independence, when the predators of the Barbary Coast plundered the ships of the infant United States. This led to our signing in 1786 a treaty of friendship, commerce and navigation with Morocco, and our first official tie with Africa was formed.

More than 100 years ago we participated in the founding of the Republic of Liberia on Africa's

west coast. This free state remained the only independent nation in tropical Africa until the past decade. Today Liberia shares the continent with 28 other free countries with whom we have diplomatic relations, and others are in the process of being born.

For a century and a half American missionary groups have had strong ties with Africa. The various home offices, boards, and orders in this country today have more than 6,500 missionaries at work throughout the continent. On my visits to various African countries I have had a chance to meet with many missionary groups and observe their splendid efforts to assist the peoples of Africa.

Trade also has been a significant American interest in Africa down through the years, and our trading relationships date back to the days when Yankee clipper ships moored in Boston Harbor.

Our interests in Africa broadened as we moved into the modern world, and the strategic position of Africa grew more important during World War II and the postwar years. Africa lies on the flank of our oldest allies in Europe. As part of our worldwide security effort, the United States maintains important naval and air bases in Africa under bilateral agreements. We maintain tracking stations in Nigeria, Zanzibar, and South Africa, which are vital to our NASA [National Aeronautics and Space Administration] space research program. Africa also proved to be an

<sup>1</sup> Address made before the Boston College Law School Forum at Brighton, Mass., on Mar. 29 (press release 203).

important strategic factor when the Suez Canal was blocked in 1956 and oil for the free world was shipped around the Cape of Good Hope.

### **The Wind of Change in Africa**

The Africa our fathers knew or we knew before World War II is a far cry from the Africa of today. As Prime Minister Macmillan remarked: "The wind of change is blowing through [Africa], and whether we like it or not, this growth of national consciousness is a political fact. We must all accept it as a fact, and our national policies must take account of it."

With important exceptions the former colonial powers have felt this "wind of change" sweep across Africa and responded. As a result, 25 of Africa's 29 sovereign countries have gained their independence in the last 11 years—18 of them within the past 2 years alone. This is the result of the African's first great aspiration—a burning desire for freedom and independence.

The remarkable aspect of this substantial change in the face of Africa has been the peaceful manner in which the shift in power was accomplished. Peaceful evolution has been the key to modern Africa's development, despite the difficulties in Algeria and the Congo.

With the promise of independence for Algeria, French and Algerian leaders are forming an interim executive to handle transitional steps on the road to complete self-determination, and it seems likely that the remaining disorder in that country will be halted by French and Algerian authorities together.

Although much remains to be done in the Congo, we believe that our policy of support for the U.N. Operation, parliamentary government, and the territorial integrity of the country has led to substantial progress over the past 18 months. In 1960 President Eisenhower committed the United States to the support of a United Nations solution to that nation's troubles, and we continue to support the peacekeeping and nationbuilding operation of the U.N. in the Congo.

Just a year ago the Congo was badly split. The Communist bloc and a few other countries had recognized the Stanleyville regime of Antoine Gizenga as the country's government, rather than the legal national government headed by President [Joseph] Kasavubu at Léopoldville, which was recognized by most other nations. And Moise

Tshombe had created further disunity with his secessionist movement in Katanga.

This was a highly charged situation that could have been further aggravated. Instead, the United Nations prevented the Communist bloc from supplying direct aid to Stanleyville, discouraged conflict between warring parties, and brought about a peaceful solution to the crisis through a meeting of Parliament at Lovanium University. From this meeting, anti-Communist Cyrille Adoula emerged as Prime Minister of a moderate coalition government. Despite the best efforts of the Léopoldville group, the United Nations, and the West, Katanga Provincial President Tshombe's supporters failed to participate in this government and thereby passed up an opportunity to strengthen the moderate forces of true Congolese nationalism and join in assuring a stable, independent, and united Congo. Even without Mr. Tshombe's cooperation, however, Prime Minister Adoula has brought the illegal regime of Mr. Gizenga to an end—and with it a major opportunity for Soviet penetration in central Africa.

The issue today remains the reintegration of Katanga into the Congo. A little more than 3 months ago, at Kitona, Mr. Tshombe agreed to take such a step. We welcome the current talks between Prime Minister Adoula and Provincial President Tshombe in Léopoldville. It is most important that both Congolese leaders pursue promptly the statesmanlike work begun at Kitona for the peaceful reintegration of the Katanga, which will direct once again the Congo's resources and talents to the urgent and constructive task of nationbuilding.

Incidentally, I'm sure all of you saw yesterday's *New York Times*. It is most regrettable that American partisans of Mr. Tshombe, I believe unwanted by him, should choose this particular moment to renew publication of a distorted account of last year's events in Elisabethville—events reported in full by the United Nations last January 20 without any attempt being made to gloss over their tragic meaning.

### **U.S. Policy Toward "Dependent" Africa**

Elsewhere on the continent where freedom and independence do not exist, the "wind of change" still blows strongly. This is a reality that everyone recognizes, and we do no service to anyone by failing to take note of its presence.

Our policy for those parts of Africa which are still dependent has two principal aspects. First, the "continuing tide of self-determination, which runs so strong, has our sympathy and our support," as the President told the United Nations last September.<sup>2</sup> Second, we consider some deliberate and expeditions preparation for self-government essential to African advancement and to avoid tensions that could peril the remarkable progress that has characterized political evolution in Africa thus far.

It is in the still-dependent areas of Africa where the white man has developed minority settlements that the next acts in the exciting drama of emergent Africa are to be played out.

Equal dignity, both personal and national, with the rest of mankind is a second aspiration for change endorsed by all Africans. As sovereign people and countries they insist—and rightly so—that they be accorded equal treatment with all other nations of the world. This is an extremely important concern for dark-skinned people in a world where color bars are being lowered too slowly for their liking. It demands a change the whole world must make.

In the United States, where full racial equality for all Americans has not yet been attained, we have a particular concern with this African aspiration. Our discriminatory practices have a tremendous impact on Africa's new leaders and place the United States under an important handicap in dealing with African countries.

Harmony in African affairs is not the only—nor indeed the primary—reason for concern with our racial situation, however. Our denial of human dignity and equal rights for all Americans is a blight on the fulfillment of the American dream. We owe it to ourselves to remove this backward system from our country for our own sake and not simply for the sake of our foreign relations. A major challenge of our time is to find lasting ways to erase all barriers of race, creed, and color in America.

Concerning the third African aspiration for change—improved standards of living—we stand ready to help where we are asked and can make a contribution to forward progress. We are willing to assist not only because, as the President said, "If a free society cannot help the many who

are poor, it cannot save the few who are rich,"<sup>3</sup> but because it is right. Americans have always been good neighbors. This springs from the Christian and democratic tradition of our frontier days and is consonant with our historic devotion to freedom everywhere. There can be no freedom in misery, and there is no security for us if a large area of the world is downtrodden or insecure.

Not only is the peace of the world indivisible but the poverty and degradation of people anywhere represents a constant challenge to our basic moral principles. We cannot say with Cain that we are not our brother's keeper—especially when that brother's needs are self-evident and he is offered help from false friends who are our own mortal enemies.

### **Cooperative Approach to Africa's Development**

In this economic and technical area it is to the interest of the United States and of the African countries involved that the countries of Europe continue and expand their programs of assistance. Individual African countries, understandably, are anxious to relieve themselves of exclusive dependence on any one country when it can—or can seem to—limit their independence. While there was a time when the former colonial powers wished to retain an exclusive or predominant assistance position, today, for the most part, they are happy to share this responsibility.

There is strong evidence that fruitful cooperation and a continuing partnership between most of the new African governments and the former colonial powers will be an important factor in Africa's future. At the present time, in fact, European countries are well ahead of the United States in providing economic and technical assistance to African nations.

During the next fiscal year the United States proposes to make substantial increases in its economic aid to Africa, but it will still fall below the level of that provided by Europe. We are asking the Congress to allot between \$350 and \$430 million in economic aid to Africa in fiscal year 1963, depending on the projects that are worked out and on its ability to use aid effectively. This compares with approximately \$250 million for the

<sup>2</sup> BULLETIN of Oct. 16, 1961, p. 619.

<sup>3</sup> *Ibid.*, Feb. 6, 1961, p. 175.

current fiscal year and an actual \$204 million in fiscal year 1961, exclusive of substantial amounts of surplus agricultural commodities and development loans from the Export-Import Bank.

It should be emphasized also that Africans are pouring tremendous amounts of energy and work into the economic and social development of their countries. They are making great sacrifices to meet their needs, and a steady stream of progress can clearly be seen throughout Africa.

In some instances the African nations are turning to regional or other cooperative approaches to meet their needs. Many of the present political boundaries were drawn arbitrarily years ago and do not reflect today's necessity for undertaking economically or socially viable projects of supranational scope. Africa's leaders recognize that economic survival in some instances may require cooperative or regional forms especially designed for African conditions, and a broad range of such groupings is being explored.

One example of a number of such approaches to regional cooperation is the African and Malagasy Union, the U.A.M., composed of 12 French-speaking African nations. The U.A.M. has been meeting this week at Bangui in the Central African Republic to explore common approaches to economic, transport, and communication problems, among other matters. The group already has formed a Supreme Council of Defense, an Organization for Economic Cooperation, and a Postal and Telegraphic Union. The U.A.M. is a strong supporter of the proposed charter for a broader association of African countries which was recently adopted at the Lagos conference.

Without evaluating the U.A.M. or any of the other germinating groupings in Africa, we believe the recognition of the need for cooperation is salutary. We are in favor of associations of African states when such associations help to develop political stability and economic viability.

The whole question of regional groupings in Africa is very complex, however, and contains far-reaching political implications. While it is quite probable that such groupings will develop as a part of Africa's growth, the ultimate shape of such groups may take a long time to discern and, in the end, should be determined solely by the needs of the peoples of the various countries.

This summary of U.S. interests in Africa illustrates the extent to which the adage that "Times

change, and we change with them" applies to the rapid evolution of our relations with Africa in recent years. This swift transition has shattered some of our older concepts about Africa. The American people have discovered, not surprisingly, that the peoples of Africa are warm human beings with generally the same goals, the same ambitions, and the same dreams as those of all mankind.

We have adapted ourselves to the new ideas and responsibilities that change in Africa has brought. We have had to do this throughout the world in the years since World War II, as we have become conscious of the efforts of colonial peoples to achieve self-determination.

In these postwar years the leadership of the free world has shifted onto our shoulders because of our material strength and because of our democratic and Christian heritage. With this leadership has come an appreciation for the indivisible nature of world peace—for the direct links between conditions of peace in the remotest corner of the globe and conditions of peace for us and our children. Today no area of the world will long be stable and peaceful unless it enjoys freedom, unless it enjoys equal dignity, and unless it enjoys an opportunity to live a more abundant life.

## **Assistant Secretary Williams Visits 10 African Countries**

The Department of State announced on April 10 (press release 237) that the Assistant Secretary for African Affairs, G. Mennen Williams, would leave Washington April 13 for Conakry, Guinea, first stop in an official visit to 10 African countries. He will be accompanied by Mrs. Williams, Lisle C. Carter, Jr., Deputy Assistant Secretary of Health, Education, and Welfare, Department of State aides, and representatives of other Government departments.

Charged by President Kennedy with conveying personally America's good wishes and interests to the leaders and people of Africa, Mr. Williams during 1961 visited 23 sovereign nations and 12 dependent territories in north, central, and southeast Africa. During the forthcoming 1-month trip he will attend Independence Day ceremonies April 27 in the Republic of Togo as guest of President [Sylvanus] Olympio and officially open new U.S. cultural centers in the Republic of Dahomey

and the Central African Republic. He will also visit Sierra Leone, Cameroon, Congo (Léopoldville), Ruanda-Urundi, Kenya, and Upper Volta. In each of the 10 countries Assistant Secretary

Williams will discuss aspects of the United States African policy with government and political leaders. He will also consult with members of U.S. embassies and consulates.

## **Mineral Resources and the World of the 1960's**

*by George C. McGhee*

*Under Secretary for Political Affairs*<sup>1</sup>

Through your efforts exploration for petroleum and other minerals has developed from its origins as something of an art to its rightful place among the more rigorous of the applied sciences. The constant improvement in the standards of the curricula offered in these sciences in our universities has been greatly facilitated by the work of these organizations, as well as the quality of the young men who have been entering into these professions.

The period since the war has, moreover, seen an enlargement of the sphere of activity of American exploration, and the men who conduct it, into the far reaches of the globe. It is a matter of commonplace for one of your group to be just returning from or departing for service in some far-off country which a few years ago you would have found it difficult to locate on a map. This has resulted in a broadened scope and increased effectiveness of your sciences, in adapting to and learning from the particular circumstances of petroleum and mineral occurrences in other countries, and from your contacts with your fellow scientists from the other advanced nations of the world.

It is because of this truly global outlook which members of your profession must of necessity have today that I, coming to you from my position in your Department of State, have chosen to talk

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<sup>1</sup>Address made before the American Association of Petroleum Geologists and the Society of Economic Paleontologists and Mineralogists at San Francisco, Calif., on Mar. 27 (press release 190 dated Mar. 26).

to you on the subject of "Mineral Resources and the World of the 1960's."

The exploration profession, perhaps more than most others, has gone through various vicissitudes in the last several decades. Most of you will remember, as do I, the painful adjustment necessitated by the great depression, when many of our number could not find employment and the prospect for the future seemed very grim indeed.

There was an abundant supply of the oil and mineral resources which we had prepared ourselves to seek. Our economy was too weak to provide the demand required to stimulate further discoveries. The national product of our country, the same country with a little less population, was vastly less than it is today. Our petroleum and mineral industry, usually with an ominous overhang of surpluses, has often been one of "bust" rather than "boom."

### **Economic Growth**

Today there are still surpluses, but the world outlook is quite different. The world of the sixties is intent on economic growth. Never before has so large a part of the world population been convinced that a substantial, rapid increase in the output of useful goods and services is not only attainable—but quickly attainable. It is obvious that the importance of this trend, for you and your profession, is very great.

The United Nations' proclamation of the sixties as a "decade of development" reflected an emphasis that already existed throughout the world.

Through this proclamation the United Nations was seeking to dramatize and institutionalize the development efforts which peoples and governments everywhere are making.

Economic growth has become more than an idea or an individual aim. It has become almost a religion. It is being made explicit in national goals and in plans for organized cooperation between nations. The philosophy of resignation, subsistence living, and acceptance of the *status quo* has been relegated to the past. There are bound to be some sacrifices, some steps backward as well as forward, but the commitment to progress is unqualified and universal.

Moreover, the fact of growing population is becoming increasingly recognized in setting goals for economic growth. Objectives are being set in per capita terms: more production, consumption, and trade; more investment, more advanced technology, and greater efficiency in production and distribution.

This is true of the developed, as well as the less developed, nations. The first Ministerial Council of the Organization for Economic Cooperation and Development, which includes most of the industrial nations of the world, called for an increase in real gross national product of 50 percent for the 20 member countries, taken together, during the decade from 1960 to 1970.<sup>2</sup> This growth would add to the Atlantic community the economic equivalent of a new country of the present size and wealth of the United States—and with a corresponding demand for fuels and industrial raw materials.

The OECD countries also see the relationship of economic expansion to strategic power, and thus to their own prospects for achieving not only economic progress but greater national security. This is of particular importance from the standpoint of the future effectiveness of the North Atlantic Treaty Organization, of which most are members.

Ferment for progress is not by any means confined, however, to the North Atlantic community. Large development plans and efforts are being mounted in other parts of the free world. The Alliance for Progress, here in our hemisphere, is such an effort—one to which the United States attaches outstanding importance. The American Republics, except for Cuba, are cooperating to ac-

complish a substantial and sustained growth of per capita income.<sup>3</sup>

They have recognized that, in order to reach the objectives of the Alliance for Progress within a reasonable time, the rate of economic growth in every country of Latin America should be not less than 2.5 percent per capita per year. Each participating country is urged to determine its own growth target in the light of its stage of social and economic evolution, resource endowment, and ability to mobilize its national efforts for development.

Ambitious development plans are also being launched in Asia and Africa. India, for example, is now in the second year of a 5-year plan which sets a target of a 5-percent annual rise in national income. Pakistan is planning a 24-percent increase in gross national product during the 5-year period which began in 1960. This would permit a 2.5-percent increase annually in per capita income. Nigeria is officially launching a national development plan on April 1st of this year which calls for an annual increase of 4 to 4.5 percent in gross national product, or about 2.5 percent per capita.

#### **Increased Raw Materials Requirements**

These worldwide plans and prospects for increased production and consumption will mean to the members of your organizations vastly increased requirements for fuels and industrial raw materials. Indeed production cannot move forward without such a corresponding increase in its raw-material underpinnings.

World demand for minerals and metals, which more than doubled in the 1950's over what it had been in the 1930's, is likely to double again by the 1970's. A recent study of Europe's needs indicates, for example, that by 1970 consumption of aluminum and copper may be double the 1955 rate; zinc may increase by about 50 percent, lead by about 25 percent, and tin by about 15 percent.

World consumption in the 1960's of the principal nonferrous metals in the aggregate is expected to be 45 to 50 percent greater than even the high rate of consumption during the 1950's. World consumption of aluminum, for example, should continue its stronger than average growth with consumption at 5,750,000 metric tons annually, by

<sup>2</sup> BULLETIN of Dec. 18, 1961, p. 1014.

<sup>3</sup> For background, see *ibid.*, Sept. 11, 1961, p. 459.

comparison with 2,860,000 in the 1950's, 1,260,000 in the 1940's, and only 390,000 metric tons annually during the 1930's.

Demand for petroleum products will also grow as industrial development and transportation growth take giant strides. Free-world petroleum consumption is expected to increase by about 50 percent during the decade of the sixties, rising from about 19 to 28 million barrels daily. This represents an annual average rate of growth of 4.5 percent, compared with the post-World War II average rise of 7 percent annually; however, the absolute amount is much greater. In Western Europe the use of petroleum will continue to show one of the most rapid rates of increase of any region—about 6 to 7 percent yearly.

This results from the increasing importance petroleum is assuming in Western Europe as a source of energy. Consumption of some 4 million barrels daily in 1960 represented about 35 percent of the total energy supply. During the next 10 years the region's rate of increase in petroleum use will be more than double that for total energy. As a result the 7 to 8 million barrels likely to be consumed there each day in 1970 will supply nearly 45 percent of all energy, a proportion similar to that in the United States today.

To make really substantial economic gains, most of the less developed countries must first place their agricultural production on a sounder basis. Increased agricultural activity will have an important impact on requirements for such minerals as phosphates, potash, and nitrate of soda.

These countries will also need increased supplies of raw materials, including, of course, minerals, for their expanding industries. They will need abundant and low-cost energy for heat, transportation, and electric power. Countries with the highest levels of economic development use 20 to 40 times as much energy per capita as the least developed. Consequently requirements for petroleum products in the less developed countries will increase at a greater rate than requirements generally.

The important thing about this development is that, rather than remaining concentrated in a few favored countries as in the past, it will literally be taking place all over the world.

In the face of growing demands the current oversupply of certain minerals could change to shortage. Reserves, both of petroleum and ores.

will seem less and less adequate as demand increases. The petroleum and metals industries will demand a larger backlog of raw materials to assure full utilization of their increasingly large investment.

Present abundance can be traced back to foresight—to the exploration and development in the forties and fifties. Exploration and investment have not, however, continued at the previous high rate. Moreover, a very considerable lead time is required for resource development to meet the needs of the seventies—longer in the case of some other minerals than for petroleum. This will call for an uptrend in exploratory and developmental activity during the sixties.

Capital investment necessary to expand mineral and metal production to meet anticipated world requirements will thus be large. United States direct private investment abroad in mining and smelting increased from a book value of about \$1.1 billion in 1950 to nearly \$2.4 billion at the end of 1957 and to nearly \$3 billion at the end of 1959. Future demands for capital will be at increasingly higher rates and will be available only if the fuels and minerals industries can show adequate reserves on the ground—as well as profits. Exploration is required to block out these reserves.

Estimates of the prospective new investment in petroleum vary, but all authorities agree that these sums will be huge. As free-world consumption of oil increases from 72 billion barrels during the fifties to about 125 billion barrels in the sixties, capital expenditures of the petroleum industry are likely to increase by more than 50 percent, from about \$90 billion in the fifties to \$140 billion in the sixties. Capital expenditures which amounted to about \$10.5 billion in 1960 will probably be \$15-16 billion in 1970.

Notwithstanding the capacity which is shut in at present, we see exploration and development proceeding actively in all continents. Each country has its own reasons for wishing to strengthen its productive capacity and its future prospects for oil.

In light of the continuing cold war, requirements of security, as well as growth, dictate that we develop, and maintain the availability of, a wide variety of resource materials. Availability from domestic or nearby reserves that will be secure in event of war assumes greater importance which, in the case of oil, has been recognized by

our Government. This means that domestic exploration must continue at a high rate. Security also demands, both for us and others, access to alternative sources of supplies—in event one is cut off. This necessitates duplication in availability, hence increased exploration and development.

Needs for the most basic resources, i.e. water and land, common industrial minerals, and energy sources, are likely to be relatively predictable. But we must anticipate that the most favored materials for specific purposes will be constantly changing. It is impossible to see in any detail for more than a few years ahead the precise types and amounts of all the various raw materials that will be required for military or peaceful uses. Materials that now have little commercial use may be in great demand.

Many groups are pursuing serious and useful research in anticipation of future shortages of particular minerals. Even if we run out of some materials, we can in most cases resort to ores of lesser concentration than those now being exploited or to substitutes. The history of the copper industry, for example, has been one of exploitation of ores of progressively decreasing concentration without great increase in cost. Oil can be produced from shale, or tar sands, at costs which ultimately may not greatly exceed that for crude oil.

Even if shortages do occur, products which users now know could generally continue to be supplied, perhaps at a somewhat higher cost. Technology has, more often than not, been able to provide economies that keep pace with material shortages. In serious cases the products themselves could be redesigned or other means could be devised to satisfy our needs.

Dr. Guy Suits of the General Electric Laboratories made a statement which has impressed others and which I think we can well note again:

Growth [in science and technology] has been so rapid that 90% of all the scientists who ever lived must be alive today. Science and technological change had almost no impact on the outcome of World War I, while it was a major factor in World War II. . . . Lord Keynes didn't recognize technological innovation as a factor in the economy 20 years ago, yet today it assumes major proportions.

Technological change has been a determining factor in the forties and the fifties. We would be

foolish to suppose that it will be a smaller force in the sixties and beyond. The demand for raw materials will be powerfully shaped by this force.

### **The Challenge**

The incredible growth in demand for raw materials during the sixties will pose a threefold challenge.

First, it will pose a challenge to your profession. It will demand of you the best effort of which you are capable.

The geographical distribution of fuels and minerals bears no relationship to national boundaries. Geologists will have to search out and produce needed increased materials wherever they are. To do this they will have increasingly to go out into the world, since the emphasis is shifting from the United States to other countries as sources of raw materials.

You will have to work more intimately with industrial and commercial managers, investors, and government officials in seeking to promote increased private and public interest in raw-material development.

This is the more true since many of the less developed countries will want to press ahead with resource surveys even before the general need for their expanded raw-material production is established. The United Nations Special Fund was set up especially to finance such surveys as one of its principal activities; so these countries will be able to afford the surveys. This will pose new demands on your profession.

Many of these countries will want to do their own exploration for raw materials and minerals; that is, they will want this exploration done on behalf of either their nationals or their government. Geologists must thus be willing to work with and for private groups and governments in these countries, as well as for the international organizations which serve them. A precedent is already at hand in the activities of our own private corporations in the exploration and development field, many of which have entered into satisfactory contractual relations with the governments of emerging countries. And indeed many of our geologists have already followed suit.

The Soviet Union is, moreover, forcing our hand in many of these countries. It is sending out geologists in significant numbers to help the less de-

veloped countries explore and exploit their mineral resources. India is a case in point, where Russian exploration has resulted in an important oil discovery. We cannot afford to lag behind. We must outmatch Communist efforts in making our exploration skills available.

This means surpassing the Soviets not only in quantity but in quality. The Soviets have shown great skill in exploring for oil and other minerals. Their ability to turn out good geologists is an important asset in their efforts to extend their power and influence into less developed countries. Our ability to turn out better geologists will be an even more important asset. We must develop and enhance it. Our universities must keep pace with the growing demand for geologists and with the new techniques being introduced into the profession. We must find and induce the best available young men to enter the profession, whose greatest opportunities to be of service lie ahead.

The need for enhanced skills is the greater in view of the changing dimensions of the problem which we face. The general trend in oil exploration, as you well know, is from large to small—from shallow to deep—from simple to complex occurrences. The original oil fields were relatively easy to discover; the fields of the future will only be found through application of the most advanced techniques and the highest degree of professional skill and ingenuity. This is true of other minerals as well.

Second, our business leadership will be challenged.

It will be necessary for our companies to raise larger sums for investment and to be able to organize their efforts on a larger scale. No nation is self-sufficient in its mineral resources. The arrangements by which the industrialized countries have in the past assured themselves of adequate and relatively cheap supplies of minerals and other materials will be subject to new pressures as a consequence of political and social changes which have occurred since the Second World War.

New arrangements have already had to be devised to meet some of these changed situations, and it is probable that other changes will be required. Terms of agreements with other governments covering development of natural resources will, in many cases, differ from traditional patterns. Private operations will be scrutinized more

closely from the standpoint of harmony with public interest and policy.

And, finally, there is a challenge to our political leadership, which must meet the new political problems posed by this coming era of increased production.

Development of an increasing scale calls increasingly for closer consultation and mutual consideration among the governments which are concerned with access to foreign markets or foreign sources. All countries will want to assure themselves of an equitable share in the fruits of the abundance that we foresee.

A special problem in this connection is posed by excessive instability in prices for the mineral and agricultural commodities which bulk so large in the foreign exchange earnings and tax revenues of many less developed countries. To assure continued access to the raw materials produced in other countries we must assure them greater price stability, in ways which will be reasonably consistent with the broader objectives of our economic policy.

We must also carry forward trade policies which will give less developed raw-material producing countries needed access to the markets of the developed countries. And we must carry forward aid policies which make available the capital these developing countries need to expand their production and raise their living standards. In short we must seek to develop a new pattern of relations between the developed nations of the north and the less developed countries of the south which will be mutually beneficial and welcome to both sets of countries and which will replace the outworn patterns of colonialism.

We must also develop closer relations with the other developed nations in order to concert their and our policies effectively to this end. One of the major reasons we are trying to create an even closer economic partnership between the United States and Europe is to assure that these developed countries make an increasingly effective contribution, through aid and trade policies, to the growth of less developed areas.

Enactment of the Trade Expansion Act, which has been recommended by the President to the Congress,<sup>4</sup> would help us to fulfill this purpose.

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<sup>4</sup> For text of the President's message to Congress, see *ibid.*, Feb. 12, 1962, p. 231; for a summary of the draft legislation, see *ibid.*, Feb. 26, 1962, p. 343.

This act provides our Government authority to bargain for decreases in tariffs not only with the developing European Common Market but also with the nations from which we and Europe must obtain many of our raw materials.

It would, through removing obstacles to trade, help us to create higher levels of trade and prosperity from which less developed—as well as developed—countries could not fail to draw benefit. As the President has said,<sup>5</sup> we seek through this act “to enlarge the prosperity of free men everywhere, to build in partnership a new trading community in which all free nations may gain from the productive energy of free competitive effort.”

### **Conclusion**

I believe that we Americans will meet the challenge of the sixties—all of us: geologists, business leaders, and political leaders. We will be able to do this if we can learn to work together to overcome the problems and exploit the opportunities posed by this era of abundance.

If we can do this we will be able to find the necessary mineral resources to make the arrangements and the outlays required for their efficient production and to insure that they are used and distributed in a way which makes a maximum contribution not only to our economy and security but to the economic health of the free world.

In this exciting task your profession will play a special role—in many ways a basic role. Our country's greatness owes much to the past labors of the geologist. In the future your efforts will assist not only the continuing growth of our country but also more rapid progress toward our ultimate goal: a world community of nations which can cooperate ever more closely in achieving needed progress while maintaining the independence and strengthening the freedom which this progress serves.

## **U.S., Canada To Study Development of Pembina River Resources**

Press release 222 dated April 4

The Department of State announced on April 4 that the Governments of the United States and Canada have requested the International Joint

Commission, United States and Canada, to investigate and report on what measures could be taken to develop the water resources of the Pembina River in the State of North Dakota and the Province of Manitoba.

The International Joint Commission was established pursuant to the terms of the Boundary Waters Treaty of 1909 in order to facilitate the settlement of questions of mutual interest to the United States and Canada in the general field of boundary waters and related matters.

This new reference has been made by the Governments in the light of the conclusion of the Commission that detailed feasibility studies concerning possible development of the Pembina River basin should be undertaken. The Commission has been requested by the Governments to determine what plan or plans of cooperative development of the water resources of the Pembina River basin would be practicable, economically feasible, and to the mutual advantage of both countries. The Commission is asked to bear in mind the requirements of domestic water supply and sanitation, control of floods, irrigation, and any other beneficial uses of these waters. The Governments have further asked the Commission, in the event that it finds a plan or plans meeting these criteria, to make recommendations concerning the choice and implementation of such plan or plans.

## **United States and Canada Withdraw Study on Niagara Falls**

Press release 233 dated April 9

The Department of State announced on April 9 that the Governments of the United States and Canada have amended the Niagara Reference which was made to the International Joint Commission on May 5, 1961.<sup>1</sup>

At the request of the Power Authority of the State of New York and the Hydro-Electric Power Commission of Ontario in a joint brief submitted on March 15, 1961, the Governments of the United States and Canada in the joint reference of May 5, 1961, included a request for the International Joint Commission to report whether, without

<sup>1</sup> For background and text of the reference, see BULLETIN of July 3, 1961, p. 43.

<sup>5</sup> *Ibid.*, Jan. 29, 1962, p. 159.

detriment to the scenic beauty of Niagara Falls, the flows over the falls could be less than those now specified in the Niagara Treaty of 1950.

The Government of the United States was recently informed that the Power Authority of the State of New York was withdrawing its request for a study of this matter. The Canadian Government received a similar request from the Provincial Secretary of the Province of Ontario on behalf of the Hydro-Electric Power Commission of Ontario.

The Governments of the United States and Canada have, in view of these parallel requests, agreed to amend the Niagara Reference of 1961 by deleting the request of Governments for a study of this matter.

## **President Salutes Role of IJC in U.S.-Canadian Relations**

*Statement by President Kennedy*<sup>1</sup>

Fifty years ago today the International Joint Commission, a body provided for by the International Boundary Waters Treaty of 1909, held its first semiannual meeting. This institution, which was created with the objective of resolving amicably disputes and problems confronting the two nations with regard to the lakes and rivers common to both of them, has had a distinguished record. It has set a standard for later organizations created by Canada and the United States for the resolution of problems and for the development of common policies. The International Joint Commission has worked on a very large number of problems and projects dealing with water resources. The Commission's studies and recommendations have served as a basis for important agreements which have brought great profit to both the United States and Canada.

These quiet but important efforts deserve recognition, as do the present Chairman of the United States Section of the International Joint Commission, the Honorable Teno Roncalio, and his Com-

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<sup>1</sup>Made on Apr. 2 in observance of the 50th anniversary of the inaugural meeting of the U.S.-Canada International Joint Commission (White House press release).

missioners, and the distinguished Chairman of the Canadian Section, General Andrew G. L. McNaughton, and his colleagues. It is certainly the hope of everyone that the International Joint Commission will, in the next half century, continue its record of outstanding achievement.

## **President Kennedy Greet Philippines on Bataan Day**

*Following is the text of a message from President Kennedy to Diosdado Macapagal, President of the Republic of the Philippines.*

White House press release dated April 9

APRIL 9, 1962

DEAR MR. PRESIDENT: On this day, we and millions of our fellow citizens will recall the sacrifices of the heroes who were so sorely tested just twenty years ago on Bataan and Corregidor. Although physically defeated, their devotion to our common democratic principles added new meaning to those ideals and made possible the ultimate triumph of freedom and democracy in a vast area of the world.

Our peoples are again united in spirit and in arms in a similar struggle against a new and much more subtle form of imperialism which would enslave us. Let no one overlook the lesson of Bataan that the strength of our common heritage of courage and devotion will prevail to bring free choice and justice to mankind.

I look forward with pleasure to the opportunity the people of the United States soon will have to express personally to you<sup>1</sup> and to the people of the Philippines their gratification and pride in the enduring partnership which carried us through the dark days of two decades ago to our present mutual pursuit of peaceful economic and social progress.

Sincerely yours,

JOHN F. KENNEDY

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<sup>1</sup>The White House announced on Mar. 30 that President Macapagal will visit the United States June 19-28; for text of the announcement, see BULLETIN of Apr. 23, 1962, p. 665.

## Refugees Here and Around the World

by Michel Cieplinski

Acting Administrator, Bureau of Security and Consular Affairs<sup>1</sup>

It is a distinct honor and pleasure for me to participate in this conference devoted to consideration of the problems of immigration and refugees. Because of the scope of the topic assigned to me, I shall be able to give you little more than the highlights of each of the problems.

Let me take a few minutes to describe some of the responsibilities of the Department of State and consular officers abroad in the administration of our immigration laws. As you know, all immigrants who want to come to the United States must be in possession of visas. These visas are issued by American consular officers stationed in foreign countries after they determine that an applicant qualifies for a visa under existing law and that a quota number is available to him if he is subject to quota restrictions.

The Department has been making great efforts to select carefully those officers who deal with visa applicants and to train them so that these officers not only understand the law but also the problems each alien may have who applies for a visa. Some 500,000 visas are issued each year. As you also know, once an immigrant arrives at a port of entry he is doublechecked by officers of the Immigration and Naturalization Service—an arm of the Department of Justice. An infinitesimal number of aliens holding visas are excluded at ports of entry (less than 100 of some 1,500,000 aliens asking for admission, many of them repeaters). This is the best illustration that our officers do a competent job in screening visa applicants.

During the past few years our efforts have been concentrated on eliminating redtape in the issuing

of visas. Without sacrifice to the enforcement of our laws, we have streamlined and simplified application forms and visa procedures.

The groups represented here, of course, are interested in modernizing our immigration laws. It must be recognized that changes in the immigration laws traditionally have not taken place overnight but by a gradual development. Many of the changes which have taken place since the enactment of the Immigration and Nationality Act in 1952 were suggested originally by the Department of State. The elimination of fingerprinting of visitors and the elimination of the question formerly put to every applicant for an immigrant or visitor visa as to his race and ethnic classification are two of the more important changes in this category.

Of course the Department's interest in changes in our immigration laws is prompted by its concern with our foreign relations. As you know, existing law accords nonquota status to most, but not all, countries in the Western Hemisphere. Foreign policy considerations prompted the Department to emphasize the importance of placing all independent countries within the Western Hemisphere on equal footing by according them nonquota status.

Those of you who are interested in some of the Department's views on immigration legislation may want to read the letter the Department addressed to Senator [Kenneth B.] Keating on September 12, 1961, which was printed in the *Congressional Record* on the same date. The points raised in this letter by no means cover the entire range of the Department's concern with various provisions of the immigration laws, but it is the Department's policy to make its views known only to

<sup>1</sup>Address made before the Indiana Immigration Conference at Indianapolis, Ind., on Apr. 3 (press release 212 dated Apr. 2).

Congress, in reply to requests for comments on pending legislation or in formal presentations, when occasion arises.

A bill<sup>2</sup> of great interest to the Department, introduced by Congressman [Francis E.] Walter and passed by the House, is now before the Senate. This bill among other things would provide for an important reorganization of the Bureau of Security and Consular Affairs which, if accomplished, in my opinion would go far in improving its efficiency. It would authorize continuation of the Department's refugee and migration programs as well as the Department of Health, Education, and Welfare Cuban refugee activities. In addition it would extend indefinitely the provision of P.L. 86-648 to permit continued admission of a limited number of refugees under the parole process.

Other migration and refugee legislative proposals have been introduced into both the Senate and the House. You are doubtless familiar with many of them, particularly the measures introduced by Senators [Philip A.] Hart, [Claiborne] Pell, and [Thomas J.] Dodd.

#### **Aid to European Refugees**

In view of the limits of time it would be impossible for me to give you a detailed inventory of all the refugee problems existing in the world today. For the same reason I could not outline all of the public and private efforts being expended in behalf of these refugees. At best I can identify for you here today only the most pressing of these problems and make a brief comment as to the various programs being conducted in their behalf.

On a global basis there are those who have used a figure of 12.5 million refugees. This figure lacks validity in that it fails to include some recent groups, particularly the newly developing refugees in Africa, while it includes large groups of earlier refugees whom I believe are now firmly integrated into the areas to which they have been resettled. Actually the world refugee problem today, in terms of refugees who have not yet been reestablished on a satisfactory basis, is in the neighborhood of 3.5 million persons.

The refugee groups best known to most of you are the anti-Communist refugees and escapees in Europe. Of this group the Hungarians made the

most dramatic impression on the free world. I am happy to tell you that by dint of the conscientious and generous help of the U.S. Government and other governments of the free world, aided by the dedicated voluntary agencies and private citizens of this and other countries, the problem of the older refugees in Europe is well on its way to solution. Through the efforts of the U.N. High Commissioner for Refugees, assisted by the almost global response to the World Refugee Year emphasis, there remain only 9,000 refugees in official refugee camps in Europe. The UNHCR has plans and funds to resettle or provide permanent solutions for all of these persons who have lived so long in drab and sordid camps.

There still remain in Europe approximately 50,000 out-of-camp refugees, most of whom require varying degrees of assistance in becoming reestablished. The generous world response to these refugees coupled with the greatly improved economic situation in most of the European countries has resulted in a virtual miracle by solving most of the vast refugee problems in Europe, including the 200,000 Hungarians who escaped to freedom.

The Federal Republic of Germany has achieved unbelievable success in absorbing well over 13½ million expellees, displaced persons, refugees, and escapees. In the West German economy refugees have become an asset rather than a liability. I hasten to add, however, that the refugee problem in Germany as well as elsewhere in Europe is not static. East Zone refugees still find ways of escaping to West Germany in spite of the diabolic wall erected in Berlin and the increased control measures resorted to by the puppet East German regime calling itself a sovereign government. Escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, and Albania still manage to penetrate the tight border controls established by the Communists to make sure that their oppressed peoples remain in their self-proclaimed "workers' paradise." Large numbers of Yugoslavs continue to arrive in Italy, Austria, Greece, and other European countries.

The flow of escapees and refugees will continue so long as the Communists pursue their attempts to deny individual freedom and to subject all men to a common mold of belief or endeavor. I must call your attention at this point to the fact that not only are the Communists responsible for the conditions which create refugees, but they continue to

<sup>2</sup> H.R. 11079.

engage in a costly and widespread program of propaganda and intrigue among the emigree groups in an effort to discredit the humanitarian motives of the free West.

The United States will continue to assist these new arrivals through its United States Escapee Program (USEP). It is of interest to note that the escapee program has just celebrated its 10th anniversary. During the 10 years of its existence USEP has assisted a total of 926,000 escapees from Communist and Communist-dominated countries. They have been given food, clothing, medical and dental care, language and vocational training, counseling, and many other benefits. Of this almost 1 million persons, one-third, or 330,000, have been helped to become integrated into the countries granting them initial asylum and another 157,000 have been successfully resettled in some 48 countries. Through its generous support of the Intergovernmental Committee for European Migration (ICEM) and the UNHCR, the United States will continue its help to these recent escapees and to the residual group of older refugees still in need of our help.

#### **Refugees From Communist China and Cuba**

Another group of anti-Communist refugees to which the United States has made significant contributions both public and private are the more than a million refugees from Red China presently in Hong Kong. In spite of the magnificent job which the Hong Kong Colonial Government is doing for these refugees, who make up one-third of the Colony's population, there still is need for additional aid from international sources. The needs to be met encompass housing, medical and clinical services, education, and in many instances food and clothing. In addition to a liberal World Refugee Year contribution for construction of a refugee center, schools, and clinics, the United States provides annually approximately \$1 million in cash and surplus foods estimated at \$5 million for these refugees.

External resettlement of these refugees is not the solution except for a relatively few who will find migration opportunities. The answer lies in their being assimilated into the economy of Hong Kong. This process will continue to be required for those already there and more importantly for the estimated 50,000 arriving each year.

Another 50,000 Chinese refugees present a serious problem to the authorities in Macau. Assistance to this group is limited and consists primarily of U.S. help.

A relatively small but highly significant problem is that of the White Russian refugees arriving in Hong Kong from Red China. Over 20,000 of these refugees, who are fleeing communism for the second time, have already been resettled by ICEM and the UNHCR, and some 6,000 still in China are expected to come out over the next several years. The United States has contributed substantially to this resettlement program and will continue to do so until the problem is finally resolved.

The 60,000 Tibetans who have escaped the Communist Chinese takeover of their country and are now in India and Nepal represent one of the most pitiful groups of refugees anywhere in the world. Limited private aid has gone into both India and Nepal. The United States has made available both surplus food and cash to meet as many of the needs as possible. United States funds are being used to augment private funds in helping to relocate Tibetan young people and children in Europe, particularly in Switzerland, where a Swiss organization is doing a splendid job in attempting to extend vocational training and understanding of Western culture to develop these young Tibetans into future leaders.

Most of you are aware at least to some degree of the more than 100,000 Cuban refugees who have fled to this country to escape the oppression and totalitarian measures forced upon them and their peace-loving relatives by Castro and his Communist henchmen. The United States has now become a country of first asylum and finds itself confronted with the same problems and expenses of helping a large number of refugees which have been faced by other countries abroad.

Voluntary agencies and citizens' groups are helping the Department of Health, Education, and Welfare to cope with this stupendous problem. The primary difficulty lies in reducing the burden on the State of Florida, Dade County, and the City of Miami, where the bulk of these proud and able people are congested. Their numbers, if distributed over the country, would present practically no problem from a housing, employment, or welfare standpoint, but localized as they are in Florida and in New York City these refugees are creating serious social, economic, and political

problems the solution to which requires immediate and careful resettlement throughout the country. Each community must become as generous as it was in accepting Hungarians by providing for its share of these close friends and violently anti-Communist neighbors.

### **Victims of Political Stalemates**

The victims of political stalemate, more than a million Palestine refugees continue to present a pathetic picture in the several Middle East countries. The solution to their problem presents some of the most politically sensitive issues facing the United Nations. Until these issues can be resolved the problem will remain acute and the present relief program of the United Nations Relief and Works Agency (UNRWA) must continue. The United States supports this Agency to approximately 70 percent of its annual \$35 million budget.

The Director of UNRWA has recently launched an appeal for funds to increase and intensify the vocational training facilities for the young people of this pathetic group. Since the limited programs of this type have had excellent results, it is hoped that the approximately 3,000 young men now being helped to secure jobs and independence can be increased materially.

Within recent weeks the future of the more than 300,000 Algerian refugees in Tunisia and Morocco seems more hopeful. These refugees, consisting mainly of women, children, and elderly men, were forced from the war areas in Algeria. They have been cared for by the combined efforts of the United Nations High Commissioner for Refugees and the League of Red Cross Societies. The United States has been a primary supporter of these activities both in cash and in large supplies of surplus foods.

A cease-fire in Algeria will not in itself end the problems of these refugees, for as they return to their war-damaged farms and desert villages, they will be forced to share with more than 2 million other Algerians presently displaced within Algeria the problems of rehabilitation and of reconstruction of their personal economies. I can assure you that your Government and other governments sympathetic to the plight of these people will do the utmost to help these victims of political upheaval achieve as rapidly as possible a return to normal living.

It is not necessary for me to go into any details with reference to the millions of Hindu refugees in India and Moslem refugees in Pakistan who were created by the partition of India in 1947 and subsequent events. The overwhelming bulk of these refugees have now been successfully integrated in their countries of present residence, and the authorities in these countries are actively pursuing similar solution for the relatively small residual numbers. I can also mention that the more than 850,000 North Vietnamese moved from the presently Communist-controlled areas in North Viet-Nam have been so successfully integrated into South Viet-Nam that they no longer constitute a problem. Similar success can be reported for the North Korean refugees in South Korea.

Scattered elsewhere throughout the world but particularly in Southeast Asia are pockets of refugees, mostly Chinese who are in varying degrees of need but also including 50,000 anti-Communist Laotian refugees in Laos who have been displaced from their tribal homes by Communist guerrilla activity and for whom the United States is providing emergency assistance.

In Africa the historic march toward independence of states which for generations have been colonial possessions has more often than not been accompanied by strife and political upheaval, creating new refugee problems of serious proportions. More than 150,000 refugees fled from Angola to the Republic of the Congo, while within the Congo over 300,000 Baluba refugees have required relief assistance in the provinces of Katanga and Kasai. Elsewhere tens of thousands of other refugee tribesmen present similar problems—in Togo, Ruanda-Urundi, Uganda, and Tanganyika. In all of these the U.S. Government, operating as much as possible through the United Nations, the League of Red Cross Societies, and the UNHCR, has poured in surplus food items and assisted with cash contributions where required.

### **Need for Continuing Refugee Aid**

You may ask, why must the United States feel it necessary to support refugee programs to the extent it does? Or you may want an answer to the question of how long will new refugee problems continue to emerge. Is there any hope that the day will come when there will be no refugee

problems to challenge the conscience and command the attention of civilized mankind?

The answer to the latter is simpler. As long as modifications in political entities are made and geographic boundaries are changed, each bringing with it inevitable changes in leadership and followers, there will be those who are forced or choose to flee to escape political persecution or economic oppression. As long as there are totalitarian regimes whether Communist or any other form of despotism there will be refugees and escapees in need of a helping hand. I have mentioned the great achievements made in reducing the staggering numbers of displaced persons, refugees, and escapees. I have called your attention to the fact that the refugee problem is not static. Therefore, my answer must be that until mankind finds the formula to live in complete peace and harmony one with another, and when the dignity of man is given due and proper recognition, then and then only will the problems of refugees vanish.

The interest of the United States Government and the interest of the American people in refugees is as natural as the American way of life. I believe President Kennedy gave the best answer to this question in his letter last July to the Congress in explanation of his requested refugee and migration legislation:<sup>3</sup>

The United States, consistent with the traditional humanitarian regard of the American people for the individual and for his right to a life of dignity and self-fulfillment, should continue to express in a practical way its concern and friendship for individuals in free-world countries abroad who are uprooted and unsettled as the result of political conditions or military action.

The successful re-establishment of refugees, who for political, racial, religious or other reasons are unable or unwilling to return to their country of origin or of nationality under conditions of freedom, dignity, and self-respect, is importantly related to free-world political objectives. These objectives are: (a) continuation of the provision of asylum and friendly assistance to the oppressed and persecuted; (b) the extension of hope and encouragement to the victims of communism and other forms of despotism, and the promotion of faith among the captive populations in the purposes and processes of freedom and democracy; (c) the exemplification by free citizens of free countries, through actions and sacrifices, of the fundamental humanitarianism which constitutes the basic difference between free and captive societies.

Some refugee problems are of such order of magnitude that they comprise an undue burden upon the economies of the countries harboring the refugees in the first in-

stance, requiring international assistance to relieve such countries of these burdens.

It is for these reasons that the United States since the end of World War II has admitted more than 800,000 refugees, escapees, and displaced persons. During that same period the United States has expended over \$1.5 billion in direct appropriations for refugee programs in addition to other assistance provided indirectly through our foreign aid programs in behalf of countries affording asylum to refugees.

These then are the highlights of the problems of refugees here and around the world.

## **Congressional Documents Relating to Foreign Policy**

### **87th Congress, 1st Session**

Cuban Refugee Problems. Hearings before the Subcommittee To Investigate Problems Connected With Refugees and Escapees of the Senate Judiciary Committee. December 6-13, 1961. 304 pp.

Center for Cultural and Technical Interchange Between East and West (East-West Center). Hearings before the Subcommittee on State Department Organization and Foreign Operations of the House Foreign Affairs Committee. December 13-January 8, 1962. 364 pp.

Report of the Fifth Meeting of the Canada-United States Interparliamentary Group, June 8-9, 1961. Report submitted by Cornelius E. Gallagher, chairman of the House delegation. H. Rept. 1297. February 5, 1962. 7 pp.

### **87th Congress, 2d Session**

Impact of Imports and Exports on Employment (Agricultural Products, Chemicals, Oil, Machinery, Motion Pictures, Transportation, and Other Industries). Hearings before the Subcommittee on the Impact of Imports and Exports on American Employment. Part 8. November 27, 1961-January 5, 1962. 1055 pp.

Latin American and United States Policies. Report of Senator Mike Mansfield on a study mission to Latin America. January 13, 1962. 85 pp. [Committee print]

Mexican Farm Labor Program. Hearing before the Subcommittee on Equipment, Supplies, and Manpower of the House Agriculture Committee. January 19, 1962. 46 pp.

Report on Audit of the Export-Import Bank of Washington for Fiscal Year 1961. H. Doc. 308. January 23, 1962. 42 pp.

Economic Policies and Programs in South America. Report submitted by the Subcommittee on Inter-American Economic Relationships to the Joint Economic Committee. January 24, 1962. 123 pp.

January 1962 Economic Report of the President. Hearings before the Joint Economic Committee. January 25-February 8, 1962. 845 pp.

Review of the Administration of the Trading With the Enemy Act. Report to accompany S. Res. 268. S. Rept. 1161. January 31, 1962. 3 pp.

Consular Affairs and Security Administration in the Department of State. Hearings before Subcommittee No. 1 of the House Judiciary Committee on H.R. 9904, a bill to amend section 104 of the Immigration and Nationality Act, and for other purposes. January 31-February 2, 1962. 48 pp.

<sup>3</sup> For text, see BULLETIN of Aug. 7, 1961, p. 255.

## Security Council Calls Upon Israel and Syria To Observe Armistice Agreement

*Following are a statement made in the U.N. Security Council on April 6 by Charles W. Yost, Deputy U.S. Representative in the Security Council, and the text of a resolution adopted by the Council on April 9.*

### STATEMENT BY MR. YOST

U.S./U.N. press release 3971

I wish to speak briefly now to explain the draft resolution<sup>1</sup> which has been introduced by the delegations of the United Kingdom and the United States and which was referred to yesterday [April 5] by Ambassador Dean.<sup>2</sup>

I believe the preamble is self-explanatory, and I therefore propose to discuss only the operative paragraphs.

The first operative paragraph deplores the hostile exchanges between Syria and Israel which started on March 8 and calls upon them to comply with their obligations under article 2, paragraph 4, of the charter by refraining from the threat as well as the use of force.

This paragraph deplores the exchanges without assessing blame because the United Nations Truce Supervision Organization was unable to determine who initiated the firing on any of the occasions prior to the attack of 16 March. This is in large part due to the fact that the parties, and particularly Israel, have placed obstacles in the way of effective circulation and observation by the United Nations organization. It does, however, appear from the report<sup>3</sup> that, whatever initial firing there may have been with small weapons and whoever started it, the level of the engagement was raised

by Syria starting on March 8 to that of artillery fire, apparently of 80 mm. guns. It also appears from the report that artillery and mortars were used by both parties on subsequent occasions. Whatever the origin of the events, therefore, it is obvious that artillery weapons were placed in the Defensive Area in violation of the Armistice Agreement and that they were used against Israeli-controlled territory on March 8 and subsequently. The prospect of escalation of minor incidents when artillery is employed is only too obvious. This sort of military action cannot be condoned when United Nations machinery is available.

At the same time we note that Israel also apparently employed 20 mm. weapons in these engagements, at least in those after March 8. Both the presence and the use of such a weapon in the Defensive Area is also in violation of the Armistice Agreement.

### Israel and Syria Reminded of Charter Obligations

In addition to deploring these hostile engagements and the use of such weapons, the paragraph also reminds the governments concerned of their obligations under article 2, paragraph 4, of the charter. Both parties have on this occasion used force contrary to that article. In addition there were provocative statements by each party which, at the very least, were not calculated to assure the other of its peaceful intentions. We appeal to both Governments to make every effort to restore peace and security in the area and to utilize the utmost caution in their pronouncements and statements.

Paragraphs 2 and 3 of the resolution concern the Israeli assault of the night of March 16-17—an assault the nature and origin of which are not contested. According to the announcement of the Israeli Defense Force itself, Israel on that night assaulted Syrian positions north of Nuqeib. This

<sup>1</sup> U.N. doc. S/5110 and Corr. 1.

<sup>2</sup> Arthur H. Dean, U.S. Representative to the 18-nation disarmament conference at Geneva.

<sup>3</sup> U.N. doc. S/5102.

was clearly a reverse to a policy of armed and large-scale retaliation repeatedly condemned by the Council in 1955 and 1956. Inasmuch as there is an impartial and long-established alternative to such action, through the machinery of the United Nations, there can be no justification for a policy of retaliation. The Security Council has consistently condemned such attacks even when prior but less serious violations by the other party have been confirmed by the Chief of Staff.

In the light of this situation, paragraph 3 determines that the Israeli attack on March 16-17 constituted a flagrant violation of the Security Council resolution of 19 January 1956,<sup>4</sup> which condemned Israeli retaliatory action of this sort. This attack was of the same order as previous attacks and has been so dealt with in the resolution we have submitted.

The fact that the attack of March 16 was a large-scale operation is apparent not only from the announcement made of it by the Israeli military sources themselves but also from the number of men involved and the number of lives and armored vehicles lost. There is no indication that the ground attack carried into Syria proper, but Israeli planes apparently bombed Syrian territory and the Israeli Defense Force announcement gave no indication that the operation was intended to be restricted to the Demilitarized Zone. This action was a most serious breach of the Armistice Agreement and a flagrant violation of paragraph 2 of the resolution of January 19, 1956, in which the Council condemned retaliatory raids.

Israel should be called on scrupulously to refrain from such actions in the future. The Council's position on that point must be absolutely clear if the peace of the area is to be preserved.

This expresses the attitude we believe the Council should take both toward the events between March 8 and 16 and the events of that night. It is important that the parties understand the firm view of the Security Council that it is incumbent upon them both to abide scrupulously by the provisions of the Armistice Agreement and that the United Nations denounces and is prepared to take measures appropriate to the situation both against small-scale harassment and against the serious dangers involved in retaliation.

### **Need To Strengthen UNTSO Machinery**

We could perhaps be accused—if there were no alternative—of adopting an attitude of unreality in opposing retaliatory military action in the light of the inherent right of self-defense enjoyed by sovereign nations. However, there is an alternative and an alternative which nowhere in the world is more readily available than on the borders between Israel and its Arab neighbors. This alternative is the peacekeeping machinery of the United Nations. This machinery has not been employed sufficiently and thoroughly enough in the present and in past instances. Not only has the United Nations machinery in the area been hampered in obtaining the facilities and freedom of operation which would have made both detection and deterrence of the events between March 8 and 16 more effective, but the retaliatory action of March 16 was taken entirely without prior recourse either to the Mixed Armistice machinery or the Security Council—the political bodies charged with responsibility for the peace. The capabilities of this machinery and equally the political intention to use it need to be improved to prevent such situations in the future.

The rest of the resolution therefore deals with what should be done in order to strengthen this machinery. In particular we would urge Israel, which feels it was provoked in the present situation, to extend its full cooperation to the United Nations Truce Supervision Organization and to the United Nations military observers so that they may in the future readily detect and report to the world on the origin of incidents and, even more hopefully, by their presence deter them from starting in the first instance. We would urge Israel in the most stringent terms to resort to the Mixed Armistice Commission and to the Security Council in accordance with its obligations under the charter instead of resorting to the use of force.

In connection with the improvement of United Nations capabilities in the area, I would like to commend General von Horn<sup>5</sup> and his able colleagues on their excellent performance of duties on behalf of the United Nations under unusually difficult circumstances. The Chief of Staff's presence during our deliberations has been of considerable assistance to the Council in its consideration

<sup>5</sup> Gen. Carl Carlsson von Horn, Chief of Staff, U.N. Truce Supervision Organization.

<sup>4</sup> For text, see BULLETIN of Jan. 30, 1956, p. 183.

of the complex factors involved. General von Horn and his entire staff deserve the gratitude and the unstinting support of the members of the United Nations, most of all that of Israel and its Arab neighbors.

As was revealed in General von Horn's report, and more precisely spelled out in his responses to the questions put to him by members of the Council, the observation facilities available to the United Nations Truce Supervision Organization in the Tiberias region are insufficient to insure the proper exercise of the Truce Supervision Organization's tranquilizing role. The new observation post at El Koursi will help considerably in this regard. It is the sincere hope of my Government that the Israeli and Syrian authorities will cooperate wholeheartedly with the Chief of Staff in the working out of the further arrangements he has recommended. Certainly it is necessary that the Truce Supervision Organization observers be permitted to move freely and rapidly anywhere in the Defensive Area, and we endorse the mobile observation arrangements which he has proposed believing that they can be particularly valuable.

The United Nations Truce Supervision Organization's machinery was sorely tested by events of mid-March. The Chief of Staff has informed us of gaps in his organization revealed by these sudden demands. The United States urges that deficiencies noted by General von Horn be made up at once and that the parties move quickly to comply with his requests for greater cooperation.

In the light of such factors the resolution endorses the measure recommended by the Chief of Staff both in his first report and his supplementary report to the Security Council. It calls on the Israeli and Syrian authorities to assist him in their implementation. Any additional measures which the parties may recommend and which the Chief of Staff thinks would be useful would of course also be welcome.

The resolution also calls for strict observance of the provisions of the Armistice Agreement concerning the Demilitarized Zone and the Defensive Area. For many years there have been violations of these provisions, some major and some minor. An explicit adherence to the agreement by both sides would remove the danger of conflicts in the area, and we urge both Syria and Israel to cooperate in eliminating any violations.

Finally, we have included a paragraph with a

general call upon both parties to cooperate fully with the Chief of Staff in his responsibilities and which urges that all necessary steps be taken for reactivating the Mixed Armistice Commission and for making full use of the Mixed Armistice machinery. Particularly we believe that Israel should return to the Mixed Armistice Commission, in which it has not participated since 1951, and that it should make full use of its procedures whenever it feels provocations have occurred.

If the parties cooperate fully with the United Nations instrumentalities in the area and with the Security Council, we are confident that peaceful conditions can be maintained, that the number of minor incidents can be severely reduced, and that any incidents which start can be detected and brought to an end promptly without resort to force. This is the sure path to peaceful conditions, and we urge both parties to follow it scrupulously and consistently.

#### **TEXT OF RESOLUTION <sup>6</sup>**

*The Security Council,*

*Recalling* its resolutions of 15 July 1948 and 18 May 1951,

*Having considered* the report of the Chief of Staff of the United Nations Truce Supervision Organization on the military activities in the Lake Tiberias area and in the Demilitarized Zone,

*Having heard* the statements of the representatives of the Syrian Arab Republic and Israel,

*Being deeply concerned* over developments in the area which have taken place in violation of the Charter and of the Armistice Agreement,

*Recalling* in particular the provisions of Article 2, paragraph 4 of the Charter, and Article 1 of the Syrian-Israeli General Armistice Agreement,

*Noting with satisfaction* that a cease-fire has been achieved,

1. *Deplores* the hostile exchanges between the Syrian Arab Republic and Israel starting on 8 March 1962 and calls upon the two Governments concerned to comply with their obligations under Article 2, paragraph 4 of the Charter by refraining from the threat as well as the use of force;

2. *Reaffirms* the Security Council resolution of 19 January 1956 which condemned Israeli military action in breach of the General Armistice Agreement, whether or not undertaken by way of retaliation;

3. *Determines* that the Israeli attack of 16-17 March

<sup>6</sup> U.N. doc. S/5111 (S/5110 and Corr. 1); adopted by the Security Council on Apr. 9 by a vote of 10-0, with 1 abstention (France).

1962 constitutes a flagrant violation of that resolution and calls upon Israel scrupulously to refrain from such action in the future;

4. *Endorses* the measures recommended by the Chief of Staff for the strengthening of the Truce Supervision Organization in its tasks of maintaining and restoring the peace and of detecting and deterring future incidents, and calls upon the Israeli and Syrian authorities to assist the Chief of Staff in their early implementation;

5. *Calls upon* both parties to abide scrupulously by the cease-fire arranged by the Chief of Staff on 17 March 1962;

6. *Calls for* strict observance of article 5 of the General Armistice Agreement which provides for the exclusion of armed forces from the Demilitarized Zone and Annex 4 of that Agreement which sets limits on forces in the Defensive Area, and calls upon the Governments of Israel and the Syrian Arab Republic to co-operate with the Chief of Staff in eliminating any violations thereof;

7. *Calls upon* the Governments of Israel and of the Syrian Arab Republic to co-operate with the Chief of Staff of the Truce Supervision Organization in carrying out his responsibilities under the General Armistice Agreement and the pertinent resolutions of the Security Council and urges that all steps necessary for reactivating the Mixed Armistice Commission and for making full use of the Mixed Armistice machinery be promptly taken;

8. *Requests* the Chief of Staff of the Truce Supervision Organization to report as appropriate concerning the situation.

## Current U. N. Documents: A Selected Bibliography

*Mimeographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y.*

### Security Council

Letter dated January 11, 1962, from the Pakistani representative to the President of the Security Council concerning Kashmir. S/5058. January 12, 1962. 2 pp.

Letter dated January 16, 1962, from the Indian representative addressed to the President of the Security Council concerning Kashmir. S/5060. January 16, 1962. 2 pp.

Letter dated January 18, 1962, from the Netherland representative addressed to the Acting Secretary-General concerning New Guinea. S/5062. January 18, 1962. 3 pp.

Communications concerning the situation in the Congo. S/5064, January 25, 1962, 2 pp.; S/5065, January 27, 1962, 4 pp.; S/5065/Add. 1, January 29, 1962, 1 p.; S/5066, January 29, 1962, 1 p.; S/5072, January 31, 1962, 1 p.; S/5078, February 16, 1962, 6 pp.

Letter dated January 29, 1962, from the Pakistani representative addressed to the President of the Security Council concerning Kashmir. S/5068. January 29, 1962. 5 pp.

Letter dated January 31, 1962, from the Secretary-General of the Organization of American States addressed to the Acting Secretary-General transmitting the Final

Act of the Eighth Meeting of Consultation of Ministers of Foreign Affairs, which deals with Communist intervention in the Western Hemisphere. S/5075. February 3, 1962. 24 pp.

Letter dated March 2, 1962, from the Cuban representative addressed to the Security Council concerning action taken at the OAS Eighth Meeting of Consultation. S/5083. March 2, 1962. 4 pp.

Communications concerning the Lake Tiberias incident between Israel and Syria. S/5084, March 2, 1962, 2 pp.; S/5098, March 21, 1962, 2 pp.; S/5100, March 22, 1962, 2 pp.; S/5102, March 26, 1962, 13 pp.; S/5102/Add. 1, March 27, 1962, 1 p.

### General Assembly

Capital development needs of the less developed countries. A/AC.102/5. February 8, 1962. 74 pp.

Letter dated February 27, 1962, from the Soviet representative addressed to the Acting Secretary-General transmitting text of Premier Khrushchev's message of February 21, 1962, to President Kennedy. A/5096. February 27, 1962. 11 pp.

Note verbale dated February 27, 1962, from the U.K. representative addressed to the Secretary-General concerning the future of the Trust Territory of the Cameroons under U.K. administration. A/5097. March 2, 1962. 6 pp.

Letter dated March 6, 1962, from the Acting Secretary-General addressed to the Chairman of the Committee on the Peaceful Uses of Outer Space, transmitting a communication dated March 5, 1962, from the U.S. representative concerning data on U.S. satellite launchings. A/AC.105/INF. 1. March 7, 1962. 5 pp.

Letter dated March 8, 1962, from the U.S. representative addressed to the Acting Secretary-General transmitting various documents concerning the 18-nation disarmament conference at Geneva. A/5099. March 9, 1962. 8 pp.

Letter dated March 9, 1962, from the Soviet deputy representative addressed to the Acting Secretary-General transmitting text of Premier Khrushchev's message of March 3, 1962, to President Kennedy concerning the 18-nation disarmament conference. A/5101. March 9, 1962. 8 pp.

Letter dated March 10, 1962, from the Soviet deputy representative addressed to the Acting Secretary-General concerning a nuclear weapons test ban treaty. A/5102. March 12, 1962. 3 pp.

Letter dated March 10, 1962, from the Soviet deputy representative addressed to the Acting Secretary-General concerning Resolution 1664(XVI). A/5103. March 12, 1962. 5 pp.

Letter dated March 9, 1962, from the U.K. deputy representative addressed to the Secretary-General transmitting texts of messages of Prime Minister Macmillan concerning the 18-nation disarmament conference. A/5101. March 12, 1962. 7 pp.

Note verbale dated March 13, 1962, from the Czechoslovak representative addressed to the Acting Secretary-General concerning Resolution 1664(XVI). A/5106. March 22, 1962. 4 pp.

Letter dated March 15, 1962, from the Rumanian representative addressed to the Secretary-General concerning Resolution 1664(XVI). A/5107. March 22, 1962. 4 pp.

### Economic and Social Council

Commission on the Status of Women. Inheritance laws as they affect the status of women. E/CN.6/391. January 4, 1962. 59 pp.

Commission on the Status of Women. Age of retirement and right to pension. E/CN.6/394. January 4, 1962. 132 pp.

## Atomic Energy Agreement Signed With Colombia

Press release 231 dated April 9

Representatives of the Governments of Colombia and the United States on April 9 signed an agreement for cooperation in the peaceful uses of atomic energy. The agreement was signed by Ambassador Carlos Sanz de Santamaria of Colombia. Assistant Secretary of State Edwin M. Martin signed for the United States. The signing ceremony was held at the Department of State.

Under the proposed agreement the Governments of Colombia and the United States will cooperate in a nuclear project to be carried out at Bogotá, Colombia. This will include the exchange of information on the design, construction, and operation of nuclear research reactors and their use as research, training, development, and engineering devices, and in medical therapy. American industry would be authorized by the agreement to supply appropriate nuclear equipment and related services to the Colombian Government or to authorized individuals or organizations under its jurisdiction.

The proposed agreement also provides that the U.S. Atomic Energy Commission may sell or lease to the Colombian Government uranium enriched up to 20 percent in the isotope U-235 for use in research reactors, materials testing reactors, and reactor experiments, each capable of operating with a fuel load up to 10 kilograms of the isotope U-235 contained in such uranium; or uranium enriched up to 90 percent in the isotope U-235 to operate with a fuel load up to 8 kilograms. Colombia also will assume responsibility for assuring that material obtained from the United States will be used only for peaceful purposes. The agreement further provides for the exchange of information in health and safety matters related to research reactors and in the use of radioisotopes in physical and biological research, medical therapy, agriculture, and industry.

Both countries also affirm their common interest

in availing themselves of the facilities and services of the International Atomic Energy Agency.

The agreement will become effective after statutory and constitutional requirements have been fulfilled by both Governments.

## Estate-Tax Convention With Canada Enters Into Force

Press release 234 dated April 9

According to information received from the American Embassy at Ottawa, the convention between the United States of America and Canada for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons, signed at Washington on February 17, 1961,<sup>1</sup> was brought into force by the exchange of instruments of ratification at Ottawa on April 9, 1962.

This estate-tax convention is fundamentally similar to, and has the same basic objectives as, estate-tax conventions which have entered into force between the United States and 12 countries, including the convention of June 8, 1944, with Canada<sup>2</sup> as modified by a convention of June 12, 1950.<sup>3</sup> Such conventions are designed to eliminate double taxation in connection with the settlement in one country of estates in which nationals of the other country have interests.

The new convention with Canada takes the place of the 1944 convention as modified. The 1944 convention provided that, for Canada, the taxes referred to therein were the taxes imposed under the Dominion Succession Duty Act. That convention, as modified, was rendered inoperative by the repeal of the Dominion Succession Duty Act and the enactment of the Canadian Estate Tax Act effective January 1, 1959. It is provided in the new convention that, upon its entry into force, the 1944 and 1950 conventions shall be deemed to have terminated as to estates of decedents dying on or after January 1, 1959, and that the new convention shall be deemed to have come into effect as to estates of decedents dying on or after that date.

So far as the United States is concerned, the

<sup>1</sup> BULLETIN of Mar. 6, 1961, p. 351.

<sup>2</sup> 59 Stat. 915.

<sup>3</sup> Treaties and Other International Acts Series 2348.

convention applies only with respect to United States (that is, Federal) estate taxes. It does not apply to the imposition of taxes by the several States, the District of Columbia, or territories or possessions of the United States.

By its terms the convention will be in effect for a period of 5 years from January 1, 1959, and will continue in effect thereafter until 6 months after the date of a notice of termination given by either of the two Governments.

## Current Actions

### MULTILATERAL

#### Agriculture

Constitution of the Food and Agriculture Organization of the United Nations, as amended. Signed at Quebec October 16, 1945. Entered into force October 16, 1945. TIAS 1554 and 4803.

*Acceptance deposited:* Tanganyika, February 8, 1962.

#### Fisheries

Amendment to paragraph 1 (b) of the annex to the international convention for the high seas fisheries of the North Pacific Ocean of May 9, 1952, as amended (TIAS 2786 and 4493). Adopted at Tokyo November 11, 1961, at the eighth meeting of the International North Pacific Fisheries Commission. Entered into force April 2, 1962.

*Approvals deposited:* Canada, March 14, 1962; Japan, March 26, 1962; United States, April 2, 1962.

#### Health

Amendments to articles 24 and 25 of the World Health Organization Constitution of July 22, 1946 (TIAS 1808). Adopted by the 12th World Health Assembly, Geneva, May 28, 1959. Entered into force October 25, 1960. TIAS 4643.

*Acceptance deposited:* Turkey, January 10, 1962.

#### 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.

*Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

Convention for limiting the manufacture and regulating the distribution of narcotic drugs, as amended (61 Stat. 2230; 62 Stat. 1796). Done at Geneva July 13, 1931. Entered into force July 9, 1933. 48 Stat. 1543.

*Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

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; for the United States, September 11, 1950. TIAS 2308.

*Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

#### Patents

Agreement for the mutual safeguarding of secrecy of invention relating to defense and for which applications for patents have been made. Done at Paris September 21, 1960. Entered into force January 12, 1961. TIAS 4672.

*Approval deposited:* Turkey, February 20, 1962.

#### Safety at Sea

International convention for the safety of life at sea, 1960. Done at London June 17, 1960.<sup>1</sup>

*Signatures:* Argentina, Australia, Belgium, Brazil, Bulgaria (with a declaration), Cameroon, Canada, China, Denmark, Dominican Republic, Finland, France, Federal Republic of Germany, Greece, Hungary (with a declaration), Iceland, India, Ireland, Israel, Italy, Japan, Korea, Kuwait, Liberia, Netherlands, New Zealand, Norway, Pakistan, Panama, Peru, Philippines, Portugal, Sweden, Switzerland, Union of Soviet Socialist Republics (with a reservation), United Arab Republic, United Kingdom, United States, Venezuela, Yugoslavia, June 17, 1960.<sup>2</sup>

*Acceptances deposited:* France, October 16, 1961; Haiti, March 17, 1961; Norway, August 23, 1961; Viet-Nam, January 8, 1962.

*Ratification advised by the Senate:* April 12, 1962.

### BILATERAL

#### Brazil

Agreement on cooperation for the promotion of economic and social development in the Brazilian Northeast, and exchange of notes. Signed at Washington April 13, 1962. Entered into force April 13, 1962.

#### Canada

Convention for avoidance of double taxation and prevention of fiscal evasion with respect to taxes on estates of deceased persons. Signed at Washington February 17, 1961.

*Ratifications exchanged:* April 9, 1962.

*Entered into force:* April 9, 1962. Applicable to estates of persons dying on or after January 1, 1959.

Convention for avoidance of double taxation and prevention of fiscal evasion in the case of estate taxes and succession duties. Signed at Ottawa June 8, 1944. Entered into force February 6, 1945. 59 Stat. 915.

*Terminated:* January 1, 1959, by entry into force of convention signed February 17, 1961, *supra*, insofar as application to estates of decedents dying on or after January 1, 1959, is concerned; continues in effect with respect to estates of decedents dying prior to that date.

Convention modifying and supplementing convention for avoidance of double taxation and prevention of fiscal evasion in the case of estate taxes and succession duties of June 8, 1944 (59 Stat. 915). Signed at Ottawa June 12, 1950. Entered into force November 21, 1951. TIAS 2348.

*Terminated:* January 1, 1959, by entry into force of convention signed February 17, 1961, *supra*, insofar as application to estates of decedents dying on or after January 1, 1959, is concerned; continues in effect with respect to estates of decedents dying prior to that date.

Agreement further extending the agreement of January 16 and 17, 1957 (TIAS 3732), relating to the use of the

<sup>1</sup> Not in force.

<sup>2</sup> All signed subject to acceptance, approval, or ratification.

Haines cutoff road for winter maintenance of a section of the Haines-Fairbanks pipeline. Effected by exchange of notes at Ottawa December 22, 1961, and January 26, 1962. Entered into force January 26, 1962.

#### **Colombia**

Agreement for cooperation concerning civil uses of atomic energy. Signed at Washington April 9, 1962. Enters into force on the date on which each Government receives from the other written notification that it has complied with all statutory and constitutional requirements for entry into force.

#### **Israel**

Agreement amending the agricultural commodities agreement of November 6, 1958, as supplemented and amended (TIAS 4126, 4188, 4818, and 4906). Effected by exchange of notes at Washington April 6 and 11, 1962. Entered into force April 11, 1962.

#### **Paraguay**

Reciprocal trade agreement. Signed at Asunción September 12, 1946. Entered into force April 9, 1947. TIAS 1601.

*Notice of intention to terminate given by Paraguay:* April 2, 1962. (In accordance with provisions of article XVII, para. 2, agreement will be terminated October 2, 1962.)

Agreement temporarily bringing up to date schedule I of the reciprocal trade agreement of September 12, 1946, *supra*. Effected by exchange of notes at Asunción April 2, 1962. Entered into force April 2, 1962.

## **DEPARTMENT AND FOREIGN SERVICE**

### **State and Commerce Agree To Expand Foreign Service Commercial Program**

Press release 210 dated April 2

An agreement designed to fulfill President Kennedy's export expansion program by improving the Government's international trade services to the American business community has been concluded by the Department of Commerce and the Department of State.

The interdepartmental agreement, signed by Secretary of State Dean Rusk and Secretary of Commerce Luther H. Hodges, provides a stepped-up commercial program within the Foreign Service. It identifies the overseas commercial attaché as a career specialist within the Foreign Service; it provides for recruiting of additional specialists from the Commerce Department and the business world and gives the Commerce Department greater participation in the recruitment, training, assignment, and promotion of commercial officers.

The commercial officers in the Foreign Service, as members of the staffs of U.S. embassies and consulates abroad, represent a principal means for overseas trade promotional support to the U.S. business community. The services they perform for businessmen and the trade opportunities and foreign market information they develop can play a major role in the successful increase of American business activity abroad and in the expansion of our exports.

The objectives of the agreement are set forth in these terms:

The President has directed the Executive Agencies to place maximum emphasis on enlarging the foreign commerce of the United States in seeking to maintain an over-all balance in our international payments. . . . To provide effective leadership, the Department of Commerce is assuming primary responsibility and direction for foreign trade promotion activities at home and abroad. . . . The Departments of State and Commerce agree that the President's directive can best be carried out abroad by a single overseas service. To fulfill their respective responsibilities, the two Departments undertake to establish new arrangements for the purpose of providing optimum commercial services within the framework of a unified Foreign Service.

The agreement provides an opportunity for Foreign Service officers to elect commercial work as a career specialty and permits advancement within this specialty to the highest levels in the Foreign Service. Personnel will be augmented by an enlarged number of appointments from the Department of Commerce and the business community, who, together with the Foreign Service career commercial specialists, will provide the expertise needed to assist American business in meeting the increasing competition for world markets.

To attract economic and commercial talent the two Departments will establish joint recruitment teams to visit educational institutions giving graduate and undergraduate degrees in business administration or foreign trade, and the Department of State will make special provision in its written Foreign Service examinations for candidates with background and interest in commercial activities.

A Department of Commercial Affairs will be established in the Foreign Service Institute of the Department of State, chaired by a mutually acceptable nominee of the Department of Commerce. The chairman will develop a commercial training program and supervise its implementation and operation.

The Department of Commerce will normally

initiate instructions for commercial specialists to carry out their operational and reporting duties and responsibilities. Current instructions will be modified to provide for increased emphasis on the promotion of trade, investment, and travel. Commercial specialists will be encouraged to travel more widely in their respective districts in order to develop market information which will be speedily communicated to businessmen in the United States.

The two Departments consider that the agreement accommodates the responsibilities of both Departments and provides the means for the closest possible cooperation in this important area of overseas activity.

## 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.*

**Surplus Agricultural Commodities.** TIAS 4790. 4 pp. 5¢.

Agreement with the United Arab Republic, amending the agreement of August 1, 1960, as amended. Exchange of notes—Signed at Cairo June 24, 1961. Entered into force June 24, 1961.

**Economic Assistance.** TIAS 4791. 3 pp. 5¢.

Agreement with Ecuador. Exchange of notes—Signed at Quito June 7 and 17, 1961. Entered into force June 17, 1961.

**Technical Cooperation.** TIAS 4792. 4 pp. 5¢.

Agreement with Cyprus—Signed at Nicosia, June 29, 1961. Entered into force June 29, 1961.

**Surplus Agricultural Commodities.** TIAS 4793. 3 pp. 5¢.

Agreement with Greece, amending the agreement of November 7, 1960. Exchange of notes—Signed at Athens June 22, 1961. Entered into force June 22, 1961.

**Surplus Agricultural Commodities.** TIAS 4794. 4 pp. 5¢.

Agreement with Pakistan, amending certain agreements, as amended. Exchange of notes—Signed at Karachi June 29, 1961. Entered into force June 29, 1961.

**Military Mission to Costa Rica.** TIAS 4795. 3 pp. 5¢.

Agreement with Costa Rica, amending the agreement of December 10, 1945, as amended and extended. Exchange

of notes—Dated at San José February 25 and May 13, 1959. Entered into force May 13, 1959.

**War Damage Claims.** TIAS 4796. 4 pp. 5¢.

Agreement with Italy, supplementing the understanding of March 29, 1957. Exchange of notes—Signed at Rome July 12, 1960. Entered into force June 15, 1961.

**Second Agreement Regarding Certain Matters Arising From the Validation of German Dollar Bonds.** TIAS 4798. 12 pp. 10¢.

Agreement with the Federal Republic of Germany—Signed at Bonn August 16, 1960. Entered into force June 30, 1961.

### Check List of Department of State Press Releases: April 9-15

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases appearing in this issue of the BULLETIN which were issued prior to April 9 are Nos. 190 of March 26; 203 of March 29; 210, 212 and 216 of April 2; 222 of April 4; 225 of April 5; and 228 of April 6.

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231	4/9	Atomic energy agreement with Colombia.
*232	4/9	U.S. participation in international conferences.
233	4/9	Withdrawal of study on Niagara Falls.
234	4/9	Estate-tax convention with Canada.
235	4/10	Austrian persecutee claims.
†236	4/12	Trezise: "Trade Policy for the 1960's."
237	4/10	Assistant Secretary Williams' trip to Africa (rewrite).
*238	4/10	Cleveland: "The Winning of the Non-war."
*239	4/11	Cultural exchange (Brazil).
*240	4/11	Biography of Under Secretary Ball.
*241	4/11	Williams: "American Foreign Policy and the Emerging Nations of Africa."
*242	4/11	Manning sworn in as Assistant Secretary for Public Affairs (biographic details).
*243	4/11	Sisco: "The U.N. and U.S. National Interests."
†244	4/12	Bowles: American Jewish Congress.
245	4/12	Soviet statement on nuclear test moratorium.
*246	4/12	Amendments to program for visit of Shah of Iran.
*247	4/12	Greenfield appointed Deputy Assistant Secretary for News (biographic details).
*248	4/12	Gardner: "The U.S. and the U.N.: A Reappraisal of the National Interest."
†249	4/13	Cleveland: "View From the Diplomatic Tightrope."
250	4/13	Rusk: Pan American Day.
*251	4/13	Brodie: "Commodity Problems and Stabilization Programs in Latin America."
*252	4/13	Harriman: American Academy of Political and Social Science (excerpts).
†253	4/13	Williams: "Aids and Obstacles to Political Stability in Mid-Africa."
*254	4/14	Harriman: interview on "Operation in the Capital."

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†Held for a later issue of the BULLETIN.

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# Bulletin

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May 7, 1962

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OFFICIAL  
WEEKLY RECORD  
UNITED STATES  
FOREIGN POLICY

THE DEPARTMENT OF STATE

# Bulletin

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May 7, 1962

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# United States Presents Outline of a Treaty on General and Complete Disarmament

## STATEMENT BY PRESIDENT KENNEDY<sup>1</sup>

The United States has today [April 18] tabled at Geneva an outline of every basic provision of a treaty on general and complete disarmament in a peaceful world. It provides a blueprint of our position on general and complete disarmament as well as elaboration of the nature, sequence, and timing of specific disarmament measures.

This outline of a treaty represents the most comprehensive and specific series of proposals the United States or any other country has ever made on disarmament. In addition to stating the objectives and principles which should govern agreements for disarmament, the document calls for the grouping of individual measures in three balanced and safeguarded stages. We are hopeful through the give-and-take of the conference table this plan will have a constructive influence upon the negotiations now in progress.

I want to stress that with this plan the United States is making a major effort to achieve a breakthrough on disarmament negotiations. We believe that the nations represented at Geneva have a heavy responsibility to lay the foundations for a genuinely secure and peaceful world starting through a reduction in arms.

## TEXT OF OUTLINE<sup>2</sup>

### OUTLINE OF BASIC PROVISIONS OF A TREATY ON GENERAL AND COMPLETE DISARMAMENT IN A PEACEFUL WORLD

In order to assist in the preparation of a treaty on general and complete disarmament in a peaceful world,

<sup>1</sup>Read by the President at his press conference on Apr. 18.

<sup>2</sup>Submitted to the 18-nation Committee on Disarmament at Geneva by the U.S. delegation on Apr. 18.

the United States submits the following outline of basic provisions of such a treaty.

#### A. Objectives

1. To ensure that (a) disarmament is general and complete and war is no longer an instrument for settling international problems, and (b) general and complete disarmament is accompanied by the establishment of reliable procedures for the settlement of disputes and by effective arrangements for the maintenance of peace in accordance with the principles of the Charter of the United Nations.

2. Taking into account paragraphs 3 and 4 below, to provide, with respect to the military establishment of every nation, for:

(a) Disbanding of armed forces, dismantling of military establishments, including bases, cessation of the production of armaments as well as their liquidation or conversion to peaceful uses;

(b) Elimination of all stockpiles of nuclear, chemical, biological, and other weapons of mass destruction and cessation of the production of such weapons;

(c) Elimination of all means of delivery of weapons of mass destruction;

(d) Abolition of the organizations and institutions designed to organize the military efforts of states, cessation of military training, and closing of all military training institutions;

(e) Discontinuance of military expenditures.

3. To ensure that, at the completion of the program for general and complete disarmament, states would have at their disposal only those non-nuclear armaments, forces, facilities and establishments as are agreed to be necessary to maintain internal order and protect the personal security of citizens.

4. To ensure that during and after implementation of general and complete disarmament, states also would support and provide agreed manpower for a United Nations Peace Force to be equipped with agreed types of armaments necessary to ensure that the United Nations can effectively deter or suppress any threat or use of arms.

5. To establish and provide for the effective operation of an International Disarmament Organization within the

framework of the United Nations for the purpose of ensuring that all obligations under the disarmament program would be honored and observed during and after implementation of general and complete disarmament; and to this end to ensure that the International Disarmament Organization and its inspectors would have unrestricted access without veto to all places as necessary for the purpose of effective verification.

## B. Principles

The guiding principles during the achievement of these objectives are:

1. Disarmament would be implemented until it is completed by stages to be carried out within specified time limits.

2. Disarmament would be balanced so that at no stage of the implementation of the treaty could any state or group of states gain military advantage, and so that security would be ensured equally for all.

3. Compliance with all disarmament obligations would be effectively verified during and after their entry into force. Verification arrangements would be instituted progressively as necessary to ensure throughout the disarmament process that agreed levels of armaments and armed forces were not exceeded.

4. As national armaments are reduced, the United Nations would be progressively strengthened in order to improve its capacity to ensure international security and the peaceful settlement of differences as well as to facilitate the development of international cooperation in common tasks for the benefit of mankind.

5. Transition from one stage of disarmament to the next would take place upon decision that all measures in the preceding stage had been implemented and verified and that any additional arrangements required for measures in the next stage were ready to operate.

## INTRODUCTION

The Treaty would contain three stages designed to achieve a permanent state of general and complete disarmament in a peaceful world. The Treaty would enter into force upon the signature and ratification of the United States of America, the Union of Soviet Socialist Republics and such other states as might be agreed. Stage II would begin when all militarily significant states had become Parties to the Treaty and other transition requirements had been satisfied. Stage III would begin when all states possessing armed forces and armaments had become Parties to the Treaty and other transition requirements had been satisfied. Disarmament, verification, and measures for keeping the peace would proceed progressively and proportionately beginning with the entry into force of the Treaty.

## STAGE I

Stage I would begin upon the entry into force of the Treaty and would be completed within three years from that date.

During Stage I the Parties to the Treaty would undertake:

1. To reduce their armaments and armed forces and to

carry out other agreed measures in the manner outlined below;

2. To establish the International Disarmament Organization upon the entry into force of the Treaty in order to ensure the verification in the agreed manner of the obligations undertaken; and

3. To strengthen arrangements for keeping the peace through the measures outlined below.

## A. Armaments

### 1. Reduction of Armaments

a. Specified Parties to the Treaty, as a first stage toward general and complete disarmament in a peaceful world, would reduce by thirty percent the armaments in each category listed in subparagraph b below. Except as adjustments for production would be permitted in Stage I in accordance with paragraph 3 below, each type of armament in the categories listed in subparagraph b would be reduced by thirty percent of the inventory existing at an agreed date.

b. All types of armaments within agreed categories would be subject to reduction in Stage I (the following list of categories, and of types within categories, is illustrative):

(1) Armed combat aircraft having an empty weight of 40,000 kilograms or greater; missiles having a range of 5,000 kilometers or greater, together with their related fixed launching pads; and submarine-launched missiles and air-to-surface missiles having a range of 300 kilometers or greater.

(Within this category, the United States, for example, would declare as types of armaments: the B-52 aircraft; Atlas missiles together with their related fixed launching pads; Titan missiles together with their related fixed launching pads; Polaris missiles; Hound Dog missiles; and each new type of armament, such as Minuteman missiles, which came within the category description, together with, where applicable, their related fixed launching pads. The declared inventory of types within the category by other Parties to the Treaty would be similarly detailed).

(2) Armed combat aircraft having an empty weight of between 15,000 kilograms and 40,000 kilograms and those missiles not included in category (1) having a range between 300 kilometers and 5,000 kilometers, together with any related fixed launching pads. (The Parties would declare their armaments by types within the category).

(3) Armed combat aircraft having an empty weight of between 2,500 and 15,000 kilograms. (The Parties would declare their armaments by types within the category).

(4) Surface-to-surface (including submarine-launched missiles) and air-to-surface aerodynamic and ballistic missiles and free rockets having a range of between 10 kilometers and 300 kilometers, together with any related fixed launching pads. (The Parties would declare their armaments by types within the category).

(5) Anti-missile missile systems, together with related fixed launching pads. (The Parties would declare their armaments by types within the category).

(6) Surface-to-air missiles other than anti-missile missile systems, together with any related fixed launching

pads. (The Parties would declare their armaments by types within the category).

(7) Tanks. (The Parties would declare their armaments by types within the category).

(8) Armored cars and armored personnel carriers. (The Parties would declare their armaments by types within the category).

(9) All artillery, and mortars and rocket launchers having a caliber of 100 mm. or greater. (The Parties would declare their armaments by types within the category).

(10) Combatant ships with standard displacement of 400 tons or greater of the following classes: Aircraft carriers, battleships, cruisers, destroyer types and submarines. (The Parties would declare their armaments by types within the category).

## 2. Method of Reduction

a. Those Parties to the Treaty which were subject to the reduction of armaments would submit to the International Disarmament Organization an appropriate declaration respecting inventories of their armaments existing at the agreed date.

b. The reduction would be accomplished in three steps, each consisting of one year. One-third of the reduction to be made during Stage I would be carried out during each step.

c. During the first part of each step, one-third of the armaments to be eliminated during Stage I would be placed in depots under supervision of the International Disarmament Organization. During the second part of each step, the deposited armaments would be destroyed or, where appropriate, converted to peaceful uses. The number and location of such depots and arrangements respecting their establishment and operation would be set forth in an annex to the Treaty.

d. In accordance with arrangements which would be set forth in a Treaty annex on verification, the International Disarmament Organization would verify the foregoing reduction and would provide assurance that retained armaments did not exceed agreed levels.

## 3. Limitation on Production of Armaments and on Related Activities

a. Production of all armaments listed in subparagraph b of paragraph 1 above would be limited to agreed allowances during Stage I and, by the beginning of Stage II, would be halted except for production within agreed limits of parts for maintenance of the agreed retained armaments.

b. The allowances would permit limited production in each of the categories of armaments listed in subparagraph b of paragraph 1 above. In all instances during the process of eliminating production of armaments:

(1) any armament produced within a category would be compensated for by an additional armament destroyed within that category to the end that the ten percent reduction in numbers in each category in each step, and the resulting thirty percent reduction in Stage I, would be achieved; and furthermore

(2) in the case of armed combat aircraft having an empty weight of 15,000 kilograms or greater and of missiles having a range of 300 kilometers or greater, the

destructive capability of any such armaments produced within a category would be compensated for by the destruction of sufficient armaments within that category to the end that the ten percent reduction in destructive capability as well as numbers in each of these categories in each step, and the resulting thirty percent reduction in Stage I, would be achieved.

c. Should a Party to the Treaty elect to reduce its production in any category at a more rapid rate than required by the allowances provided in subparagraph b above, that Party would be entitled to retain existing armaments to the extent of the unused portion of its production allowance. In any such instance, any armament so retained would be compensated for in the manner set forth in subparagraph b(1) and, where applicable, b(2) above to the end that the ten percent reduction in numbers and, where applicable, destructive capability in each category in each step, and the resulting thirty percent reduction in Stage I, would be achieved.

d. The flight testing of missiles would be limited to agreed annual quotas.

e. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing measures were not conducted at undeclared locations.

## 4. Additional Measures

The Parties to the Treaty would agree to examine unresolved questions relating to means of accomplishing in Stages II and III the reduction and eventual elimination of production and stockpiles of chemical and biological weapons of mass destruction. In light of this examination, the Parties to the Treaty would agree to arrangements concerning chemical and biological weapons of mass destruction.

## B. Armed Forces

### 1. Reduction of Armed Forces

Force levels for the United States of America and the Union of Soviet Socialist Republics would be reduced to 2.1 million each and for other specified Parties to the Treaty to agreed levels not exceeding 2.1 million each. All other Parties to the Treaty would, with agreed exceptions, reduce their force levels to 100,000 or one percent of their population, whichever were higher, provided that in no case would the force levels of such other Parties to the Treaty exceed levels in existence upon the entry into force of the Treaty.

### 2. Armed Forces Subject to Reduction

Agreed force levels would include all full-time, uniformed personnel maintained by national governments in the following categories:

a. Career personnel of active armed forces and other personnel serving in the active armed forces on fixed engagements or contracts.

b. Conscripts performing their required period of full-time active duty as fixed by national law.

c. Personnel of militarily organized security forces

and of other forces or organizations equipped and organized to perform a military mission.

### 3. Method of Reduction of Armed Forces

The reduction of force levels would be carried out in the following manner:

a. Those Parties to the Treaty which were subject to the foregoing reductions would submit to the International Disarmament Organization a declaration stating their force levels at the agreed date.

b. Force level reductions would be accomplished in three steps, each having a duration of one year. During each step force levels would be reduced by one-third of the difference between force levels existing at the agreed date and the levels to be reached at the end of Stage I.

c. In accordance with arrangements that would be set forth in the annex on verification, the International Disarmament Organization would verify the reduction of force levels and provide assurance that retained forces did not exceed agreed levels.

### 4. Additional Measures

The Parties to the Treaty which were subject to the foregoing reductions would agree upon appropriate arrangements, including procedures for consultation, in order to ensure that civilian employment by military establishments would be in accordance with the objectives of the obligations respecting force levels.

## C. Nuclear Weapons

### 1. Production of Fissionable Materials for Nuclear Weapons

a. The Parties to the Treaty would halt the production of fissionable materials for use in nuclear weapons.

b. This measure would be carried out in the following manner:

(1) The Parties to the Treaty would submit to the International Disarmament Organization a declaration listing by name, location and production capacity every facility under their jurisdiction capable of producing and processing fissionable materials at the agreed date.

(2) Production of fissionable materials for purposes other than use in nuclear weapons would be limited to agreed levels. The Parties to the Treaty would submit to the International Disarmament Organization periodic declarations stating the amounts and types of fissionable materials which were still being produced at each facility.

(3) In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared facilities and would provide assurance that activities subject to the foregoing limitations were not conducted at undeclared facilities.

### 2. Transfer of Fissionable Material to Purposes Other Than Use in Nuclear Weapons

a. Upon the cessation of production of fissionable materials for use in nuclear weapons, the United States of America and the Union of Soviet Socialist Republics would each transfer to purposes other than use in nu-

clear weapons an agreed quantity of weapons-grade U-235 from past production. The purposes for which such materials would be used would be determined by the state to which the material belonged, provided that such materials were not used in nuclear weapons.

b. To ensure that the transferred materials were not used in nuclear weapons, such materials would be placed under safeguards and inspection by the International Disarmament Organization either in stockpiles or at the facilities in which they would be utilized for purposes other than use in nuclear weapons. Arrangements for such safeguards and inspection would be set forth in the annex on verification.

### 3. Transfer of Fissionable Materials Between States for Peaceful Uses of Nuclear Energy

a. Any transfer of fissionable materials between states would be for purposes other than for use in nuclear weapons and would be subject to a system of safeguards to ensure that such materials were not used in nuclear weapons.

b. The system of safeguards to be applied for this purpose would be developed in agreement with the International Atomic Energy Agency and would be set forth in an annex to the Treaty.

### 4. Non-Transfer of Nuclear Weapons

The Parties to the Treaty would agree to seek to prevent the creation of further national nuclear forces. To this end the Parties would agree that:

a. Any Party to the Treaty which had manufactured, or which at any time manufactures, a nuclear weapon would:

(1) Not transfer control over any nuclear weapons to a state which had not manufactured a nuclear weapon before an agreed date;

(2) Not assist any such state in manufacturing any nuclear weapons.

b. Any Party to the Treaty which had not manufactured a nuclear weapon before the agreed date would:

(1) Not acquire, or attempt to acquire, control over any nuclear weapons;

(2) Not manufacture, or attempt to manufacture, any nuclear weapons.

### 5. Nuclear Weapons Test Explosions

a. If an agreement prohibiting nuclear weapons test explosions and providing for effective international control had come into force prior to the entry into force of the Treaty, such agreement would become an annex to the Treaty, and all the Parties to the Treaty would be bound by the obligations specified in the agreement.

b. If, however, no such agreement had come into force prior to the entry into force of the Treaty, all nuclear weapons test explosions would be prohibited, and the procedures for effective international control would be set forth in an annex to the Treaty.

### 6. Additional Measures

The Parties to the Treaty would agree to examine remaining unresolved questions relating to the means of accomplishing in Stages II and III the reduction and

eventual elimination of nuclear weapons stockpiles. In the light of this examination, the Parties to the Treaty would agree to arrangements concerning nuclear weapons stockpiles.

#### D. *Outer Space*

##### 1. Prohibition of Weapons of Mass Destruction in Orbit

The Parties to the Treaty would agree not to place in orbit weapons capable of producing mass destruction.

##### 2. Peaceful Cooperation in Space

The Parties to the Treaty would agree to support increased international cooperation in peaceful uses of outer space in the United Nations or through other appropriate arrangements.

##### 3. Notification and Pre-launch Inspection

With respect to the launching of space vehicles and missiles:

a. Those Parties to the Treaty which conducted launchings of space vehicles or missiles would provide advance notification of such launchings to other Parties to the Treaty and to the International Disarmament Organization together with the track of the space vehicle or missile. Such advance notification would be provided on a timely basis to permit pre-launch inspection of the space vehicle or missile to be launched.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would conduct pre-launch inspection of space vehicles and missiles and would establish and operate any arrangements necessary for detecting unreported launchings.

##### 4. Limitations on Production and on Related Activities

The production, stockpiling and testing of boosters for space vehicles would be subject to agreed limitations. Such activities would be monitored by the International Disarmament Organization in accordance with arrangements which would be set forth in the annex on verification.

#### E. *Military Expenditures*

##### 1. Report on Expenditures

The Parties to the Treaty would submit to the International Disarmament Organization at the end of each step of each stage a report on their military expenditures. Such reports would include an itemization of military expenditures.

##### 2. Verifiable Reduction of Expenditures

The Parties to the Treaty would agree to examine questions related to the verifiable reduction of military expenditures. In the light of this examination, the Parties to the Treaty would consider appropriate arrangements respecting military expenditures.

#### F. *Reduction of the Risk of War*

In order to promote confidence and reduce the risk of war, the Parties to the Treaty would agree to the following measures:

##### 1. Advance Notification of Military Movements and Maneuvers

Specified Parties to the Treaty would give advance notification of major military movements and maneuvers to other Parties to the Treaty and to the International Disarmament Organization. Specific arrangements relating to this commitment, including the scale of movements and maneuvers to be reported and the information to be transmitted, would be agreed.

##### 2. Observation Posts

Specified Parties to the Treaty would permit observation posts to be established at agreed locations, including major ports, railway centers, motor highways, river crossings, and air bases to report on concentrations and movements of military forces. The number of such posts could be progressively expanded in each successive step of Stage I. Specific arrangements relating to such observation posts, including the location and staffing of posts, the method of receiving and reporting information, and the schedule for installation of posts would be agreed.

##### 3. Additional Observation Arrangements

The Parties to the Treaty would establish such additional observation arrangements as might be agreed. Such arrangements could be extended in an agreed manner during each step of Stage I.

##### 4. Exchange of Military Missions

Specified Parties to the Treaty would undertake the exchange of military missions between states or groups of states in order to improve communications and understanding between them. Specific arrangements respecting such exchanges would be agreed.

##### 5. Communications Between Heads of Government

Specified Parties to the Treaty would agree to the establishment of rapid and reliable communications among their heads of government and with the Secretary General of the United Nations. Specific arrangements in this regard would be subject to agreement among the Parties concerned and between such Parties and the Secretary General.

##### 6. International Commission on Reduction of the Risk of War

The Parties to the Treaty would establish an International Commission on Reduction of the Risk of War as a subsidiary body of the International Disarmament Organization to examine and make recommendations regarding further measures that might be undertaken during Stage I or subsequent stages of disarmament to reduce the risk of war by accident, miscalculation, failure of communications, or surprise attack. Specific arrangements for such measures as might be agreed to by all or some of the Parties to the Treaty would be subject to agreement among the Parties concerned.

#### G. *The International Disarmament Organization*

##### 1. Establishment of the International Disarmament Organization

The International Disarmament Organization would be

established upon the entry into force of the Treaty and would function within the framework of the United Nations and in accordance with the terms and conditions of the Treaty.

## 2. Cooperation of the Parties to the Treaty

The Parties to the Treaty would agree to cooperate promptly and fully with the International Disarmament Organization and to assist the International Disarmament Organization in the performance of its functions and in the execution of the decisions made by it in accordance with the provisions of the Treaty.

## 3. Verification Functions of the International Disarmament Organization

The International Disarmament Organization would verify disarmament measures in accordance with the following principles which would be implemented through specific arrangements set forth in the annex on verification:

a. Measures providing for reduction of armaments would be verified by the International Disarmament Organization at agreed depots and would include verification of the destruction of armaments and, where appropriate, verification of the conversion of armaments to peaceful uses. Measures providing for reduction of armed forces would be verified by the International Disarmament Organization either at the agreed depots or other agreed locations.

b. Measures halting or limiting production, testing, and other specified activities would be verified by the International Disarmament Organization. Parties to the Treaty would declare the nature and location of all production and testing facilities and other specified activities. The International Disarmament Organization would have access to relevant facilities and activities wherever located in the territory of such Parties.

c. Assurance that agreed levels of armaments and armed forces were not exceeded and that activities limited or prohibited by the Treaty were not being conducted clandestinely would be provided by the International Disarmament Organization through agreed arrangements which would have the effect of providing that the extent of inspection during any step or stage would be related to the amount of disarmament being undertaken and to the degree of risk to the Parties to the Treaty of possible violations. This might be accomplished, for example, by an arrangement embodying such features as the following:

(1) All parts of the territory of those Parties to the Treaty to which this form of verification was applicable would be subject to selection for inspection from the beginning of Stage I as provided below.

(2) Parties to the Treaty would divide their territory into an agreed number of appropriate zones and at the beginning of each step of disarmament would submit to the International Disarmament Organization a declaration stating the total level of armaments, forces, and specified types of activities subject to verification within each zone. The exact location of armaments and forces within a zone would not be revealed prior to its selection for inspection.

(3) An agreed number of these zones would be progressively inspected by the International Disarmament Or-

ganization during Stage I according to an agreed time schedule. The zones to be inspected would be selected by procedures which would ensure their selection by Parties to the Treaty other than the Party whose territory was to be inspected or any Party associated with it. Upon selection of each zone, the Party to the Treaty whose territory was to be inspected would declare the exact location of armaments, forces and other agreed activities within the selected zone. During the verification process, arrangements would be made to provide assurance against undeclared movements of the objects of verification to or from the zone or zones being inspected. Both aerial and mobile ground inspection would be employed within the zone being inspected. In so far as agreed measures being verified were concerned, access within the zone would be free and unimpeded, and verification would be carried out with the full cooperation of the state being inspected.

(4) Once a zone had been inspected it would remain open for further inspection while verification was being extended to additional zones.

(5) By the end of Stage III, when all disarmament measures had been completed, inspection would have been extended to all parts of the territory of Parties to the Treaty.

## 4. Composition of the International Disarmament Organization

a. The International Disarmament Organization would have:

(1) A General Conference of all the Parties to the Treaty;

(2) A Control Council consisting of representatives of all the major signatory powers as permanent members and certain other Parties to the Treaty on a rotating basis; and

(3) An Administrator who would administer the International Disarmament Organization under the direction of the Control Council and who would have the authority, staff, and finances adequate to ensure effective and impartial implementation of the functions of the International Disarmament Organization.

b. The General Conference and the Control Council would have power to establish such subsidiary bodies, including expert study groups, as either of them might deem necessary.

## 5. Functions of the General Conference

The General Conference would have the following functions, among others which might be agreed:

a. Electing non-permanent members to the Control Council;

b. Approving certain accessions to the Treaty;

c. Appointing the Administrator upon recommendation of the Control Council;

d. Approving agreements between the International Disarmament Organization and the United Nations and other international organizations;

e. Approving the budget of the International Disarmament Organization;

f. Requesting and receiving reports from the Control

Council and deciding upon matters referred to it by the Control Council;

g. Approving reports to be submitted to bodies of the United Nations;

h. Proposing matters for consideration by the Control Council;

i. Requesting the International Court of Justice to give advisory opinions on legal questions concerning the interpretation or application of the Treaty, subject to a general authorization of this power by the General Assembly of the United Nations;

j. Approving amendments to the Treaty for possible ratification by the Parties to the Treaty;

k. Considering matters of mutual interest pertaining to the Treaty or disarmament in general.

#### 6. Functions of the Control Council

The Control Council would have the following functions, among others which might be agreed:

a. Recommending appointment of the Administrator;

b. Adopting rules for implementing the terms of the Treaty;

c. Establishing procedures and standards for the installation and operation of the verification arrangements, and maintaining supervision over such arrangements and the Administrator;

d. Establishing procedures for making available to the Parties to the Treaty data produced by verification arrangements;

e. Considering reports of the Administrator on the progress of disarmament measures and of their verification, and on the installation and operation of the verification arrangements;

f. Recommending to the Conference approval of the budget of the International Disarmament Organization;

g. Requesting the International Court of Justice to give advisory opinions on legal questions concerning the interpretation or application of the Treaty, subject to a general authorization of this power by the General Assembly of the United Nations;

h. Recommending to the Conference approval of certain accessions to the Treaty;

i. Considering matters of mutual interest pertaining to the Treaty or to disarmament in general.

#### 7. Functions of the Administrator

The Administrator would have the following functions, among others which might be agreed:

a. Administering the installation and operation of the verification arrangements, and serving as Chief Executive Officer of the International Disarmament Organization;

b. Making available to the Parties to the Treaty data produced by the verification arrangements;

c. Preparing the budget of the International Disarmament Organization;

d. Making reports to the Control Council on the progress of disarmament measures and of their verification, and on the installation and operation of the verification arrangements.

#### 8. Privileges and Immunities

The privileges and immunities which the Parties to the

Treaty would grant to the International Disarmament Organization and its staff and to the representatives of the Parties to the International Disarmament Organization, and the legal capacity which the International Disarmament Organization should enjoy in the territory of each of the Parties to the Treaty would be specified in an annex to the Treaty.

#### 9. Relations with the United Nations and Other International Organizations

a. The International Disarmament Organization, being established within the framework of the United Nations, would conduct its activities in accordance with the purposes and principles of the United Nations. It would maintain close working arrangements with the United Nations, and the Administrator of the International Disarmament Organization would consult with the Secretary General of the United Nations on matters of mutual interest.

b. The Control Council of the International Disarmament Organization would transmit to the United Nations annual and other reports on the activities of the International Disarmament Organization.

c. Principal organs of the United Nations could make recommendations to the International Disarmament Organization, which would consider them and report to the United Nations on action taken.

*Note:* The above outline does not cover all the possible details or aspects of relationships between the International Disarmament Organization and the United Nations.

## II. Measures To Strengthen Arrangements for Keeping the Peace

### 1. Obligations Concerning the Threat or Use of Force

The Parties to the Treaty would undertake obligations to refrain, in their international relations, from the threat or use of force of any type—including nuclear, conventional, chemical or biological means of warfare—contrary to the purposes and principles of the United Nations Charter.

### 2. Rules of International Conduct

a. The Parties to the Treaty would agree to support a study by a subsidiary body of the International Disarmament Organization of the codification and progressive development of rules of international conduct related to disarmament.

b. The Parties to the Treaty would refrain from indirect aggression and subversion. The subsidiary body provided for in subparagraph a would also study methods of assuring states against indirect aggression or subversion.

### 3. Peaceful Settlement of Disputes

a. The Parties to the Treaty would utilize all appropriate processes for the peaceful settlement of all disputes which might arise between them and any other state, whether or not a Party to the Treaty, including negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, submission to the Security Council or the General As-

sembly of the United Nations, or other peaceful means of their choice.

b. The Parties to the Treaty would agree that disputes concerning the interpretation or application of the Treaty which were not settled by negotiation or by the International Disarmament Organization would be subject to referral by any party to the dispute to the International Court of Justice, unless the parties concerned agreed on another mode of settlement.

c. The Parties to the Treaty would agree to support a study under the General Assembly of the United Nations of measures which should be undertaken to make existing arrangements for the peaceful settlement of international disputes, whether legal or political in nature, more effective; and to institute new procedures and arrangements where needed.

#### 4. Maintenance of International Peace and Security

The Parties to the Treaty would agree to support measures strengthening the structure, authority, and operation of the United Nations so as to improve its capability to maintain international peace and security.

#### 5. United Nations Peace Force

The Parties to the Treaty would undertake to develop arrangements during Stage I for the establishment in Stage II of a United Nations Peace Force. To this end, the Parties to the Treaty would agree on the following measures within the United Nations:

a. Examination of the experience of the United Nations leading to a further strengthening of United Nations forces for keeping the peace;

b. Examination of the feasibility of concluding promptly the agreements envisaged in Article 43 of the United Nations Charter;

c. Conclusion of an agreement for the establishment of a United Nations Peace Force in Stage II, including definitions of its purpose, mission, composition and strength, disposition, command and control, training, logistical support, financing, equipment and armaments.

#### 6. United Nations Peace Observation Corps

The Parties to the Treaty would agree to support the establishment within the United Nations of a Peace Observation Corps, staffed with a standing cadre of observers who could be despatched promptly to investigate any situation which might constitute a threat to or a breach of the peace. Elements of the Peace Observation Corps could also be stationed as appropriate in selected areas throughout the world.

##### I. Transition

1. Transition from Stage I to Stage II would take place at the end of Stage I, upon a determination that the following circumstances existed:

a. All undertakings to be carried out in Stage I had been carried out;

b. All preparations required for Stage II had been made; and

c. All militarily significant states had become Parties to the Treaty.

2. During the last three months of Stage I, the Control Council would review the situation respecting these circumstances with a view to determining whether these circumstances existed at the end of Stage I.

3. If, at the end of Stage I, one or more permanent members of the Control Council should declare that the foregoing circumstances did not exist, the agreed period of Stage I would, upon the request of such permanent member or members, be extended by a period or periods totalling no more than three months for the purpose of bringing about the foregoing circumstances.

4. If, upon the expiration of such period or periods, one or more of the permanent members of the Control Council should declare that the foregoing circumstances still did not exist, the question would be placed before a special session of the Security Council; transition to Stage II would take place upon a determination by the Security Council that the foregoing circumstances did in fact exist.

#### STAGE II

Stage II would begin upon the transition from Stage I and would be completed within three years from that date.

During Stage II, the Parties to the Treaty would undertake:

1. To continue all obligations undertaken during Stage I;

2. To reduce further the armaments and armed forces reduced during Stage I and to carry out additional measures of disarmament in the manner outlined below;

3. To ensure that the International Disarmament Organization would have the capacity to verify in the agreed manner the obligations undertaken during Stage II; and

4. To strengthen further the arrangements for keeping the peace through the establishment of a United Nations Peace Force and through the additional measures outlined below.

##### A. Armaments

###### 1. Reduction of Armaments

a. Those Parties to the Treaty which had during Stage I reduced their armaments in agreed categories by thirty percent would during Stage II further reduce each type of armaments in the categories listed in Section A, subparagraph 1.b of Stage I by fifty percent of the inventory existing at the end of Stage I.

b. Those Parties to the Treaty which had not been subject to measures for the reduction of armaments during Stage I would submit to the International Disarmament Organization an appropriate declaration respecting the inventories by types, within the categories listed in Stage I, of their armaments existing at the beginning of Stage II. Such Parties to the Treaty would during Stage II reduce the inventory of each type of such armaments by sixty-five percent in order that such Parties would accomplish the same total percentage of reduction by the end of Stage II as would be accomplished by those Parties to the Treaty which had reduced their armaments by thirty percent in Stage I.

###### 2. Additional Armaments Subject to Reduction

a. The Parties to the Treaty would submit to the Inter-

national Disarmament Organization a declaration respecting their inventories existing at the beginning of Stage II of the additional types of armaments in the categories listed in subparagraph b below, and would during Stage II reduce the inventory of each type of such armaments by fifty percent.

b. All types of armaments within further agreed categories would be subject to reduction in Stage II (the following list of categories is illustrative):

(1) Armed combat aircraft having an empty weight of up to 2,500 kilograms (declarations by types).

(2) Specified types of unarmed military aircraft (declarations by types).

(3) Missiles and free rockets having a range of less than 10 kilometers (declarations by types).

(4) Mortars and rocket launchers having a caliber of less than 100 mm. (declarations by types).

(5) Specified types of unarmored personnel carriers and transport vehicles (declarations by types).

(6) Combatant ships with standard displacement of 400 tons or greater which had not been included among the armaments listed in Stage I, and combatant ships with standard displacement of less than 400 tons (declarations by types).

(7) Specified types of non-combatant naval vessels (declarations by types).

(8) Specified types of small arms (declarations by types).

c. Specified categories of ammunition for armaments listed in Stage I, Section A, subparagraph 1.b and in subparagraph b above would be reduced to levels consistent with the levels of armaments agreed for the end of Stage II.

### 3. Method of Reduction

The foregoing measures would be carried out and would be verified by the International Disarmament Organization in a manner corresponding to that provided for in Stage I, Section A, paragraph 2.

### 4. Limitation on Production of Armaments and on Related Activities

a. The Parties to the Treaty would halt the production of armaments in the specified categories except for production, within agreed limits, of parts required for maintenance of the agreed retained armaments.

b. The production of ammunition in specified categories would be reduced to agreed levels consistent with the levels of armaments agreed for the end of Stage II.

c. The Parties to the Treaty would halt development and testing of new types of armaments. The flight testing of existing types of missiles would be limited to agreed annual quotas.

d. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing measures were not conducted at undeclared locations.

### 5. Additional Measures

a. In the light of their examination during Stage I of

the means of accomplishing the reduction and eventual elimination of production and stockpiles of chemical and biological weapons of mass destruction, the Parties to the Treaty would undertake the following measures respecting such weapons:

(1) The cessation of all production and field testing of chemical and biological weapons of mass destruction.

(2) The reduction, by agreed categories, of stockpiles of chemical and biological weapons of mass destruction to levels fifty percent below those existing at the beginning of Stage II.

(3) The dismantling or conversion to peaceful uses of all facilities engaged in the production or field testing of chemical and biological weapons of mass destruction.

b. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

c. In accordance with arrangements which would be set forth in the annex on verification the International Disarmament Organization would verify the foregoing measures and would provide assurance that retained levels of chemical and biological weapons did not exceed agreed levels and that activities subject to the foregoing limitations were not conducted at undeclared locations.

## B. Armed Forces

### 1. Reduction of Armed Forces

a. Those Parties to the Treaty which had been subject to measures providing for reduction of force levels during Stage I would further reduce their force levels on the following basis:

(1) Force levels of the United States of America and the Union of Soviet Socialist Republics would be reduced to levels fifty percent below the levels agreed for the end of Stage I.

(2) Force levels of other Parties to the Treaty which had been subject to measures providing for the reduction of force levels during Stage I would be further reduced, on the basis of an agreed percentage, below the levels agreed for the end of Stage I to levels which would not in any case exceed the agreed level for the United States of America and the Union of Soviet Socialist Republics at the end of Stage II.

b. Those Parties to the Treaty which had not been subject to measures providing for the reduction of armed forces during Stage I would reduce their force levels to agreed levels consistent with those to be reached by other Parties which had reduced their force levels during Stage I as well as Stage II. In no case would such agreed levels exceed the agreed level for the United States of America and the Union of Soviet Socialist Republics at the end of Stage II.

c. Agreed levels of armed forces would include all personnel in the categories set forth in Section B, paragraph 2 of Stage I.

### 2. Method of Reduction

The further reduction of force levels would be carried out and would be verified by the International Disarmament Organization in a manner corresponding to that

provided for in Section B, paragraph 3 of Stage I.

### 3. Additional Measures

Agreed limitations consistent with retained force levels would be placed on compulsory military training, and on refresher training for reserve forces of the Parties to the Treaty.

### C. Nuclear Weapons

#### 1. Reduction of Nuclear Weapons

In the light of their examination during Stage I of the means of accomplishing the reduction and eventual elimination of nuclear weapons stockpiles, the Parties to the Treaty would undertake to reduce in the following manner remaining nuclear weapons and fissionable materials for use in nuclear weapons:

a. The Parties to the Treaty would submit to the International Disarmament Organization a declaration stating the amounts, types and nature of utilization of all their fissionable materials.

b. The Parties to the Treaty would reduce the amounts and types of fissionable materials declared for use in nuclear weapons to minimum levels on the basis of agreed percentages. The foregoing reduction would be accomplished through the transfer of such materials to purposes other than use in nuclear weapons. The purposes for which such materials would be used would be determined by the state to which the materials belonged, provided that such materials were not used in nuclear weapons.

c. The Parties to the Treaty would destroy the non-nuclear components and assemblies of nuclear weapons from which fissionable materials had been removed to effect the foregoing reduction of fissionable materials for use in nuclear weapons.

d. Production or refabrication of nuclear weapons from any remaining fissionable materials would be subject to agreed limitations.

e. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

f. In accordance with arrangements that would be set forth in the verification annex to the Treaty, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing limitations were not conducted at undeclared locations.

#### 2. Registration of Nuclear Weapons for Verification Purposes

To facilitate verification during Stage III that no nuclear weapons remained at the disposal of the Parties to the Treaty, those Parties to the Treaty which possessed nuclear weapons would, during the last six months of Stage II, register and serialize their remaining nuclear weapons and would register remaining fissionable materials for use in such weapons. Such registration and serialization would be carried out with the International Disarmament Organization in accordance with procedures which would be set forth in the annex on verification.

### D. Military Bases and Facilities

#### 1. Reduction of Military Bases and Facilities

The Parties to the Treaty would dismantle or convert to peaceful uses agreed military bases and facilities, wherever they might be located.

#### 2. Method of Reduction

a. The list of military bases and facilities subject to the foregoing measures and the sequence and arrangements for dismantling or converting them to peaceful uses would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures.

### E. Reduction of the Risk of War

In the light of the examination by the International Commission on Reduction of the Risk of War during Stage I the Parties to the Treaty would undertake such additional arrangements as appeared desirable to promote confidence and reduce the risk of war. The Parties to the Treaty would also consider extending and improving the measures undertaken in Stage I for this purpose. The Commission would remain in existence to examine extensions, improvements or additional measures which might be undertaken during and after Stage II.

### F. The International Disarmament Organization

The International Disarmament Organization would be strengthened in the manner necessary to ensure its capacity to verify the measures undertaken in Stage II through an extension of the arrangements based upon the principles set forth in Section G, paragraph 3 of Stage I.

### G. Measures to Strengthen Arrangements for Keeping the Peace

#### 1. Peaceful Settlement of Disputes

a. In light of the study of peaceful settlement of disputes conducted during Stage I, the Parties to the Treaty would agree to such additional steps and arrangements as were necessary to assure the just and peaceful settlement of international disputes, whether legal or political in nature.

b. The Parties to the Treaty would undertake to accept without reservation, pursuant to Article 36, paragraph 1 of the Statute of the International Court of Justice, the compulsory jurisdiction of that Court to decide international legal disputes.

#### 2. Rules of International Conduct

a. The Parties to the Treaty would continue their support of the study by the subsidiary body of the International Disarmament Organization initiated in Stage I to study the codification and progressive development of rules of international conduct related to disarmament. The Parties to the Treaty would agree to the establishment of procedures whereby rules recommended by the subsidiary body and approved by the Control Council would be circulated to all Parties to the Treaty and would become effective three months thereafter unless a majority of the Parties to the Treaty signified their disapproval, and whereby the Parties to the Treaty would be bound by rules which had become effective in this way unless, within a period of one year from the effective date,

they formally notified the International Disarmament Organization that they did not consider themselves so bound. Using such procedures, the Parties to the Treaty would adopt such rules of international conduct related to disarmament as might be necessary to begin Stage III.

b. In the light of the study of indirect aggression and subversion conducted in Stage I, the Parties to the Treaty would agree to arrangements necessary to assure states against indirect aggression and subversion.

### 3. United Nations Peace Force

The United Nations Peace Force to be established as the result of the agreement reached during Stage I would come into being within the first year of Stage II and would be progressively strengthened during Stage II.

### 4. United Nations Peace Observation Corps

The Parties to the Treaty would conclude arrangements for the expansion of the activities of the United Nations Peace Observation Corps.

### 5. National Legislation

Those Parties to the Treaty which had not already done so would, in accordance with their constitutional processes, enact national legislation in support of the Treaty imposing legal obligations on individuals and organizations under their jurisdiction and providing appropriate penalties for noncompliance.

## II. Transition

1. Transition from Stage II to Stage III would take place at the end of Stage II, upon a determination that the following circumstances existed:

a. All undertakings to be carried out in Stage II had been carried out;

b. All preparations required for Stage III had been made; and

c. All states possessing armed forces and armaments had become Parties to the Treaty.

2. During the last three months of Stage II, the Control Council would review the situation respecting these circumstances with a view to determining at the end of Stage II whether they existed.

3. If, at the end of Stage II, one or more permanent members of the Control Council should declare that the foregoing circumstances did not exist, the agreed period of Stage II would, upon the request of such permanent member or members, be extended by a period or periods totalling no more than three months for the purpose of bringing about the foregoing circumstances.

4. If, upon the expiration of such period or periods, one or more of the permanent members of the Control Council should declare that the foregoing circumstances still did not exist, the question would be placed before a special session of the Security Council; transition to Stage III would take place upon a determination by the Security Council that the foregoing circumstances did in fact exist.

## STAGE III

Stage III would begin upon the transition from Stage II and would be completed within an agreed period of time as promptly as possible.

During Stage III, the Parties to the Treaty would undertake:

1. To continue all obligations undertaken during Stages I and II;

2. To complete the process of general and complete disarmament in the manner outlined below;

3. To ensure that the International Disarmament Organization would have the capacity to verify in the agreed manner the obligations undertaken during Stage III and of continuing verification subsequent to the completion of Stage III; and

4. To strengthen further the arrangements for keeping the peace during and following the achievement of general and complete disarmament through the additional measures outlined below.

### A. Armaments

#### 1. Reduction of Armaments

Subject to agreed requirements for non-nuclear armaments of agreed types for national forces required to maintain internal order and protect the personal security of citizens, the Parties to the Treaty would eliminate all armaments remaining at their disposal at the end of Stage II.

#### 2. Method of Reduction

a. The foregoing measure would be carried out in an agreed sequence and through arrangements that would be set forth in an annex to the Treaty.

b. In accordance with arrangements that would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures and would provide assurance that retained armaments were of the agreed types and did not exceed agreed levels.

#### 3. Limitations on Production of Armaments and on Related Activities

a. Subject to agreed arrangements in support of national forces required to maintain internal order and protect the personal security of citizens and subject to agreed arrangements in support of the United Nations Peace Force, the Parties to the Treaty would halt all applied research, development, production, and testing of armaments and would cause to be dismantled or converted to peaceful uses all facilities for such purposes.

b. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

c. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures at declared locations and would provide assurance that activities subject to the foregoing measures were not conducted at undeclared locations.

### B. Armed Forces

#### 1. Reduction of Armed Forces

To the end that upon completion of Stage III they would have at their disposal only those forces and organizational arrangements necessary for agreed forces

to maintain internal order and protect the personal security of citizens and that they would be capable of providing agreed manpower for the United Nations Peace Force, the Parties to the Treaty would complete the reduction of their force levels, disband systems of reserve forces, cause to be disbanded organizational arrangements comprising and supporting their national military establishment, and terminate the employment of civilian personnel associated with the foregoing.

## 2. Method of Reduction

a. The foregoing measures would be carried out in an agreed sequence through arrangements which would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures and would provide assurance that the only forces and organizational arrangements retained or subsequently established were those necessary for agreed forces required to maintain internal order and to protect the personal security of citizens and those for providing agreed manpower for the United Nations Peace Force.

## 3. Other Limitations

The Parties to the Treaty would halt all military conscription and would undertake to annul legislation concerning national military establishments or military service inconsistent with the foregoing measures.

## C. Nuclear Weapons

### 1. Reduction of Nuclear Weapons

In light of the steps taken in Stages I and II to halt the production of fissionable material for use in nuclear weapons and to reduce nuclear weapons stockpiles, the Parties to the Treaty would eliminate all nuclear weapons remaining at their disposal, would cause to be dismantled or converted to peaceful use all facilities for production of such weapons, and would transfer all materials remaining at their disposal for use in such weapons to purposes other than use in such weapons.

### 2. Method of Reduction

a. The foregoing measures would be carried out in an agreed sequence and through arrangements which would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measures and would provide assurance that no nuclear weapons or materials for use in such weapons remained at the disposal of the Parties to the Treaty and that no such weapons or materials were produced at undeclared facilities.

## D. Military Bases and Facilities

### 1. Reduction of Military Bases and Facilities

The Parties to the Treaty would dismantle or convert to peaceful uses the military bases and facilities remaining at their disposal, wherever they might be located, in

an agreed sequence except for such agreed bases or facilities within the territory of the Parties to the Treaty for agreed forces required to maintain internal order and protect the personal security of citizens.

### 2. Method of Reduction

a. The list of military bases and facilities subject to the foregoing measure and the sequence and arrangements for dismantling or converting them to peaceful uses during Stage III would be set forth in an annex to the Treaty.

b. In accordance with arrangements which would be set forth in the annex on verification, the International Disarmament Organization would verify the foregoing measure at declared locations and provide assurance that there were no undeclared military bases and facilities.

## E. Research and Development of Military Significance

### 1. Reporting Requirement

The Parties to the Treaty would undertake the following measures respecting research and development of military significance subsequent to Stage III:

a. The Parties to the Treaty would report to the International Disarmament Organization any basic scientific discovery and any technological invention having potential military significance.

b. The Control Council would establish such expert study groups as might be required to examine the potential military significance of such discoveries and inventions and, if necessary, to recommend appropriate measures for their control. In the light of such expert study, the Parties to the Treaty would, where necessary, establish agreed arrangements providing for verification by the International Disarmament Organization that such discoveries and inventions were not utilized for military purposes. Such arrangements would become an annex to the Treaty.

c. The Parties to the Treaty would agree to appropriate arrangements for protection of the ownership rights of all discoveries and inventions reported to the International Disarmament Organization in accordance with subparagraph a above.

### 2. International Cooperation

The Parties to the Treaty would agree to support full international cooperation in all fields of scientific research and development, and to engage in free exchange of scientific and technical information and free interchange of views among scientific and technical personnel.

## F. Reduction of the Risk of War

### 1. Improved Measures

In the light of the Stage II examination by the International Commission on Reduction of the Risk of War, the Parties to the Treaty would undertake such extensions and improvements of existing arrangements and such additional arrangements as appeared desirable to promote confidence and reduce the risk of war. The Commission would remain in existence to examine ex-

tensions, improvements or additional measures which might be taken during and after Stage III.

## 2. Application of Measures to Continuing Forces

The Parties to the Treaty would apply to national forces required to maintain internal order and protect the personal security of citizens those applicable measures concerning the reduction of the risk of war that had been applied to national armed forces in Stages I and II.

## G. *The International Disarmament Organization*

The International Disarmament Organization would be strengthened in the manner necessary to ensure its capacity (1) to verify the measures undertaken in Stage III through an extension of arrangements based upon the principles set forth in Section G, paragraph 3 of Stage I so that by the end of Stage III, when all disarmament measures had been completed, inspection would have been extended to all parts of the territory of Parties to the Treaty; and (2) to provide continuing verification of disarmament after the completion of Stage III.

## H. *Measures to Strengthen Arrangements for Keeping the Peace*

### I. Peaceful Change and Settlement of Disputes

The Parties to the Treaty would undertake such additional steps and arrangements as were necessary to provide a basis for peaceful change in a disarmed world and to continue the just and peaceful settlement of all international disputes, whether legal or political in nature.

### 2. Rules of International Conduct

The Parties to the Treaty would continue the codification and progressive development of rules of international conduct related to disarmament in the manner provided in Stage II and by any other agreed procedure.

### 3. United Nations Peace Force

The Parties to the Treaty would progressively strengthen the United Nations Peace Force established in Stage II until it had sufficient armed forces and armaments so that no state could challenge it.

## I. *Completion of Stage III*

1. At the end of the time period agreed for Stage III, the Control Council would review the situation with a view to determining whether all undertakings to be carried out in Stage III had been carried out.

2. In the event that one or more of the permanent members of the Control Council should declare that such undertakings had not been carried out, the agreed period of Stage III would, upon the request of such permanent member or members, be extended for a period or periods totalling no more than three months for the purpose of completing any uncompleted undertakings. If, upon the expiration of such period or periods, one or more of the permanent members of the Control Council should declare that such undertakings still had not been carried out, the question would be placed before a special session of

the Security Council, which would determine whether Stage III had been completed.

3. After the completion of Stage III, the obligations undertaken in Stages I, II and III would continue.

## GENERAL PROVISIONS APPLICABLE TO ALL STAGES

### 1. Subsequent Modifications or Amendments of the Treaty

The Parties to the Treaty would agree to specific procedures for considering amendments or modifications of the Treaty which were believed desirable by any Party to the Treaty in the light of experience in the early period of implementation of the Treaty. Such procedures would include provision for a conference on revision of the Treaty after a specified period of time.

### 2. Interim Agreement

The Parties to the Treaty would undertake such specific arrangements, including the establishment of a Preparatory Commission, as were necessary between the signing and entry into force of the Treaty to ensure the initiation of Stage I immediately upon the entry into force of the Treaty, and to provide an interim forum for the exchange of views and information on topics relating to the Treaty and to the achievement of a permanent state of general and complete disarmament in a peaceful world.

### 3. Parties to the Treaty, Ratification, Accession, and Entry into Force of the Treaty

a. The Treaty would be open to signature and ratification, or accession, by all members of the United Nations or its specialized agencies.

b. Any other state which desired to become a Party to the Treaty could accede to the Treaty with the approval of the Conference on recommendation of the Control Council.

c. The Treaty would come into force when it had been ratified by \_\_\_\_\_ states, including the United States of America, the Union of Soviet Socialist Republics, and an agreed number of the following states:

d. In order to assure the achievement of the fundamental purpose of a permanent state of general and complete disarmament in a peaceful world, the Treaty would specify that the accession of certain militarily significant states would be essential for the continued effectiveness of the Treaty or for the coming into force of particular measures or stages.

e. The Parties to the Treaty would undertake to exert every effort to induce other states or authorities to accede to the Treaty.

f. The Treaty would be subject to ratification or acceptance in accordance with constitutional processes.

g. A Depository Government would be agreed upon which would have all of the duties normally incumbent upon a Depository. Alternatively, the United Nations would be the Depository.

### 4. Finance

a. In order to meet the financial obligations of the International Disarmament Organization, the Parties to the Treaty would bear the International Disarmament

Organization's expenses as provided in the budget approved by the General Conference and in accordance with a scale of apportionment approved by the General Conference.

b. The General Conference would exercise borrowing powers on behalf of the International Disarmament Organization.

#### 5. Authentic Texts

The text of the Treaty would consist of equally authentic versions in English, French, Russian, Chinese and Spanish.

## **President Kennedy and Shah of Iran Discuss Matters of Mutual Interest**

*His Majesty Mohammad Reza Shah Pahlavi, Shahanshah of Iran, accompanied by the Empress Farah, made a state visit to the United States April 10-18. Following is the text of a joint communique issued by President Kennedy and His Imperial Majesty on April 13 at the conclusion of the Washington portion of his visit.*

White House press release dated April 13

The President and His Imperial Majesty have had a cordial and useful exchange of views during the past three days. The visit afforded an opportunity for the President and the Shah to become acquainted personally and to discuss matters of mutual interest to their countries.

Their talks included a review of political and military situations in the world; a discussion of the progress which Iran is making in economic and social advancement; a review of defense arrangements in which the two countries are associated; and aspects of United States economic and military aid programs in Iran.

Secretary of State Dean Rusk, Secretary of Defense Robert S. McNamara and Iranian Foreign Minister Abbas Aram also participated in the talks.

His Imperial Majesty described the form and goals of the Third Iranian Economic Development Plan, which is scheduled to start later this year. The President and His Imperial Majesty agreed on the necessity for further acceleration of economic development in Iran, and on the need for continued external assistance to Iran to enable that country to pursue the goals of its economic development plans.

They discussed and were in complete agreement

on the subject of the nature of the threat to the Middle East and to all free peoples. They reaffirmed the provisions of the bilateral agreement of 1959<sup>1</sup> concerning the maintenance of the independence and territorial integrity of Iran, and agreed on the necessity of collective security arrangements to achieve this end. They also agreed on the necessity of achieving a high level of internal economic development and social welfare in order to continue the internal stability necessary to resist external threats.

The friendly and extensive exchange of views between the President and His Imperial Majesty has been consonant with the close relationship between the two countries and has strengthened the bonds of friendship between them in their quest for common objectives of peace and well-being.

In taking leave of the President, His Imperial Majesty expressed his thanks for the friendly reception accorded him in the United States. Both the President and His Imperial Majesty were gratified by their fruitful discussions and by the spirit of cooperative understanding which marked those discussions.

## **Assistant Secretary Cleveland Visits Europe and Congo**

Press release 262 dated April 21

Harlan Cleveland, Assistant Secretary for International Organization Affairs, will leave the United States on April 24 for a 10-day trip to Europe and the Congo.

Mr. Cleveland will confer with U.S. and international organization officials on future budget and program planning and the coordination of national and internationally administered programs. The discussions will include financial and administrative arrangements under which U.S. contributions to the U.N. are employed in the Congo and elsewhere.

The Bureau of International Organization Affairs, which handles U.N. affairs in the Department, is also responsible for the budgeting and management of U.S. financial contributions to international organizations.

<sup>1</sup> For background and text, see BULLETIN of Mar. 23, 1959, p. 416.

## Attorney General Explains U.S. Goals to People of Japan, Indonesia, and Germany

*Attorney General Robert F. Kennedy's visit to Japan, Indonesia, and Europe in February was reported widely in the United States and throughout the world. The lively, spontaneous exchanges between the Attorney General and those who heard him and the statements of officials in high position are well known.*

*The reportage, nevertheless, did not convey much of the substance of the speeches he had prepared. These speeches were received with great interest, even by his hecklers.*

*It should be remembered that in many cases, particularly in Indonesia and Japan, young intellectuals were hearing for the first time a member of the United States Cabinet.*

*Excerpts from the Attorney General's talks follow.*

### UNIVERSITY OF GADJA MADA, JOGJAKARTA, INDONESIA

February 15, 1962

Let me tell you something of modern-day America and what we stand for.

Freedom possesses many meanings. It speaks not merely in terms of political and religious liberty but also in terms of economic and social progress. Over the years the concept has been an expanding one.

In the United States today freedom speaks out for expanding industrialization, increases in productivity, the better distribution of the rewards of labor, a decent return on investment.

It speaks in terms of laws to prevent monopoly by business, corruption by labor leaders, to prevent stock and bond frauds in investments, to grant a \$1.25 an hour minimum wage for workers.

The last few decades in America have seen the rise of unemployment compensation, social security, pension funds to aid the elderly, medical assistance, and a variety of other benefits that

May 7, 1962

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make impossible the concept of an economic society, such as we were threatened with in the last century by the uncontrolled rise of industrialism, in which the rich got richer and the poor got poorer.

Our society then, still loyal today to its original revolutionary concept of the importance of the individual, sees its goals in the United States in service to mankind in ways never imagined years ago. It reaches out to protect us in our old age; it provides our youth with an ever better education; it bans child labor and starvation wages; it protects our savings in the banks; and more and more it reaches out to newer and greater frontiers that will provide spiritually and economically a richer life.

This is not the society condemned some one hundred years ago as an era of brutal capitalism based on *laissez faire*. This is not the society whose evils Marx thought were beyond the cure of democracy. It is not an economy that tolerates long hours, low wages, child labor, and the bitter hatred between capital and labor that was the core of Marx's Manifesto—a Manifesto that even the Communists now recognize as being economically inaccurate and historically unsound. Indeed, this democratic society boasts of its abolition of these evils and cries out against ideologies of government that demand the suppression of freedom of worship, freedom of speech, and call for the complete domination and subservience of the individual to the needs of the state as determined by a select few.

### NIHON UNIVERSITY, TOKYO, JAPAN

February 6, 1962

The overriding development of the second half of the 20th century is the awakening of peoples in Asia and Africa and Latin America—peoples stirring from centuries of stagnation, suppression,

and dependency. Now they are seeking through national independence the kind of economic and social development which both your country and mine have experienced. These are young nations, trying desperately in the quest for political and social progress to make up for lost centuries. . . .

We have no intention of trying to remake the world in our image, but we have no intention either of permitting any other state to remake the world in its image. . . . The institutions we have devised to achieve our aims may be inappropriate in another culture or another historic setting. The creation of the necessary political and economic machinery to achieve these aims must be performed by the people themselves.

We do not condemn others for their differences in economic and political structures. We understand that newer nations have not had time, even if they so wished, to build institutions relying primarily on private enterprise as we have done. Our privately owned railroads, our airlines, our communications systems, our industries, were not created overnight. These enterprises developed as a result of private initiative at a time when life was far simpler than it is now. We thus had time to permit their slow growth and time to permit the intertwining of many small units into the great systems that the modern age requires, and, under government regulation, time to permit the continuation of private control. In many of the newer nations, government appears to be the only mechanism capable of performing these feats within a reasonable length of time. This we can understand and appreciate. It neither offends us, nor can we deem it hostile.

#### **UNIVERSITY OF INDONESIA, DJAKARTA**

**February 14, 1962**

It is from our own knowledge of difficulties we have faced, as well as from our dedication to the ideal of independence, that we have sought to aid new nations with technical and financial assistance during their crucial early years. Our aim is that they survive, develop, and remain proud and independent.

No period of the world's history has seen the birth in such a short space of time of so many new nations as these post war years.

With more nations, there is bound to be an increase in the forces that, out of jealousies and ambitions, could disturb the peace of the world.

The prolific growth of many nations in the place of a few makes it impossible today for there to be anything resembling the 19th-century *Pax Britannica*.

#### **FREE UNIVERSITY OF BERLIN**

**February 22, 1962**

Our position with regard to Berlin is well known—but, to remove all doubt, let me reaffirm its essential elements today.

We have stood in the past—and we will stand in the future—for the full freedom of the inhabitants of West Berlin and for the continuation of West Berlin's ties with the Federal Republic and the world beyond.

We have stood in the past—and we will stand in the future—for the presence of allied forces in West Berlin, as long as they are necessary and as long as you so desire. We will not allow this presence to be diluted or replaced.

We have stood in the past—and we will stand in the future—for uncontrolled access to and from Berlin. We will permit no interference with this access, as we have recently demonstrated with regard to the air corridors.

We have stood in the past—and we will stand in the future—for an active, viable West Berlin. Berlin will not merely exist. It will grow and prosper.

We stand behind all these positions with the full strength of American power. . . .

Herr Ulbricht himself has confessed that it was to stop the flight of people—to lock up his workers in the workers' paradise—that the wall was built. For the first time in the history of mankind, a political system has had to construct a barrier to keep its people in—and the whole world recognizes the desperate meaning of this act.

They wall their people in.

We set our people free.

Robert Frost, who read from his poetry at the inauguration of our President, once wrote these lines:

Before I built a wall I'd ask to know  
What I was walling in or walling out,  
And to whom I was like to give offence.  
Something there is that doesn't love a wall,  
That wants it down. . . .

What wants this wall down is the whole free spirit of man. . . .

And while today Berlin is divided, as Germany

is divided, by the decision of the Communists, you know and I know that in the end all Berlin and all Germany are one. My country shares with you the peaceful but persistent purpose that Germans shall one day find themselves reunited. This is the true path toward lower tensions and to lessened dangers. We shall continue to hope that as policies of repression fail, and as fears of "revenge" prove unfounded, the Soviet Government, in its own true interest, will come to share this purpose and to cooperate in its realization. . . .

One vestige of injustice in my country has been the treatment of fellow citizens of another color. For a hundred years, despite our claims of equality, we had, as you know, a wall of our own—a wall of segregation erected against Negroes. That wall is coming down through the orderly process of enforcing the laws and securing compliance with court decisions, an area of government where my own responsibilities, as Attorney General, are heavy.

The battle against discrimination in interstate transportation has been won; the conquest of segregation in the public schools is making new progress each school year. Throughout the Nation, the conscience of America has awakened to press the fight against discrimination in employment, in housing, in the use of common facilities. We still have far to go—but the progress we have already made has changed the face of America. . . .

It is communism, not free society, which is dominated by what the Yugoslav Communist, Milovan Djilas, has called the "new class"—the class of party bosses and bureaucrats, who acquire not only privileges but an exemption from criticism which would be unimaginable in democratic society. Far from being a classless society, communism is governed by an elite as steadfast in its determination to maintain its prerogatives as any oligarchy known to history.

## **BEETHOVEN HALL, BONN, GERMANY**

**February 24, 1962**

I trust that you are in no doubt about the enthusiasm with which Americans have hailed the Common Market. We fondly regard it as an application to Europe of the principles which underlie so much of our own economic growth—the abolition of internal trade barriers, the en-

largement of the internal market, and the consequent stimulus to production, innovation, and efficiency.

The announcement of Great Britain's intention to join only perfects the role of the Common Market as one of the vital centers around which the world economy will hereafter revolve.

As yet, the new Europe has not yet found political institutions to match the Common Market. No one should be surprised at this. It is easier to reduce tariffs than to renounce sovereignty. Nor can an American be surprised that economic reciprocity precedes political federation.

I recall that in our history it was the desire to remove obstacles to commerce between the 13 newly independent American States which led to our Constitutional Convention in 1787, and not vice versa.

One cannot foretell today the exact shape and structure of the political community of the new Europe. But no one can doubt that the will to a greater measure of political unity exists in Europe—and no one can doubt that in the end this will find its fulfillment in the creation of common political institutions. . . .

If the new nations have repudiated European rule, they have done so for European reasons. They are fighting for their new societies in terms of European ideals of nationalism and democracy.

It is their commitment to European doctrine which has led them to reject European dominion. The ghosts of Locke and Rousseau—and, if I may say so, Jefferson and Lincoln—preside over the awakening of the East. . . .

It is in all our interests to narrow the frightening gap between the rich nations and the poor—between people living in affluence and comfort and people scratching to survive on less than \$100 a year.

A high standard of living cannot remain the exclusive possession of the West—and the sooner we can help other peoples to develop their resources, raise their living standards, and strengthen their national independence, the safer the world will be for us all. . . .

Fifteen years ago, Europe could not hope to play its rightful role in the common undertaking. Today the new Europe, strong, vital, and rich, must contribute both its wealth and its wisdom to this task. It must do so with generosity and with vigor.

I am happy to note that Germany has recognized

that its responsibilities increase as its capacity develops. The beginnings you have made on your foreign aid program are heartening.

In 1961 I understand that you committed some \$1.4 billion in economic aid to countries throughout the world. Other European nations have also increased their contributions. But we must continually ask ourselves whether this is enough, whether the terms of aid are sufficiently liberal and the magnitude sufficiently large to meet the needs of the developing nations. . . .

There are indications today that, while the free states are working ever more closely together, the Communist system is beginning to exhibit signs of discord and fragmentation.

Moscow says one thing, Peiping another, and the . . . small voice of Tirana compounds the clamor.

This discord is the inevitable result of the attempt to impose a single policy on a world dominated by national traditions and national interests. It confirms our own view that the world is moving, not toward a single centralized order, but toward a unity in diversity, with many nations developing according to their own traditions and abilities. They remain bound by respect for the rights of others, loyalty to the world community, and unshakable faith in the dignity and freedom of man.

#### **BUSINESS COUNCIL, WASHINGTON, D.C.**

**March 14, 1962**

Wherever I visited—in Japan, Indonesia, Thailand, Germany, and Holland—but particularly in Japan and Indonesia I found a great deal of misinformation and misunderstanding about the United States.

The majority of the students abroad are not Communists nor even pro-Communists . . . but many of the students have serious questions about our country and our way of life. Frequently they don't understand us, but they have open minds. . . .

So we have a great problem, but we have a great opportunity and, in my judgment, unless we have an active program to provide these students with the information and facts for which they hunger, we will lose the cold war no matter how much money we spend on aid—military or economic.

But I believe that if we enter this battle for the

minds of tomorrow's leaders with all the vigor and dedication at our command, we will win hands down. I believe this because we have so much going for us—despite what success the articulate, highly disciplined Communist cadres have had.

First, we have the truth on our side. We can admit that everything is not perfect within our borders.

Second, we have this good will and respect that has largely been untapped, and the sharing of the common aspiration of peoples to be free and to be the masters of their own destinies.

Third, we have the evidence—as stark as the wall in Berlin—that wherever free societies have competed directly with Communist societies, it is freedom that has provided the greatest amount of social progress and social justice and has been the most effective in destroying ignorance, disease, hunger, and want.

In Berlin lies an answer to the question of competition. It is an answer so overpowering that it had to be shut from sight by concrete and barbed wire, tanks and machineguns, dogs and guards. The competition has resulted in so disastrous a defeat for communism that the Communists felt they had no alternative but the wall. And this defeat for communism, I found, was recognized . . . wherever we visited. . . .

Let us move cheerfully, courageously, and positively to bring full understanding overseas of the American people's beliefs, aims, progress, and problems.

Let us not do so just because we are against communism but because we believe in the great social progress the American people have made and believe that the most secure basis for peace and progress is in the freedom of men.

#### **President of Ivory Coast To Visit United States**

White House press release dated April 18

President Kennedy announced on April 18 that Felix Houphouet-Boigny, President of the Ivory Coast, has accepted the President's invitation to visit the United States. Beginning May 22 President Houphouet-Boigny will spend 3 days in Washington as a guest of the President. He also will visit New York during the course of his trip.

## A Look at the Middle East Today

by Chester Bowles<sup>1</sup>

I am deeply honored to be asked to address the American Jewish Congress and to be the first recipient of your International Affairs Award. Yours is a long and distinguished record of philanthropy, education, and dedication to the public welfare dating back to 1917.

When it was suggested that I might discuss the current situation in the Middle East, my first instinct was to substitute some other subject. It seemed to me that everything that could possibly be said about the Middle East had been said and then resaid. However, as I thought about developments in the last decade I was impressed by the way the pendulum of American opinion on the Middle East has swung between high hopes and dire forebodings and how it now appears to be resting, momentarily at least, at some intermediate point.

To some extent our present estimate represents a scaling down of our high hopes for the rapid economic development and increasing political cohesiveness of the area. In another sense it reflects a realistic adjustment by our Government, by the Soviet Union, and by the Middle Eastern nations themselves to an enormously complex and difficult situation.

For hundreds of years the people of this crucial area were buffeted by wars and exploitation. World War I generated high hopes for independence, prosperity, and a growing unity. However, the political vacuum created by the collapse of the Ottoman Empire was soon filled by the British and French, and new conflicts replaced the old. In the wake of World War II came the

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<sup>1</sup> Address made before the American Jewish Congress at New York, N.Y., on Apr. 12 (press release 244). Mr. Bowles is the President's Special Representative and Adviser on African, Asian, and Latin American Affairs.

final liquidation of European colonialism in the Arab world and the establishment of Israel as an independent new nation.

In this period of intense bitterness many Americans clung stubbornly to the hope that in the Middle East as elsewhere reason must somehow prevail, that the fast-growing oil revenues could be put to effective use throughout the entire region, that the Arab and Israeli peoples could learn to live and work together, and that such problems as water and refugees would be subject to growing cooperation.

A few years ago, when it began to be clear that these expectations were beyond our immediate grasp, we developed a more pessimistic view. In 1957, for instance, we were deeply concerned by the growing Soviet pressures on the Middle East and the close ties being developed by the Soviets with some countries of the region. There were ominous warnings that Europe might be cut off from Middle Eastern oil.

As we look at the Middle East today, it seems apparent that the situation has been improved in three important but unpublicized respects:

1. Communism as such is gradually losing its luster, and the Soviet Union is emerging as both a modern edition of czarist Russia and a major crude oil competitor to boot.

2. The United States is much less tense in its relations with the nations of the Middle East and less inclined to expect immediate solutions to age-old conflicts.

3. The Middle Eastern nations themselves are becoming less focused on conflicts with their neighbors and more interested in their own internal development.

These three changes add up to a kind of quiet political and economic relaxation which, with a

measure of good luck, may gradually make for lessening tensions and greater opportunities for all concerned. In our crisis-ridden world such relaxation doesn't make headlines, but it may write history. Let us consider these developments.

### **Recent Developments**

Although the Russians, who have been pressing and prodding the Middle East since the days of Peter the Great, would undoubtedly like to extend their present influence, they have run into some formidable roadblocks. Not the least of these is the Middle East's ancient, deeply rooted distrust of foreign powers and its growing sophistication in regard to Soviet objectives.

At the same time the U.S.S.R. has become the largest "independent" producer in the world oil market. Every day it is delivering 450,000 barrels of oil to Western Europe at below world prices in direct competition with the Middle Eastern producers, who formerly controlled two-thirds of this lucrative and fast-growing market.

Several years ago many Americans were concerned that Arab nationalism would become a captive to communism. But in recent years we have seen, I think, how diametrically opposed these two political forces really are and what a powerful obstacle to foreign infiltration the dynamic effort of a developing new country can be. One has only to look at Egypt, where President Nasser is accepting large-scale Soviet aid for the Aswan High Dam while developing his country along strictly pragmatic lines. Far from controlling the United Arab Republic, Khrushchev cannot even convince Nasser to tolerate the activities of the local Communist Party.

At the same time our own Government has recognized the limits of our influence in the Middle East and by trial and error has learned some of the basic facts of life in dealing with this explosive area. We have learned in particular that what we need in the Middle East is less than what we thought we needed and that an emphasis on a maximum military security program is not necessarily the best way to protect our national interests.

What we really want is sufficient restraint to keep border conflicts and clashing ambitions from touching off a worldwide catastrophe and sufficient stability to insure orderly political and economic development. Above all we want to see the nations

of the Middle East grow as independent, self-respecting members of a free-world community, developing their own economies and destinies in accord with their own national ideals.

In the process of our own education in the Middle East, we have learned to live with neutralism and varying forms of alinement as we have learned to live with it elsewhere.

Middle Eastern oil, of course, continues to be of enormous importance to the non-Communist world and particularly to Western Europe. It will remain important for a long time to come.

Yet it has been properly charged that in the past our interest in the Middle East was "too much concerned with oil and kings and not enough with water and people." In any event the development of new fields in Venezuela, Libya, the Sahara, and elsewhere has removed much of the former pressure. Less than one-fifth of our own oil consumption now comes from this area.

At the same time the sharp increase in oil consumption throughout the world is providing the Middle Eastern oil producers with an important share of an enormously expanding pie.

The political importance of Middle Eastern oil lies in the bridge it forms with the more industrialized non-Communist nations; its economic importance is in the large amounts in hard currencies that it provides for Middle East economic development.

We all hope that eventually more of the oil capital of the Persian Gulf can be channeled into the development of the capital-deficient areas along the Mediterranean. Yet thoughtful observers have come to see that this will not come from some single dramatic move such as a development bank but rather as a long-term evolutionary process. The recently created Kuwait Development Fund, which last week made a major loan to Jordan, is a step in the right direction.

### **Needs of the Region**

The needs of the region are appallingly great. Generation after generation of invasions, plagues, massacres, and revolutions have taken their toll on both the human and natural resources of the area. Ruins of great works of irrigation dot most of the deserts. Land once cleared of salt has been allowed to spoil. Drainage ditches have silted in. Irrigation terraces have been destroyed. In an area where almost everything must be wrested

from nature, it is a gigantic task simply to restore the economic foundations of the past.

In recent years a growing number of Middle Eastern leaders have come to see that overriding internal problems such as theirs cannot be solved by rhetoric. There has been increasing concern with the day-to-day problems of internal development such as maldistribution of land, lack of education and modern health services, and long-neglected social reforms.

Meanwhile the United States, with a long record of successes and failures in the Middle East, has learned that it cannot mastermind the political and economic decisions of an entire subcontinent and that dollars alone will not assure a happy society. More particularly we are learning that a vital requirement for an effective U.S. policy in the Middle East as elsewhere is a more sensitive understanding of people—of their overriding desire for greater participation, for an increased sense of belonging, for a growing measure of individual justice and dignity.

Experience has taught us that when these human factors are overlooked rapid economic development often becomes an instrument of frustration by encouraging men to hope for more than they can secure while at the same time disrupting old social relationships.

Yet we also know that the developmental process cannot be stopped.

The challenge is a double one: to find means of meeting the essential economic goals, and to do so in a way that will provide an increasing measure of personal satisfaction for the individual.

### **Injection of Positive Elements**

Although no thoughtful observer will suggest that the answers are at hand, I believe that certain positive elements are now being injected into what, on the surface, may still appear to be old and stagnant societies. In several countries we find a gradually increasing realization that independent, viable nations cannot be created by flamboyant political slogans or fiery radio exchanges but only by capable planning and hard work in a stable political environment. As I think back on a recent visit to the Middle East, several specific examples stick in my mind.

In Iran I found a new and deeper understanding of the need for sweeping economic and social reform. Under the dedicated and vigorous direc-

tion of the Shah, Government leaders are working to ease the poverty and injustice which have plagued this historic land for generations. In Government offices I met many able young Iranians, recently returned from studies abroad, who I believe will play an increasingly important role in the creation of a modern society based on individual dignity and opportunity for all of the Persian people.

In the United Arab Republic I visited village areas where the people seemed far less concerned with the explosive give-and-take of Middle Eastern politics than with the down-to-earth problems of daily living—how, for instance, to expand the irrigation areas of the Nile Delta and to open up new areas in the Western Desert; how to develop new villages with modern schools and improved roads; how to increase agricultural output, create new industries, provide modern health programs on a broader scale, and better the existence of the individual fellaheen who comprise the vast majority of Egypt's people.

The reaction against the harsh exploitation which often characterized Egyptian capitalism in the past has resulted in considerable talk and some experimentation in national ownership. Yet the hard practical problem of finding enough able administrators to manage the day-to-day political responsibilities of a developing nation is great enough in itself without adding all the economic decisions as well. As this becomes apparent I believe that we may see a relaxation of Egypt's present rush toward government economic domination.

In Iraq, despite constant political turmoil, a large percentage of the national budget—over 50 percent in fact—is now going to an impressive development program. The Government of Iraq is focusing more attention on building schools, roads, hospitals, and housing and is working hard to develop its natural and human resources. An ambitious program of land reform is one of the features of this effort.

In Jordan a youthful, forward-looking government, under a new cabinet and an energetic young king, is attempting to establish stable political institutions, carry out a development program, and attract private investment into the country.

Saudi Arabia is gradually improving its governmental procedures. A Supreme Planning Board has been established which is working

closely with the International Bank to organize a total development plan; a sizable percentage of the Saudi budget is being allocated to implement it.

By and large the present mood in the Middle East is affirmative, and there is reason for measured confidence that this mood may continue and increase. If so, it will be a welcome break from the long record of destruction, of smashed cities, shifting causes, and deeply rooted conflicts that has characterized the Middle East for so many years.

Yet we must not underestimate the continuing undercurrent of danger. A single, explosive accident could reverse the gradual progress that is now under way and plunge the whole region into bloody chaos.

### **Regional Problems Remain**

Moreover, the overriding regional problems remain largely untouched, and here again it would be folly to expect easy answers.

For instance, a sincere effort will be required on all sides if we are to ease the Jordan River and Arab refugee problems which have helped keep the entire Middle East in a state of permanent crisis.

On the latter question, at least, there has been some sign of progress. Dr. Joseph Johnson, the able and experienced president of the Carnegie Endowment for International Peace, is serving as special representative of the Palestine Conciliation Commission, and a new effort at a solution is being made.

Let us also hope that there may be some attempt to reach agreement on arms limitation—unofficial, if not official. The present arms race is dangerous and costly for all concerned.

Eventually, perhaps, we may see the emergence in the Middle East of a single dominant idea whose benefits are so important for all concerned that traditional differences may be forgotten, as the Common Market is now bridging similar differences in Europe. In the meantime we must deal realistically with the day-to-day problems of economic and political adjustment.

Here Israel has a major role to play. In less than a generation Israel has achieved one of the most rapid rates of development in the world today, 8 percent annually. Her per capita gross national product is over \$1,000 a year, far more

than her Middle Eastern neighbors and higher than that of the Netherlands, Italy, Spain, Austria, Greece, or Portugal. In 1961 Israel's rate of industrial growth was 14 percent, one of the highest in the world. Her exports were up 25 percent and foreign exchange reserves up 65 percent over the previous year.

At the same time the Arab boycott has forced Israel to seek friends and markets outside the Middle East. One of the byproducts is the ambitious Israeli foreign technical assistance program that is now reaching more than a score of nations in Africa, Asia, and Latin America. Last year there were a thousand students from 52 countries studying in Israel and over 200 Israeli technicians serving as advisers to underdeveloped countries abroad.

Israel's neighbors are not yet in a mood to appreciate and applaud these efforts. Israel's very success still generates an unreasoning antagonism. Yet even this may change as the Middle Eastern nations succeed in pushing forward their own national development plans and as a new confidence begins to breed tolerance and understanding.

### **Basic Ingredients of U.S. Policy**

In this context what are the basic ingredients for a realistic American Middle Eastern policy?

First, it seems to me, we must be prepared to help all the nations of the area maintain their independence. This requires an adequate and readily available United States deterrent to aggression from any source. Second, we must use the instruments of the U.N. for the reduction of specific tensions and to prevent the Arab-Israeli dispute from developing into an open conflict that could rapidly spread.

Third, we can encourage all Middle Eastern nations to devote less time to angry propaganda debates with their neighbors and more to the solution of their own problems of internal development. We can also give special priority assistance to those countries which are genuinely concerned with improving the lot of *all* their citizens, not just a wealthy few. Our primary objective is the development of prosperous and stable societies throughout the Middle East whose material benefits are spread throughout every level of the economy and whose energies would be increasingly devoted to the creation of an atmosphere of live and let live.

Fourth, a persistent, patient effort should be made to find some basis of cooperation between neighboring Middle Eastern nations, however tentative or restrictive the areas of cooperation may be.

There is no magic dramatic formula for stability in the Middle East or anywhere else. In spite of our vast military and industrial power, our capacity to shape events there, as elsewhere, is no more than marginal. Yet a patient diplomacy, a firm willingness to stand against threats of aggression, a sensitive understanding of what motivates others, and the wise use of our resources in assisting economic development may provide the margin between chaos on the one hand and growing political and economic stability on the other.

One thing at least is certain: Only through the creation of just societies, whose citizens have genuine independence, individual dignity, and material welfare, can world peace with dignity be established. In this regard the future course of events in the Middle East remains uncertain. But it is not without hope.

## **U.S. Supports U.N. on Freedom of Exit for Mr. Tshombe**

*Following is the text of a Department statement released on April 18 indicating U.S. support for the stand taken by Acting U.N. Secretary-General U Thant in instructing Robert Gardiner, officer in charge of the U.N. Operation in the Congo, to take such steps as were necessary to assure the safe departure from Léopoldville on that day of Moise Tshombe, President of Katanga Province.*

Press release 259 dated April 18

Misunderstandings arose between Mr. Tshombe and the Government of the Congo in connection with a recess in the talks between Prime Minister [Cyrille] Adoula and Mr. Tshombe in Léopoldville. Mr. Adoula left Léopoldville yesterday for a short trip upriver after arranging with Mr. Tshombe that the meetings would be resumed on Saturday. Mr. Tshombe then decided to return to Elisabethville. Mr. Tshombe's departure from Léopoldville was delayed by officers of the Congo Government. Under the assurances given by the U.N., Mr. Tshombe must have full freedom to depart from Léopoldville whenever he wishes, and

the U.N. is taking steps to carry out its commitment. At the time Mr. Tshombe was given the U.N. assurances, the United States Government expressed its confidence in them. The United States Government continues fully to support the United Nations assurances and supports the instruction communicated today by the Secretary-General to Mr. Gardiner.

## **U.S. Economic Planning Team Visits British Guiana**

Press release 255 dated April 16

A U.S. economic planning team will arrive in British Guiana on April 18 for a visit of approximately 4 to 6 weeks. The team will assist in bringing the most modern economic experience to bear upon the reappraisal of British Guiana's development program. The leader of the team will be Harry G. Hoffmann, a specialist in economic and social development problems and editor of the *Charleston (West Virginia) Gazette*. Alvin Mayne, chief economist of the Commonwealth of Puerto Rico, is deputy team leader. In addition to U.S. planning experts, technicians from the United Kingdom and international development organizations will be associated with the team. Dispatch of the team is responsive to the desires of all segments of British Guiana opinion.

## **President and Dr. Hallstein Review U.S.-EEC Relations**

*Following is the text of a joint communique released at Washington on April 12 at the close of a meeting between President Kennedy and Walter Hallstein, President of the Commission of the European Economic Community.*

White House press release dated April 12

The President and Dr. Walter Hallstein, President of the Commission of the European Economic Community, have met at the White House today.

The President and Dr. Hallstein reviewed with satisfaction important developments of the past year, including the successful completion of the first stage of the Common Market. They agreed that the continuing evolution of a strong, closely knit European entity presents to statesmen of the

West a historic opportunity to build an Atlantic Partnership founded on close cooperation between two equal partners.

While congratulating Dr. Hallstein on successful first steps toward establishment of a common agricultural policy and recognizing a common approach to agriculture as essential in the construction of an integrated Europe, the President emphasized the importance of agricultural exports to the trade of the United States and other Free World countries, and repeated his expectation that the Community would take these factors into account. In this respect, the President referred to the special responsibility of the highly industrialized powers, such as the United States and the European Economic Community, to work for free and non-discriminatory access to their markets for

the products of developing nations in Latin America, Africa and Asia.

Dr. Hallstein affirmed his sincere support for the President's trade program<sup>1</sup> and for its objectives of reducing barriers to trade, on a non-discriminatory basis, between the two great trading units of the United States and the European Economic Community. The President and Dr. Hallstein agreed that a program of this nature promises to add great strength and cohesion to the West. Dr. Hallstein expressed the view that the President's trade program offers the basis for fruitful negotiation, in a spirit of genuine reciprocity, between the United States and the European Economic Community.

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<sup>1</sup> For text of the President's message to Congress, see BULLETIN of Feb. 12, 1962, p. 231; for a summary of the proposed legislation, see *ibid.*, Feb. 26, 1962, p. 343.

## The European Economic Community and United States Trade Policy

by Joseph D. Coppock

Director, Foreign Economic Advisory Staff<sup>1</sup>

I welcome the opportunity to discuss with you this important subject of the European Economic Community and U.S. trade policy.

In thinking back over the history of international economic events, it is hard to recall anything which excited as much interest and attention as has the European Common Market. The establishment of the German *Zollverein* in 1834, Great Britain's repeal of the corn laws in 1846, the British-French treaty of 1860 establishing almost free trade, the acceptance of the gold standard by the principal trading countries in the 1870's, the suspension of gold payments by the British in 1931, the establishment of the British Imperial Preference System in 1932, the initiation of the

Hull trade agreements program in 1934, the creation of the International Monetary Fund and the International Bank for Reconstruction and Development in 1945, the signing of the General Agreement on Tariffs and Trade in 1947—all of these notable events in the field of international trade and finance seem, at least at present, less important than the European Economic Community. Only an event of great importance would warrant the amount of ink that has been spilled and the amount of woodpulp that has been used in describing and analyzing it. It has titillated the political mind, the business mind, the financial mind, the academic mind, the military mind.

Let me refresh your minds on the basic facts. A treaty was signed at Rome on March 25, 1957, by representatives of France, Germany, Italy, the Netherlands, Belgium, and Luxembourg. It was ratified by their Governments in the course

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<sup>1</sup> Address made before the Texas Group of the Investment Bankers Association of America at San Antonio, Tex., on Apr. 9 (press release 227 dated Apr. 6; as-delivered text).

of 1957 and went into effect on January 1, 1958. The treaty is of book length. It has 248 articles in the main body and several lengthy annexes. The purposes are expressed vividly in the preamble of the treaty, as follows:

*Determined* to establish the foundations of an ever closer union among the European peoples,

*Decided* to ensure the economic and social progress of their countries by common action in eliminating the barriers which divide Europe,

*Directing* their efforts to the essential purpose of constantly improving the living and working conditions of their peoples,

*Recognizing* that the removal of existing obstacles calls for concerted action in order to guarantee a steady expansion, a balanced trade and fair competition,

*Anxious* to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and by mitigating the backwardness of the less favoured,

*Desirous* of contributing by means of a common commercial policy to the progressive abolition of restrictions on international trade,

*Intending* to confirm the solidarity which binds Europe and overseas countries, and desiring, to ensure the development of their prosperity, in accordance with the principles of the Charter of the United Nations,

*Resolved* to strengthen the safeguards of peace and liberty by establishing this combination of resources, and calling upon the other peoples of Europe who share their ideal to join in their efforts,

*Have decided* to create a European Economic Community. . . .

What the EEC proposes to do to pursue these objectives has been concisely stated as follows:<sup>2</sup>

(1) To remove tariffs, quotas, and other barriers to trade within the Community by gradual stages;

(2) To create a uniform external tariff between the Community and the rest of the world, and to act as a unit in negotiating an external commercial policy with others;

(3) To abolish restrictions on the movement of services, labor, capital, and business enterprises within the Community;

(4) To allow colonies and associated territories of the Six (mainly in Africa) to link themselves to the Common Market, extending the benefits of the Common Market to their exports, while allowing them to maintain restraints on imports;

(5) To prohibit private cartels and other restraints on trade unless they foster the improving of production or distribution or technical and economic progress;

(6) To coordinate monetary and fiscal policies in order

to promote balance of payments, high employment, and price stability in each member country;

(7) To establish a common agricultural policy within the Community;

(8) To create an Investment Bank for Europe and a Development Fund for Associated Overseas Territories to transfer capital to the less developed parts of the Community and to dependent or associated areas;

(9) To equalize wages for men and women and harmonize methods of computing overtime; to undertake to improve and harmonize living and working conditions within the Community;

(10) To create a Social Fund to finance retraining, resettling, or otherwise assisting workers harmed by liberalizing trade within the Common Market.

### Organizational Arrangements of EEC

The organizational arrangements are sufficiently complex to warrant description. In order to do this I must remind you of two other organizations embracing the same membership: the European Coal and Steel Community, begun in 1952 under the popular name of the Schuman Plan, and the European Atomic Energy Community, begun in 1958 under the popular name of EURATOM. There is a Council of Ministers of the member countries, which serves all three communities. There is a Court of Justice, which also serves as legal adjudicator of the three treaties. There is a European Parliamentary Assembly, composed of members elected from and by the national legislatures of the member countries. Then, on the executive level, are the High Authority of the Coal and Steel Community, the Commission of the Atomic Energy Community, and the Commission of the European Economic Community.

The European Economic Community is expected to be in full effect by 1970.

The aspect of the EEC to which we Americans have paid most attention has been the customs union feature, which will eliminate all internal trade barriers and provide a common external trade policy, including a common tariff. As should be evident from the statement of purposes and the planned actions, the EEC involves much more than a customs union. It is a treaty, a plan, a constitution for the gradual but complete integration of the economies of the member countries. Of necessity, such integration calls for much political cooperation, perhaps even confederation or federation.

These are the bare bones of the European Economic Community. I should now like to deal

<sup>2</sup> Robert R. Bowie and Theodore Geiger, "The European Economic Community and the United States," Subcommittee on Foreign Economic Policy of the Joint Economic Committee, 87th Cong., 1st sess. (Joint Committee print).

with three major questions concerning it. First, what brought it about? Second, how is it doing? Third, how does it affect the United States?

### **Origins of EEC**

First, its origins. It is tempting to review the efforts through modern European history to unify Europe, but I shall deal with events and circumstances only since 1945—and with only some of them. The end of World War II left Europe in a weakened condition, unable to defend itself against the aggressive push of the Russians without the military and economic assistance of the United States. The longrun alternative to poverty, internal bickering, and military weakness—if not Communist takeover—was some kind of cooperation. Western Europe responded to the initiative of the United States in establishing the Organization for European Economic Cooperation and in participating in the North Atlantic Treaty Organization. It was essential that some way be found to bring Western Germany into close and permanent association with other countries of Western Europe, particularly France. Men of great vision subordinated the long history of Franco-German rivalry to a vision of a cooperative or voluntarily unified Europe. Social invention of the first order was required, and many dedicated persons rose to the opportunities. The Schuman Plan for a Coal and Steel Community was the first really strong measure for welding these old enemies together as friends.

Despite these European efforts, it is doubtful if the steps toward European economic union could have progressed without the two strong external pressures—from the U.S.S.R. to the east and from the U.S.A. to the west. The U.S.S.R. maintained its threatening posture; the U.S.A. maintained its encouraging posture. Viewed historically, the Russian attitude is more readily understandable than our own. The Russians have had strong historical reasons to fear a strong, unified Western Europe. Napoleon, Wilhelm II, and Hitler are bitter reminders to them. Until quite recently Americans have felt insulated from the European power struggles. Only after World War II, after much debate and soul searching, did the United States conclude that the Soviet and Communist threat was of such a magnitude that a unified Western Europe was not only in the interest of the Europeans but also in our basic interest too.

Together, Western Europe and North America would have a preponderance of military and economic power which could deal with the Soviet Communist menace. We have become convinced that the people of Western Europe share our ideals of freedom and democracy so deeply that there is no risk of a unified Europe throwing in its lot with the Russians against us. Therefore we want a strong ally, not a lot of weak or uncertain ones.

### **Signs of EEC Success**

Now the second question: How is the European Economic Community doing? You know what the answer is. It is doing fine. But let me give you some numbers to support this statement. Between 1953 and 1960 the real gross national product of the EEC countries rose at a rate of 5.5 percent per year; the United States GNP grew at a rate of 2.5 percent. EEC exports increased from \$14.1 billion in 1953 to \$30 billion in 1960, or 113 percent, compared with a 29-percent increase in U.S. exports. EEC imports went up by 99 percent and U.S. imports by 35 percent. These export and import figures refer to current values, without adjustment for price changes. Inflation has been brought under control. The EEC countries have built up large enough monetary reserves to allow full convertibility of their currencies on current account and moderately liberal capital movements. Unemployment is not a major problem, except in parts of Italy. EEC capital investment has been running at 20 percent or more of GNP, compared with our 15 percent.

Another sign of success, at least as impressive as the statistical measures, is the application for membership in the EEC by the United Kingdom. The announcement was made in August 1961, and the negotiations have been proceeding since last fall. This is a momentous action by the United Kingdom. Only a half century ago Great Britain was the leading industrial country in the world; she ruled a vast empire, her navy ruled the waves. Now the empire is mostly gone, though cordial bonds link the Commonwealth. British military power, relative to that of other major powers, is now only a fraction of what it was. As of 1960 the gross national product of the United Kingdom was \$69 billion, compared with \$177 billion for the EEC, \$225 billion for the Soviet Union, and \$504 billion for the United States. These are estimates, of course.

During the discussions of European economic union in the early 1950's, the British took the position that their Commonwealth obligations and their relation with the United States were such that they should not associate themselves as firmly with continental Europe as the developing plans envisaged. When the EEC was consummated, Britain took the lead in organizing a European Free Trade Association, composed of the United Kingdom, Sweden, Norway, Denmark, Austria, Switzerland, and Portugal, which called for the gradual elimination of tariffs among the members but with each maintaining its own tariff with respect to outsiders. By 1961 it became apparent that this organization did not have the vitality that the EEC had. For one thing, Britain had had a slower rate of economic growth than the EEC, and it had been in balance-of-payments difficulties quite frequently.

It is to the great credit of the British leaders and the British people that they have seen the opportunities available to them in the Common Market. Other countries are also seeking admission. The United States Government has played a sympathetic but detached role in this complicated and sensitive process of negotiation.

#### **How the Common Market Affects the U.S.**

This brings me to my third question: How does the Common Market affect the United States? I have already indicated that, from a political and military point of view, the position of the United States is clear. We welcome strong allies. Economically, the effects of the EEC on us are complicated. The financial and economic press have vied with the governmental economists in turning out analyses of these effects, usually with masses of statistics. Let me state right off that I think that there are too many variables involved to make quantitative predictions reliable. Moreover, some of the variables, such as our own trade policy, are unknown.

Some things can be said, however. One is that the increasing European prosperity will tend to increase the demand for U.S. exports. Imports from the outside amounted to about 11 percent of GNP for the EEC countries in 1960. U.S. exports to them amounted to \$2.25 billion, or one-eighth of the total of imports into the EEC. Hence, if the marginal propensity to import approximates the average propensity, a 5-percent increase in EEC

GNP—about \$9 billion with reference to the 1960 figure of \$177 billion—would increase total EEC imports by 11 percent of \$9 billion, or \$1 billion. The U.S. share of that \$1 billion would be one-eighth, or \$125 million. I can think of one good reason why the figure might be larger, namely, that the Europeans will want more and more of our consumer gadgetry as they get better off. But I can think of another good reason why the figure might be smaller, namely, that the Europeans—and associated American firms—will produce many of the mass-market consumer goods in Europe instead of import them. I do not know how you measure these forces, but the way several hundred American companies have rushed to establish subsidiaries or affiliates in Europe in the last 4 years makes me think that the production in Europe will have the edge. Of course U.S. firms operating there will increase their earnings over the years.

Another effect that can be analyzed pretty well is the so-called discrimination effect. As the tariffs among the members of the EEC move toward zero and the external tariff becomes standardized, American companies selling in Italy, for example, will be at a disadvantage as compared with, say, German companies, because American imports into Italy will have to pay the tariff while German imports will not. How important this effect will be will depend on the height of the Common Market external tariff. Although the projected Common Market tariff is now known, it is subject to reduction through negotiation. Whatever its height, however, it will discriminate to that degree against American exports—and all other non-EEC exports—and in favor of internal EEC trade. This is the nature of a customs union. Lest this make us feel gloomy, just remember that many other things besides tariffs affect trade.

As I said earlier, people who start analyzing the effects of the EEC like to inject statistics into the picture. I wish to indulge briefly in that game and to present to you some figures which are seeing the light of day for the first time, as far as I know. This is a frequency distribution of the tariff rates for the United States and for the EEC. The rates are all expressed in ad valorem percentage terms, and they are the rates in existence prior to the round of negotiations completed in Geneva last month.<sup>3</sup> A distribution of this sort is much more

<sup>3</sup> For background, see BULLETIN of Apr. 2, 1962, p. 561.

reliable as a measure of tariffs than weighted averages, which understate the restrictive effects of high rates.

FREQUENCY DISTRIBUTION OF U.S. AND EEC TARIFF RATES

Rates (or ad valorem equivalent rates) of duty	U.S.		EEC	
	Number of rates	Percent of rates	Number of rates	Percent of rates
Free-----	990	20	270	10
0.1-9.9%-----	894	18	538	19
10.0-19.9-----	1,510	29	1,624	56
20.0-29.9-----	775	15	358	13
30.0 and above-----	895	18	45	2
Total-----	5,064	100	2,835	100

The interesting thing here is not the average of median rates but rather the spread. Thirty-three percent of our rates are 20 percent or above; 15 percent of the EEC rates are that high. Many of our rates are above 50 percent. At the other end, 20 percent of our items are duty free, while only 10 percent of theirs are. Now it is a fine parlor game to speculate on the expansionary effects of tariff reductions, but it is not a scientifically dependable exercise. All we can say with confidence is that lower trade barriers increase the opportunities for trade and inject new competition and vitality into the economic life of the countries involved. Dynamic factors cannot be measured easily, but they may be the most important.

Now here is where the President's Trade Expansion Act of 1962<sup>4</sup> comes into the picture. The Europeans are prepared to negotiate tariff reductions if we are. Therefore the bill now before Congress asks authority for the President to negotiate reductions of up to 50 percent of the present levels in return for equivalent concessions by other countries. It also asks for authority to go all the way to zero on items of which we and the EEC export 80 percent of the total free-world exports. Statistical analysis shows that this has meaning only if the United Kingdom is included in the EEC. There is also a provision for lowering tariffs down to zero on primary commodities of particular interest to the less developed countries, provided the Europeans will go along and provided they are not produced in sufficient quantities in the United States. I should point out that U.S. agriculture has a tremendous interest in maintaining access to the European market but that the European farmers are under-

standably reluctant to give up their longstanding protective arrangements, many of them similar to our agricultural programs.

The President's bill also has several provisions for overcoming seriously adverse effects on American firms and workers resulting from tariff reductions. Adjustment assistance is the most important new element here.

To conclude: The European Economic Community is a fact of life. Its success is of the first order of importance for us in world political terms. Its economic effects on us are difficult to ascertain, but the probably bad effects will be minimized and the probably good effects will be maximized if we equip ourselves—through a clean Trade Expansion Act—to negotiate substantial, gradual reductions in the tariffs which tend to divide the great new Common Market of Europe and the even greater, older common market of the United States, the common market that the Founding Fathers of this Republic had the wisdom to establish in 1787.

## Trade Policy for the 1960's

by Philip H. Trezise

Acting Assistant Secretary for Economic Affairs<sup>1</sup>

For 4 weeks now the Ways and Means Committee of the House of Representatives has been holding public hearings on H.R. 9900, the Trade Expansion Act of 1962.<sup>2</sup> The committee has heard 262 witnesses testifying for and against the bill. These hearings are a part of the national debate on our policy toward international trade. They will be followed by debate on the floor of the House and by hearings and debate in the Senate. And they have had their echoes in the Nation's press and in innumerable public and private discussions around the country.

It would be impossible to summarize in a few moments all the matters covered at the Ways and Means Committee hearings, to say nothing of all

<sup>1</sup> Address made before the Action for Foreign Policy group at Pittsburgh, Pa., on Apr. 12 (press release 236).

<sup>2</sup> For text of President Kennedy's message to Congress, see BULLETIN of Feb. 12, 1962, p. 231; for a summary of H.R. 9900, see *ibid.*, Feb. 26, 1962, p. 343; for a statement made by Under Secretary Ball before the Ways and Means Committee on Mar. 13, see *ibid.*, Apr. 9, 1962, p. 597.

<sup>4</sup> For text of President Kennedy's message to Congress, see *ibid.*, Feb. 12, 1962, p. 231; for a summary of the proposed legislation, see *ibid.*, Feb. 26, 1962, p. 343.

the questions asked and answered in the discussions taking place around the country. For this evening I would like to focus on one point. This is the extent of the authority that would be given the President to deal with American tariffs under the draft bill.

During the course of the Ways and Means Committee hearings, and even more often in the press, there have been statements that H.R. 9900 would give the President "unprecedented" and "sweeping" powers over our tariff schedules. These are sweeping phrases themselves, and perhaps they reflect our national tendency to use exaggerated language in discussing public issues.

The term "unprecedented" surely is used in a loose sense. The legislation before the Congress would confer on the President the authority to negotiate about tariffs with other countries. This power has been held by every President since the first Trade Agreements Act was passed in 1934. Every President since 1934, moreover, has used the power. Each one did so under rules laid down by Congress when it delegated authority to the President. All of this has been reviewed by the courts, and its constitutionality has been affirmed.

The grant of authority under the new law thus would be an extension of a time-honored delegation of negotiating power to the President by the Congress. It is not a departure from the past. It is true, however, that the specific kinds of negotiating authority to be given the President contain a new element. It will be helpful to go over the relevant provisions of the law.

#### **Summary of Bill**

First, the President would be empowered to negotiate, on the basis of mutual benefit, reductions of 50 percent in American tariffs in return for reductions in other people's tariffs. This provision might be called the standard trade agreements authority. It would be applicable to any of our free-world trading partners, and it would cover, abstractly at least, almost all of the articles covered by our existing tariff schedules. Similar 50-percent authority has been granted to Presidents on two occasions in the past.

A second provision would empower the President to negotiate with the Common Market for the mutual reduction or elimination of duties on a limited number of commodity categories. This is new in tariff negotiating authority. It would

be operative only with respect to the countries adhering to the Treaty of Rome at the time of negotiations. It would cover only those categories of goods in which the United States and the Common Market countries accounted for 80 percent of free-world trade during some base period subsequent to December 31, 1956. These are limiting definitions. On the other hand, negotiations with the Common Market under this authority would not be subject to a percentage limitation on the extent of duty reductions but would rather leave this open.

Third, the new legislation would permit the President to offer in negotiations the reduction or the elimination of American tariffs that are now at 5 percent or less by value. These duties, in the main, are nuisance levies although they are administratively burdensome on exporters and importers.

Finally, the new act would give the President the authority to reduce or to eliminate duties on products of tropical agriculture and forestry, subject to the condition that the Common Market take similar and nondiscriminatory action. This is a very special provision. It stems from our desire to open markets in the advanced countries on a nondiscriminatory basis to all of the producers of tropical products, in Latin America, in Asia, and in Africa.

These negotiating authorities, as you see, are defined and limited by the proposed statute. Moreover the President would be required, as he is now, to seek the advice and guidance of the United States Tariff Commission. There would be, upon the enactment of this or any bill, administrative provision for extensive study within the executive branch and for hearings open to the interested private parties before tariff negotiations could be undertaken. In the negotiations that would ensue, our negotiators would be trading tariff reductions for tariff reductions as they have in the past. They would be acting not only under formal instructions to get benefits for the United States but also under strong personal and official pressures to get for the United States the most useful reductions possible in other people's tariff barriers.

A judgment about the merits of this proposed grant of negotiating authority to the President must rest in the end on the answers to two questions. First, is it in the United States interest to

take the lead in attempting to bring down barriers to international trade generally? Second, is the special authority to deal with the Common Market a desirable grant of power?

The answer to the first question may be debated, but there are certainly impressive reasons for believing that our interests abroad and the interests of our domestic economy as well would be well served by an expansion of free-world commerce. On the basis of experience we could expect our exports to grow substantially more rapidly than our imports with a consequent benefit to our difficult balance-of-payments problem. The growth of international trade, we could confidently expect, would act to raise living standards everywhere and to increase understanding among peoples and nations. The United States is so dominant a figure in the world economy that it alone can provide the leadership to undertake a new drive to bring down the artificial obstacles that now inhibit the expansion of trade. The authorities to negotiate on tariffs which are provided in the Trade Expansion Act amount to an expression of American readiness to continue our role of leadership in the free world.

#### **Authority To Negotiate With Common Market**

The proposed authority to negotiate with the European Common Market is sufficiently new and different as to present a separate question. For the first time in the history of our trade agreements legislation we have singled out a group of countries for special negotiations. To understand why, we need to look at the Common Market as it is and as it may be.

The Treaty of Rome, which was signed on March 25, 1957, provided among other things for a customs union among six of the industrial states of Western Europe: Germany, France, Italy, Belgium, the Netherlands, and Luxembourg. Although customs unions are not new on the world stage, the Common Market, even confined to these six nations, is an unusual undertaking. It includes 170 million people. Its total volume of international trade is about 70 percent larger than our own. Its total output of goods and services has been growing recently at a rate of about 7 percent per year, or more than twice as fast as ours. It is already a great industrial power rivaling in many respects the United States and comparable to or ahead of the Soviet Union.

The success of the Common Market has been reflected in dramatic increases in business activity, in increased foreign trade, and in rising wages and purchasing power. This has had its impact throughout Europe. Greece has indicated its desire to join and has already been given associated membership. The United Kingdom, Denmark, and Ireland are negotiating for admission, and Norway has indicated its intention of doing so. Elsewhere in Western Europe, in Sweden, Switzerland, Austria, and Spain, there is lively interest in the Common Market and a deep concern to work out some kind of arrangements for association with it.

If negotiations with Britain, Denmark, and Ireland are successfully concluded, the Common Market will grow immediately to about 220 million people. It will be the largest single element in international trade. Inevitably it will become a major factor in world affairs.

The customs union feature of the Treaty of Rome has progressed very rapidly. The European members have taken the initial steps of reducing tariffs among themselves—so far by 50 percent—and of agreeing on a common tariff against the rest of the world. The deadline for going down to zero tariffs within the Market is 1969, but it seems certain that this goal will be reached sooner. The agreement on the character of the Common Market tariff against the world has been reached, and the European Common Market members now negotiate as a unit with ourselves and with other countries. In all this immensely complicated business there has been no break in the forward movement. On the contrary, the Common Market members have exceeded their own timetable.

#### **Prospects of New Trading World**

The appearance of the Common Market on the world scene, and the prospective adherence of the United Kingdom, seems certain to face us with a fundamentally new kind of trading world. Up until now the United States has been the world's only mass market, i.e. a market having large numbers of people commanding large amounts of consumer purchasing power. Now, suddenly, there is in sight another such unit, one which already imports twice as much as we do and which has a huge potential for expansion.

One measure of the possibilities inherent in this new trading world that is already within our range

of vision is the present volume of ordinary durable consumer goods in the new Common Market as compared with the United States.

In Western Europe telephones are relatively as common as they were in the United States in 1912. In automobile ownership Europe is as the United States was in 1920. The distribution of refrigerators compares with the United States position as of 1935. In washing machines the European consumer stands where the American consumer was in 1935. And so on. In brief, the European market for durable consumer goods is not only not saturated but in important respects is in its very infancy. If anything is certain in the world, it is that desires for these goods will increase. If the new European economy lives up to its promise, the ability to buy such goods will grow rapidly.

This is part of the meaning of the new European mass market. It will be a market for the kinds of things we have learned to produce with great efficiency. Beyond that there will be needed the kinds of machinery and raw materials that are necessary for the expansion of manufacturing industries. Nobody now can estimate with assurance or precision the ultimate dimensions of the European market. The possibilities, however, are clearly very extensive—so extensive that we would have to be blind indeed not to see them.

On this score alone our interests would seem quite obviously to call for the seeking of a close trading relationship with the Common Market. If we do nothing, the tendency would be for the new Europe to grow as a trading entity separated from us by a comparatively high common tariff. Behind this tariff producers in Europe would be impelled to develop quickly the capacity and the know-how for serving the European consumers, who would number, perhaps, up to 250 million. Our trade with Europe would not stop. It probably would grow, as European incomes grew. But we would not be able to take fullest advantage, or even optimum advantage, of the Common Market. To a considerable extent our skills in mass production and in mass selling would not be allowed to be effective because of the European tariff barrier.

It is this prospect that furnishes a main reason for the provision of special negotiating authority with the Common Market. If Britain adheres to the Rome Treaty, then the new bargaining power requested by the President will enable us to negotiate with the Europeans across a range of commodities where we or the Europeans or both now

are the most efficient producers in the world. We would be proposing, in effect, that we agree with the Europeans to compete with one another in these commodities without undue tariff barriers on either side. We would be proposing that the new European economy develop, within some limits at least, in a fashion consistent with the economic efficiencies that we and the Europeans already possess. There is, as I say, a direct and important commercial reason why we should proceed along these lines. Our producers need access to the potential European market, and we should be prepared to bargain as effectively as we can to get such access. If the past is any guide, our exports should benefit markedly from wider openings in Western Europe.

### **Building a Partnership With Europe**

In forging new links of trade with the emerging new Europe, moreover, we would be developing some of the terms of our association with what may become within foreseeable time the second greatest power in the world. The European states are taking the steps toward creating unity in an area that has been divided and fragmented ever since the decline of the Roman Empire. If the European movement continues to make progress, if the Treaty of Rome attracts adherents as it seems likely to do, the political consequences will be of truly enormous dimensions.

The United States is a global power with major political, economic, and defense interests all around the globe. Apart from constitutional inhibitions, our position internationally would argue against full association with a European entity. We do need to find the ways to partnership, however. A strong, stable Europe can be an invaluable partner in the years ahead, as we continue to contend with the expansive pressures of the Soviet Empire and with the growing pains of the new and the underdeveloped countries.

The details of a partnership with Europe will have to be developed point by point, case by case. We are in fact already making progress on this *ad hoc* basis in the Organization for Economic Cooperation and Development and elsewhere. It seems clear, however, that the partnership will not work very well in other fields if we are unable to find a means to accommodate to one another in trade. We do not need to become a member of the European customs union. We do not need to re-

move all of our trade and tariff restrictions. We do need to find a minimum means for building an expanding and a mutually profitable trading relationship.

H.R. 9900 is intended, in its Common Market provision, to provide the basis for discussion and negotiation with the Common Market along these lines. It will be a means and a beginning, not a conclusion or a happy ending. But if we lack the means or cannot make a beginning, then there can be no prospects for a successful ending.

## **President Kennedy Hails Agreement for Northeast Brazil Development**

*Following is the text of a letter from President Kennedy to President Goulart of Brazil concerning an agreement signed at Washington on April 13 by Secretary Rusk and Brazilian Foreign Minister San Tiago Dantas under which the United States and Brazil are committing a total of \$276 million for a program of development in northeast Brazil.*

White House press release dated April 12, for release April 13

APRIL 13, 1962

DEAR MR. PRESIDENT: I am deeply gratified by today's signature of an agreement<sup>1</sup> through which our two countries, under the Alliance for Progress, will work together in a program of development in the Northeast of Brazil.

We approach this program with the same sense of urgency and in the same determined spirit that your government has demonstrated in its planning for this region. We share with you the conviction that the twenty million people in the Northeast must be afforded an opportunity to participate in the future growth of Brazil, and that we must make a bold attack on the economic and social problems of the region.

We work together under this program to give full meaning to the Alliance for Progress, confident that this undertaking will move us forward toward the goals set forth last August at Punta del Este. What makes it an Alliance program in the true sense is that the initiative came from Brazil; that the plan was conceived in your country; and that it will be administered by Brazilians.

<sup>1</sup> Not printed here.

Our joint program will consist of a two-pronged attack on the problems of the Northeast.

First, we will act to meet specific urgent needs of highest priority to bring pure water to areas that lack water, to create sources of electric power, to provide education that will enhance workers skills, and to establish emergency health units throughout the areas.

Second, we will pledge ninety-eight million dollars to the first two years of your five year long-range program of development—a program designed to bring about a steady increase in living standards, rising opportunities, and the integration of the Northeast into the national economy of Brazil.

At the end of the two years we will conduct a joint review of the program and decide together how we can most effectively work toward our goals in the succeeding years.

We are aware that the problems we face are complex and deep-rooted, that they will not yield to slogans or superficial action. Only hard work, patience and persistence in carrying project after project to completion will achieve what we seek: to change the face of Northeast Brazil and provide a better life for its people.

I am most grateful, Mr. President, for this opportunity to join with you in what we hope will be a major contribution to a better life in our hemisphere.

Sincerely,

JOHN F. KENNEDY

His Excellency  
JOÃO BELCHIOR MARQUES GOULART  
*President of the Republic of the  
United States of Brazil  
Brasília, Brazil*

## **U.S. Announces Continuance of Relations With Argentina**

*Department Statement*

Press release 257 dated April 18

Ambassador [Robert] McClintock today acknowledged the receipt of a note dated March 30, 1962, from the Argentine Minister of Foreign Affairs and Worship, thus continuing relations with the Government of Argentina.

## **President Announces Two Actions Relating to Imports of Cheese**

The President announced on March 30 (White House press release) two actions relating to imports of cheese into the United States.

New Zealand has informed the U.S. Government of its decision to reduce its exports of Colby cheese to the United States to a level less than half that of calendar year 1961 because of market conditions. Imports of Colby cheese, which are not subject to a quota, have been growing rapidly in recent years. These imports come mainly from New Zealand, and imports from that country reached 14.2 million pounds in calendar year 1961. In the past year marketing conditions for cheddar and cheddar-type cheeses have changed, and there is now a surplus in the United States.

During the year July 1, 1962, to June 30, 1963, imports of Colby cheese from New Zealand into the United States will not exceed 6,720,000 pounds, a reduction of about 7,500,000 pounds below the calendar 1961 level. For the remainder of the year ending June 30, 1962, imports from New Zealand will be held to amounts already in the pipelines for import into the United States. Total imports for the year ending June 30, 1962, will thus be held to not more than 11,600,000 pounds, which represents a substantial reduction from the average level of calendar 1961.

Consultations with New Zealand will take place later this year regarding market developments and the trade in Colby cheese.

New Zealand's Colby cheese factories have already discontinued production for the current marketing year and will not start operations again until about September 1962.

The action of New Zealand does not affect the right to impose section 22 limitations on Colby cheese imports if imports of this product from other countries become so large as to interfere with the Department of Agriculture's domestic price support program for milk and butterfat. Imports of Colby cheese from countries other than New Zealand amounted to 217,000 pounds, mostly from Australia, in the year ending December 31, 1961.

The other action announced on March 30 is the issuance of a proclamation<sup>1</sup> by the President increasing the import quota on blue-mold cheese

from 4,167,000 to 5,017,000 pounds. The quota for blue-mold cheese has been in effect since July 1, 1953, at which time quotas were also established for cheddar, edam, gouda, and Italian-type cheeses.

Effective July 1, 1960, the import quota for edam and gouda cheese was increased from 4.6 million pounds to 9.2 million pounds. On the same date, the import quotas for certain Italian types of cheese were increased from 9.2 million pounds to 11.5 million pounds.

The import quota for blue-mold cheese has remained unchanged at 4.2 million pounds since it was established on July 1, 1953.

During the period fiscal year 1953 to fiscal year 1960-61, domestic production of blue-mold cheese increased from 9.4 million pounds to 15.1 million pounds, and during the same period total U.S. consumption increased from 13 million pounds to 19 million pounds. Consumption of blue-mold cheese in the United States is increasing at a rate of 1 million to 1.5 million pounds each year.

The imported blue-mold cheese commonly sells on the U.S. market at prices 4 to 6 cents per pound above the similar domestic product.

## **Agreement Signed for Sale of Cotton and Rice to Poland**

Press release 260 dated April 19

A supplemental agreement for the sale to Poland of approximately 92,000 bales of cotton and 10,000 tons of rice was signed on April 19 at Washington by representatives of the Governments of the United States and Poland. The agreement supplements one signed by the Governments on December 15, 1961,<sup>1</sup> which provided for the sale to Poland of \$44.6 million worth of surplus agricultural commodities, including certain ocean transportation costs.

The supplemental agreement results from discussions undertaken since the signing of the December 15 agreement and is an amendment to it. Under the same terms as in the December agreement, the United States will sell, for local currency (Polish zlotys), surplus commodities which have an export market value of \$15.8 million, in-

<sup>1</sup> No. 3460; for text, see 27 *Fed. Reg.* 3183 or White House press release dated Mar. 30.

<sup>1</sup> BULLETIN of Jan. 1, 1962, p. 35.

cluding ocean transportation costs for commodities shipped on U.S.-flag vessels. The transactions are authorized by the Agricultural Trade Development and Assistance Act as amended (Public Law 480).

Poland has also undertaken, as a part of this

agreement, to purchase with its own resources from the United States an additional 46,000 bales of cotton and an additional 10,000 tons of rice. These purchases are over and above the amounts to be purchased for the zloty equivalent of the \$15.8 million mentioned above.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of International Conferences and Meetings <sup>1</sup>

#### Scheduled May Through July 1962

GATT Committee III on Expansion of International Trade . . . . .	Geneva . . . . .	May 1-
2d U.N. ECAFE Symposium on the Development of Petroleum Resources of Asia and the Far East.	Tehran . . . . .	May 2-
UNESCO Executive Board: 61st Session . . . . .	Paris . . . . .	May 2-
NATO Ministerial Council . . . . .	Athens . . . . .	May 4-
ITU Administrative Council: 17th Session . . . . .	Geneva . . . . .	May 5-
IAEA Symposium on Radiation Damage in Solids and Reactor Materials.	Venice . . . . .	May 7-
15th International Film Festival . . . . .	Cannes . . . . .	May 7-
ILO Chemical Industries Committee: 6th Session . . . . .	Geneva . . . . .	May 7-
IMCO Maritime Safety Committee: Subcommittee on Code of Signals.	London . . . . .	May 7-
NATO Planning Board for Ocean Shipping: 14th Meeting . . . . .	Washington . . . . .	May 7-
International Seed Testing Association: 13th Congress . . . . .	Lisbon . . . . .	May 7-
ITU CCIR Study Group II (Receivers) . . . . .	Geneva . . . . .	May 7-
ITU CCIR Study Group VI (Ionospheric Propagation) . . . . .	Geneva . . . . .	May 7-
GATT Committee on Balance-of-Payments Restrictions . . . . .	Geneva . . . . .	May 7-
ANZUS Council: 8th Meeting . . . . .	Canberra . . . . .	May 8-
15th World Health Assembly . . . . .	Geneva . . . . .	May 8-
8th International Hydrographic Conference . . . . .	Monte Carlo . . . . .	May 8-
NATO Civil Defense Committee . . . . .	Paris . . . . .	May 8-
U.N. ECOSOC Commission on Human Rights: Seminar on Status of Women in Family Law.	Tokyo . . . . .	May 8-
U.N. ECOSOC Commission on Narcotic Drugs: Committee on Illicit Traffic.	Geneva . . . . .	May 8-
International Cotton Advisory Committee: Committee on Extra-Long Staple Cotton.	Washington . . . . .	May 9-
International Cotton Advisory Committee: 21st Plenary Meeting . . . . .	Washington . . . . .	May 14-
FAO Committee on Commodity Problems: 35th Session . . . . .	Rome . . . . .	May 14-
Diplomatic Conference on Maritime Law: 11th Session (resumed) . . . . .	Brussels . . . . .	May 14-
Executive Committee of the Program of the U.N. High Commissioner for Refugees: 7th Session.	Geneva . . . . .	May 14-
U.N. ECOSOC Commission on International Commodity Trade: 10th Session.	Rome . . . . .	May 14-

<sup>1</sup> Prepared in the Office of International Conferences Apr. 12, 1962. Asterisk indicates tentative date. Following is a list of abbreviations: ANZUS, Australia-New Zealand-United States; CCIR, Comité consultatif international des radio communications; CCITT, Comité consultatif international téléphonique et téléphonique; 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; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; OECD, Organization for Economic Cooperation and Development; PAIGH, Pan American Institute of Geography and History; PIANC, Permanent International Association of Navigation Congresses; 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.

U.N. ECOSOC Commission on Narcotic Drugs: 17th Session	Geneva . . . . .	May 14-
NATO Manpower Planning Committee	Paris . . . . .	May 15-
World Food Forum	Washington . . . . .	May 15-
8th Inter-American Travel Congress	Rio de Janeiro . . . . .	May 15-
19th International Conference on Large Electric Systems	Paris . . . . .	May 16-
Inter-American Tropical Tuna Commission: Annual Meeting	Quito . . . . .	May 16-
NATO Civil Aviation Planning Committee	Paris . . . . .	May 17-
ICAO Airworthiness Committee: 5th Session	Montreal . . . . .	May 21-
GATT Council of Representatives	Geneva . . . . .	May 21-
GATT Working Party on the Central American Free Trade Area	Geneva . . . . .	May 21-
U.N. Special Fund: 5th Session of Governing Council	New York . . . . .	May 21-
FAO Study Group on Cocoa: 5th Session	(undetermined)	May 22-
3d International Cinema Festival	Cartagena, Colombia . . . . .	May 25-
ICAO Meteorological Operational Telecommunication Network Europe (MOTNE) Panel	Paris . . . . .	May 28-
OECD Committee for Scientific Research	Paris . . . . .	May 28-
WHO Executive Board: 30th Session	Geneva . . . . .	May 28-
ILO Governing Body: 152d Session (and its committees)	Geneva . . . . .	May 28-
IMCO Maritime Safety Committee: Subcommittee on Subdivision and Stability	London . . . . .	May 28-
International Rubber Study Group: 16th Meeting	Washington . . . . .	May 28-
WMO Executive Committee: 14th Session	Geneva . . . . .	May 29-
U.N. Trusteeship Council: 29th Session	New York . . . . .	May 31-
UNICEF Committee on Administrative Budget	New York . . . . .	May
U.N. Scientific Committee on the Effects of Atomic Radiation: 12th Session	New York . . . . .	May or June
PAIGH Directing Council: 6th Meeting	México, D. F. . . . .	June 1-
International Commission for the Northwest Atlantic Fisheries: 12th Meeting	Moscow . . . . .	June 4-
U.N. General Assembly: 16th Session (resumed)	New York . . . . .	June 4-
U.N. Advisory Committee on Administrative and Budgetary Questions	New York . . . . .	June 4-
U.N. ECE Housing Committee: 23d Session	Geneva . . . . .	June 4-
UNICEF Program Committee and Executive Board	New York . . . . .	June 4-
PIANC Permanent International Commission: Annual Meeting	Brussels . . . . .	June 5-
International Labor Conference: 46th Session	Geneva . . . . .	June 6-
9th International Electronic, Nuclear, and Motion Picture Exposition	Rome . . . . .	June 11-
IAEA Board of Governors	Vienna . . . . .	June 12-
UNESCO Intergovernmental Meeting on Discrimination in Education	Paris . . . . .	June 12-
TU CCIR Study Group X (Broadcasting), Study Group XI (Television), and Study Group XII (Tropical Broadcasting)	Bad Kreuznach, Germany . . . . .	June 13-
NATO Industrial Planning Committee	Paris . . . . .	June 14-
NATO Petroleum Planning Committee	Paris . . . . .	June 21-
2th International Film Festival	Berlin . . . . .	June 22-
J.N. ECOSOC Technical Assistance Committee	Geneva . . . . .	June 25-
JNESCO Committee of Governmental Experts To Prepare a Draft of an International Recommendation on Technical Education	Paris . . . . .	June 25-
CAO Visual Aids Panel: 2d Meeting	Montreal . . . . .	June 28-
OECD Ministerial Meeting	Paris . . . . .	June*
4th FAO Regional Conference for Latin America	Brazil . . . . .	June
International Lead and Zinc Study Group: 8th Session of Standing Committee	(undetermined)	June
FAO Group on Grains: 7th Session	Rome . . . . .	June
MCO Subcommittee on Tonnage Measurement	London . . . . .	June
NATO Science Committee	Paris . . . . .	June
South Pacific Commission: 12th Meeting of Research Council	Nouméa . . . . .	June
GATT Working Party on Tariff Reduction	Geneva . . . . .	June
TU CCITT Working Party VII (Definitions)	Geneva . . . . .	June
TU CCITT Study Group XII (Telephone Transmission Performance)	Geneva . . . . .	June
TU CCITT Study Group XI (Telephone Switching)	Geneva . . . . .	June
J.N. ECE Consultation of Experts on Energy in Europe	Geneva . . . . .	June
5th International Conference on Public Education	Geneva . . . . .	July 2-
FAO World Meeting on the Biology of Tuna and Tunalike Fishes	La Jolla, Calif . . . . .	July 2-
International Whaling Commission: 14th Meeting	London . . . . .	July 2-
Inter-American Ministers of Education: 3d Meeting	Bogotá . . . . .	July 3-
U.N. Economic and Social Council: 34th Session	Geneva . . . . .	July 3-
ECED Maritime Committee	Paris . . . . .	July 3-
WMO Commission for Agricultural Meteorology: 3d Session	Toronto . . . . .	July 5-
South Pacific Conference: 5th Session	Pago Pago . . . . .	July 9-
Antarctic Treaty: 2d Consultative Meeting Under Article IX	Buenos Aires . . . . .	July 11-
South Pacific Commission: 23d Session	Pago Pago . . . . .	July 18-
BE Council: 28th Session	Geneva . . . . .	July 22-
ECED Development Assistance Committee: Ministerial Meeting	Paris . . . . .	July
UNESCO Meeting on Protection of Cultural Property in Time of Armed Conflict	Paris . . . . .	July

## 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.

*Accession deposited:* San Marino (with declaration), March 19, 1962.

Customs convention on temporary importation of private road vehicles. Done at New York June 4, 1954. Entered into force December 15, 1957. TIAS 3943.

*Notification that it considers itself bound:* Sierra Leone, March 13, 1962.

##### Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

*Adherence deposited:* Malagasy Republic, April 14, 1962.

##### Economic Cooperation

Convention on the Organization for Economic Cooperation and Development and supplementary protocols nos. 1 and 2. Signed at Paris December 14, 1960. Entered into force September 30, 1961. TIAS 4891.

*Ratification deposited:* Italy, March 29, 1962.

##### Postal Services

Universal postal convention with final protocol, annex, regulations of execution, and provisions regarding air-mail with final protocol. Done at Ottawa October 3, 1957. Entered into force April 1, 1959. TIAS 4202.

*Adherence deposited:* Togo, March 21, 1962.

##### Telecommunications

Radio regulations, with appendixes, annexed to the international telecommunication convention, 1959 (TIAS 4892). Done at Geneva December 21, 1959. Entered into force May 1, 1961; for the United States October 23, 1961. TIAS 4893.

*Notification of approval:* Canada, February 16, 1962.

##### 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:* Tanganyika, March 6, 1962.<sup>1</sup>

##### Weather

Resolution by the Third Congress of the World Meteorological Organization amending article 10(a)(2) of the convention of the World Meteorological Organization signed October 11, 1947 (TIAS 2052). Adopted at Geneva April 1-28, 1959.<sup>2</sup>

*Ratified and approved by the President:* April 12, 1962.

Resolution by the Third Congress of the World Meteorological

<sup>1</sup> The instrument of acceptance by Tanganyika having been deposited, the constitution entered into force for Tanganyika on Mar. 6, 1962.

<sup>2</sup> Not in force.

logical Organization amending article 13 of the convention of the World Meteorological Organization signed October 11, 1947 (TIAS 2052). Adopted at Geneva April 15, 1959. Entered into force April 15, 1959. *Approval advised by the Senate:* March 13, 1962. *Ratified and approved by the President:* April 12, 1962.

#### BILATERAL

##### Canada

Convention for avoidance of double taxation and prevention of fiscal evasion with respect to taxes on the estates of deceased persons. Signed at Washington February 17, 1961. Entered into force April 9, 1962. *Proclaimed by the President:* April 16, 1962.

##### China

Agricultural trade agreement. Signed at Washington April 16, 1962. Entered into force April 16, 1962.

##### El Salvador

Arrangement relating to radio communications between radio amateurs on behalf of third parties. Effected by exchange of notes at San Salvador April 5, 1962. Entered into force April 5, 1962.

##### India

Agricultural trade agreement. Signed at Washington April 16, 1962. Entered into force April 16, 1962.

##### Nicaragua

General agreement for economic, technical, and related assistance. Effected by exchange of notes at Managua March 30, 1962. Enters into force on date of notification that Nicaragua has ratified the agreement.

##### Syrian Arab Republic

Agreement amending the agricultural commodities agreement of November 9, 1961 (TIAS 4944). Effected by exchange of notes at Damascus February 24, 1962. Entered into force February 24, 1962.

### Check List of Department of State Press Releases: April 16-22

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases appearing in this issue of the BULLETIN which were issued prior to April 16 are Nos. 227 of April 6; and 236 and 244 of April 12.

No.	Date	Subject
255	4/16	Economic planning team visits British Guiana.
*256	4/16	Ball: interview on "Issues and Answers."
257	4/18	Continuance of relations with Argentina.
*258	4/16	U.S. participation in international conferences.
259	4/18	U.S. supports freedom of exit for Mr. Tshombe.
260	4/19	Cotton and rice agreement with Poland.
262	4/21	Visit of Mr. Cleveland to Europe and Congo.

\*Not printed.



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THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1194 • PUBLICATION 7375

May 14, 1962

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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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# The Alliance for Progress in the Context of World Affairs

*Address by Secretary Rusk*<sup>1</sup>

It is a high privilege for me to join Milton Eisenhower [President, Johns Hopkins University], Raúl Prebisch [Executive Secretary, Economic Commission for Latin America], José Figueres [former President of Costa Rica], and Teodoro Moscoso [Assistant Administrator for Latin America, Agency for International Development] in this series of lectures devoted to the Alliance for Progress. For our alliance represents the most important common venture in the long history of our hemisphere. On its success depends the individual welfare of hundreds of millions of our people, the independence and freedom of many of our nations, and the continued flourishing of that civilization which our ancestors built in the wilderness and which their successors have struggled to bring to full flower.

In previous evenings you have heard careful and eloquent expositions of the alliance—its components, its demands, its prospects for success. Tonight I wish to speak of this alliance in the context of United States foreign policy as a whole—as a part of our view of the world scene with which the Americas are more and more intimately joined.

For us, the alliance is a special part of an indivisible whole. For it rests on those indissoluble ties of geography and history, of common culture and common interest, which have always bound our nations together. It rests on the realization that this hemisphere is part of that Western civilization which we are struggling to protect and that many of the highest values of that civilization

have found their richest expression in the life of the nations to our south. It rests on the special responsibilities of the United States in this hemisphere—responsibilities which exist independently of the cold war, or a Soviet military threat, or the demands of nations newly freed from colonial rule. It is an alliance which my country has joined because of our realization that the destiny of the United States is irrevocably joined to the destiny of our sister Republics of the New World.

## **Basic Goal of American Foreign Policy**

The basic goal of American foreign policy is a world where individual men are free to pursue their own ends, subject only to the liberating restraints of a free society. It is significant that this is a policy whose central focus is man and not the governments which rule him. For such a policy rejects the thesis that the state is the end of human striving, the ultimate product of individual effort. Thus it rejects a way of life which is as ancient as the tyrannies of the dawn of history and as modern as the communes of Communist China. Of course this policy is limited by the fact that we must act as a government and, in the sphere of international relations, our dealings must, for the most part, be with other governments. Thus we must guide our efforts toward the support and strengthening of societies which share our basic goals for man. This policy too must, at times, take account of the realities of the world conflict, of the presence of a powerful adversary who seeks to destroy the framework of freedom which we are laboriously constructing. But none of the detours or delays which may be forced upon us will take us far off

<sup>1</sup>Made before the School of Advanced International Studies of Johns Hopkins University at the Pan American Union, Washington, D.C., on Apr. 25 (press release 270).

course if we keep in mind the basic guiding principles of our policy.

Each generation is called upon to write its own chapter in the long and stimulating story of freedom. In the world as it is today, the chapter which we are called upon to write involves both strength for defense against aggression and a mighty creative effort to build a decent world order. The United States has accepted, as a matter of necessity, the maintenance of a military force of such undeniable power that no rational decision could be made to attack the free world. It is a burden we gladly bear and would as gladly lay aside as soon as possible. We know that security does not lie in an unlimited arms race, and we have made sober and persistent efforts to turn that race downward and to strengthen the processes of peace. Although there are discouragements, we shall continue that effort because we understand that it is no simple matter to transform the nature of international relations overnight. But the transformation must come. Meanwhile we shall do our part to provide the strength which is required in the actual world in order to give us a chance to bring into being another kind of world required by the nature and destiny of man.

#### **Political Freedom and Economic Development**

The second part of our "grand design" is our readiness to contribute in every appropriate way to the building of free, politically stable, and independent nations. Although we cannot guarantee that these states will always share our hope for the future of man, it is clear that this hope can only be realized within such a society. Only such a society can resist efforts at subversion and revolt promoted from without. Only such a society is secure enough to grant enlarging individual liberties to its citizens. Only such a society can hope to carry forward the prodigious task of development on which the welfare of its people, as well as its future stability, so largely depends.

The instruments with which we carry forward this part of our policy are far more complex and subtle than even the most ingenious techniques of modern military strength. But basically they rest on the encouragement and strengthening of two forces which are products of our Western civilization: political freedom, national and individual, and the drive toward economic development.

It was here in this hemisphere that men first broke the bonds of colonial rule, destroyed alien rule on this continent, demanded the right of self-determination, and fought to establish that right. It was Washington and Bolívar, Jefferson and San Martín, who first gave national expression to the forces which today guide the struggles of men across turbulent Africa and Asia. This nationalism is the strongest political force of the modern world. And in all corners of the world international communism struggles to break it down, to impose an international discipline which merely means the substitution of new colonial masters for the old. But since 1776 no nation has been able successfully to destroy the force of nationalism, and indeed today we are witnessing its pervasive effect on the Communist empire itself.

Thus we welcome and support the new nations of the world. We encourage them in their efforts to achieve national independence and to express their legitimate national interest. For we who have established a pluralistic national society do not share the Communists' fear of the confusions, the uncertainties, and the liberating discords of a pluralistic world society. In this it is we, and not the Communists, whose national goals ride with the events of history.

#### **Shattering the "Wall of Glass"**

The drive toward economic development is essentially a product of the Western technological revolution. It was this revolution that has provided man with the capacity to emerge from centuries of poverty and hunger and ignorance. And it was also this revolution that awakened man's realization that such capacity was within his grasp.

Suddenly, in the years following World War II, it became apparent that the vast unbridgeable gulf between the rich and poor nations had become a wall of glass. On one side of that wall were the capital, the scientific advances, the technological skills of the industrialized nations, and on the other the poverty and hunger and the fierce desire for a better life of the great masses of the underdeveloped continents. The shattering of that wall, the application of the tools and wealth of the industrialized nations to the needs of the poorer nations, became, and still remains, the central issue of our time. We have confronted this problem with the new tools of economic aid, national

## Success of Alliance for Progress Key to Welfare of Americas

Remarks by Secretary Rusk<sup>1</sup>

I take special pleasure in opening this program devoted to the Alliance for Progress. Tonight I speak to you of policies that concern not only the United States but 19 other nations of this hemisphere.

The Alliance for Progress has been forged by 20 American Republics in their mutual interest.<sup>2</sup> It is based on aspirations common to them all, and its purpose is to lay a firm economic and social foundation for preserving their independence by striking at poverty and injustice—the roots of tyranny.

In pledging our full support to the Alliance for Progress, we are keeping faith with our own tradition. For it is true, as Cordell Hull remarked in 1936, that, "We are impelled by the wish to make known and effective the beliefs and desires which we have in common. We are responding to our need of declaring and carrying forward in unison our common ideals. We . . . affirm our trust and friendship, . . . combine our faith, to make sure that peace shall prevail among us, and . . . repudiate with our whole mind and spirit those aims and philosophies that bring nations into conflict."

This "carrying forward in unison our common ideals" is a fine description of the Alliance for Progress. But much stress should be laid, I feel,

<sup>1</sup> Made on Apr. 26 in opening a television program entitled "The Alliance for Progress" produced by the Metropolitan Broadcasting Company (press release 271).

<sup>2</sup> For background and text of the Charter of Punta del Este establishing the Alliance for Progress, see BULLETIN of Sept. 11, 1961, p. 459.

on the "carrying forward," with work and determination, the commitment of mind and heart which is vitally necessary if the Alliance for Progress is to succeed. As the Charter of Punta del Este, the founding document of the Alliance for Progress, puts it: ". . . ultimate success rests not alone on our faith . . . but on the indomitable spirit of free men which has been the heritage of American civilization."

As the world has grown smaller, we have grown increasingly conscious of how broad the term "American civilization" really is. It flourishes on the Mississippi, the Río de la Plata, and on the mighty Amazon. Its monuments are spread over two great continents. Its children have brought new hope to the world—children like Washington, Bolívar, San Martín, Benito Juárez, José Martí.

The Alliance for Progress is the distinctive fruit of this American civilization of the New World. It is the initiative of many nations and many statesmen inspired by like aims, but its future lies not only in the hands of the statesmen but also in the hands of the citizens of these 20 Republics.

Time is pressing. Dr. José Figueres, former President of Costa Rica, has said that it is "one minute to midnight." The President of Mexico, Adolfo López Mateos, said that "at Punta del Este, the door was opened to the hopes of the people."

I am confident that the people of the United States will do their full share in contributing to the success of the Alliance for Progress, not only by material means but also with the indispensable ingredients of faith and the spirit of free men.

The alliance deserves no less from any of us, for in its success rests the welfare of our own as well as of future generations.

planning, and social reform. Yet it is clear that the successful completion of this task will require new breakthroughs of thought and action—the devising of new tools and techniques for the creation of capital and credit, for trade and the spread of technology. We will have to look afresh at all the institutions and procedures we have developed to speed up growth within each country of wealth and productive capacity. For only new efforts of imagination and intellect will enable us to shatter the glass wall and liberate the undoubted capacity of our society to bring, and bring rapidly, a better life to man.

For the past 15 years the United States has devoted itself to assisting the economic development of other nations. For that development is central to the basic goal of our foreign policy: *first*, because it will provide the material welfare necessary to liberate the skills and capacities of individual men and to give them an opportunity for the exercise of freedom; and *second*, because, in today's world, only a nation which is making steady economic progress, which is offering hope and a realization of that hope to its people, can maintain the political stability essential to the maintenance of its national integrity and political

liberty. For it remains true that governments derive their just powers from the consent of the governed.

### **Advantages of Free Societies**

In the harnessing and encouragement of this second great force—the drive toward economic development—free societies possess a great advantage. For it is the free societies that first set loose this force, that first developed the technological capacity to improve the material welfare of man, that first illuminated the prospects of a better and more abundant life for the people of the world. It is our science, our methods of distribution, and our economic techniques that have lifted man into the industrial age. The history of the past 20 years has demonstrated clearly that economic development can best be achieved within the context of a free society unhampered by the ponderous arrangements of a 19th-century Marxist doctrine framed for another age and another set of conditions.

At the close of World War II many nations, their economies shattered by the war, began the task of reconstruction and economic growth. Some began this development within the constitutional framework of a free society. Others, subjugated by military conquest or armed revolution, took the Communist road to economic progress. Today, 17 years later, the results are becoming clear. They can be seen in the dramatic picture of a free, prosperous Western Europe confronting the drabness of Eastern Europe. They can be seen in the performance of a Japan which has reached new heights of prosperity as the fastest growing nation of the world over against the hunger and starvation which afflicts the vast population of China. And they can be seen in Cuba, where the decline in agricultural production, the food rationing, the drop in real incomes illustrate the emptiness of Communist claims that they hold a magic key to rapid development.

We take no satisfaction from economic distress, under whatever system it exists. But it is relevant to point out that Communist techniques have not produced the promised results, despite appalling prices in human values paid for economic development.

During the 1950's, after basic war damage had been largely repaired, the Soviet Union's economy

grew at a rate of 6½ percent; it was a good performance, but it was exceeded by many free countries, including Germany, Austria, Japan, and Venezuela. Even with a slower rate of growth, the United States during the fifties increased the absolute gap between its economy and that of the Soviet Union. At current projections for 1961–1970, the absolute gap will continue to widen as the United States adds more than \$300 billion to its annual gross national product, while the Soviets add a possible \$170 billion to theirs.

All told, over the next 9 years the nations of the Sino-Soviet bloc can expect to add \$300 billion to their GNP, while the nations of the Atlantic community and Japan will add more than \$500 billion.

These statistics, even with allowances for the vagaries of statistical analysis, clearly demonstrate that no Communist society has found a magic formula for economic growth and that rapid progress can readily be achieved by a free society.

Even more important than the statistics of economic growth are the uses to which this increased abundance has been put. For our aim is to improve the welfare of people—to relieve human want and misery—not merely to pursue increased output as an end in itself. The economic history of the Communist bloc is clear and dramatic proof that the Communist route to development, effective as it may be in increasing national power, is the least effective means of raising the living standards of individual men and women.

This is most dramatically illustrated in the Soviet Union itself, the focal point and pride of Communist development.

### **Sluggish Performance of Communist Agriculture**

Most significant has been the sluggish performance of Communist agriculture. Throughout the entire Communist world the doctrines of Marx have been proven incapable of mastering the techniques of modern food production and providing an abundant diet.

Almost half of the Soviet work force is engaged in agriculture, as compared with 9 percent of the American work force. But the average American, according to the Department of Agriculture, has at his disposal three times as much fresh fruit, eggs, and edible fats and twice as much meat and sugar as the average Soviet citizen.

In recognition of this agricultural problem Chairman Khrushchev recently warned—30 years after collectivization—that “the entire economy can be wrecked if the lagging of agriculture is not noticed and overcome in time.”

Across the Communist world the story is the same. Eastern Europe, which in prewar years was a net exporter of grain, has in recent years had to import 5 million tons of grain. Production of grain in Communist China in 1960 was actually less than in 1957, although the population had meanwhile increased by almost 60 million.

In other vital areas the failure of Communist economies to meet the basic needs of human welfare has been dramatic. The real wages of non-agricultural workers in the Soviet Union in 1958 were calculated at 95 percent of their wages in 1928—a decline of 5 percent over a period of 30 years. At the end of 1960 the housing space available to the average Soviet urban dweller was about equal to what he had under the czars. Other consumer durables are even scarcer, making it clear that the promised abundance of Soviet communism is still far in the future.

In the rest of the Communist bloc economic growth has not been translated into higher standards of living. In Czechoslovakia, the most prosperous of the Eastern European countries, it took the average industrial worker in 1957 longer to earn enough to buy a pound of butter than it took him in 1937. Only Czechoslovakia among these countries has an average living space greater than the 9 square meters established as a minimum by 19th-century hygienists. In China and North Viet-Nam millions are struggling to avoid starvation on subsistence incomes, with other comforts forgotten in the struggle for survival.

Behind these statistics and comparisons lie two central facts: that Communist societies are not capable of more rapid economic growth than free societies and that they are far less able to translate growth into substantial increases in human welfare.

To those whose desire for development stems from concern for the welfare of the individual, and not solely from desire for national power, it is clear that the path of freedom offers the best and most effective route to progress.

Thus the second great force of our era—the drive for economic development—finds its best model and exemplar in those free societies which gave it birth.

## **Evolving the Policies and Tools for Development**

However, the free nations are now faced with the problem of evolving a set of policies and tools which will enable us to carry forward the same development in the rest of the world.

The Alliance for Progress represents just such an evolution of methods and aims. Although the alliance springs from the special relationships between the American nations, it embodies basic principles of development which are of broader application. It is a product of the experience both of Latin America and of the United States since World War II—a period during which the United States has devoted greater resources to the assistance of others than any other nation in the history of the world. These resources have helped to sustain economies in many parts of the world, have met emergency human needs and assisted nations to launch programs of development. Yet we must also admit that some of this money has been ineffective. Some of it has disappeared, vanished without a trace of permanent effect on the lives of the people it was meant to help. It was this experience that has taught us that solid development is not possible without at least three basic conditions.

## **Mobilizing National Resources and Energies**

First, no nation can develop unless it possesses its own inner determination to progress. This means the mobilization of national resources and energies, the use of national institutions, and, above all, an intangible dedication of national spirit and will—a singlemindedness of purpose and an unrelenting determination which is essential to all great human achievements and without which development is not possible. If this condition is present, then external resources can give a vital if marginal boost. If they are not present, then no amount of external help will leave a permanent trace on the life of the nation.

No free nation will demand of its people the sacrifices which the Communist nations demand—the loss of liberty and the rigorous regimentation of daily life. Such sacrifices destroy the goal of freedom for man; they are unnecessary even in economic terms and do not yield progress. But neither can we make the assumption that economic development is painless, that it can be achieved without arduous labors and sacrifice; it may require increased taxes or the yielding up of large

estates, curbs on consumption or the barring of luxury imports. But such sacrifices are mild indeed compared to the Communist alternatives, and they will ultimately yield greater abundance for all.

This first condition, under the name of self-help, is an essential component of the Alliance for Progress and of economic development everywhere.

### **Examples of Self-Help**

With this in mind it is heartening to see the many examples of effort and will which the nations of this hemisphere have made in an effort to improve the welfare of their people. These examples are not only significant in themselves, but they indicate the strength of spirit which characterizes this hemisphere and which holds such high promise for the far greater effort ahead. Let me cite a few of these examples of self-help and cooperation among our American Republics—examples which antedate the Alliance for Progress.

Local Colombian initiative led to the formation of the Colombian Technical Institute aimed at developing badly needed technical and scientific skills for all Latin America.

The Mexican Ministry of Agriculture has developed one of the finest institutes of agricultural research in the world. Agronomists from all over Latin America and 12 from the Near and Middle East are there learning skills to improve the agricultural production of their countries.

The University of Chile has one of the finest programs of advanced economic training in this hemisphere. Of the 57 students enrolled in the graduate school of economics, 45 are from outside Chile, and the faculty is rapidly becoming a leading source for highly trained economists throughout Latin America.

Peruvian private initiative has built up the fishmeal industry from its inception in 1950 to the point where Peru is now the world's largest exporter of fishmeal and stands third only to Communist China and Japan in terms of total production of fish products.

Bolivia has doubled its number of school buildings in the past decade, largely through the efforts of local communities.

Under the Venezuelan land-reform program, which began in March 1960, 4 million acres have already been distributed to 44,000 families.

In Argentina the Nobel Prize winner, Dr. Bernardo Houssay, after resigning from the University of Buenos Aires in a protest against Peronism, built one of the hemisphere's finest institutes of biology and experimental medicine, relying principally on local subscriptions.

Costa Rica, a country with a population of only 1.2 million, has implemented one of the hemisphere's most successful programs of education; as of now 240,000 students are enrolled in schools of all types.

Mexico has achieved an increase of 223 percent in its agricultural production in the last 20 years. Once a large importer of corn and wheat, Mexico has in the last 6 years become self-sufficient in both crops. And the nation as a whole has become virtually self-sustaining in the agricultural field.

The Mexican record in the field of public health has been impressive. The antimalarial campaign which began in 1957, when 25,000 Mexicans were dying each year from malaria, was so effective that in 1960 not a single Mexican died from malaria.

These and thousands of other examples serve to illustrate the range and effectiveness which is possible to private and public initiative within a free society. It is, in fact, one of the principal advantages of a free society that it liberates the energy and initiative of thousands of individuals and groups in the service of human welfare.

### **Meeting Demand for Social Justice**

Second, no real economic development, consistent with the goals we have set ourselves, is possible without a social structure which permits the great mass of people to share in the benefits of progress and which affords each man the fair expectation of social justice. This often means basic, even revolutionary, changes in the structure of society. Outmoded systems of land tenure which allow a few to hold great estates while most agricultural workers are landless must be swept away. Tax systems which exempt the wealthy from their just share of the burden of development must be revised. And all the institutions of society must be carefully scanned to insure that they are not instruments for maintaining the privileges of a fortunate few.

Some of these changes are necessary for rational development. But many of them do not find their justification in the calculations of economists or

the formulations of planners. They are vital because no government and no nation can carry forward the process of development without the support and help of its people. And people will only give their assistance when they are convinced that the government is serving their interest, that they are not being exploited on behalf of a minority, and that they and their children will have equal access to land, jobs, and education. People can be called upon for the sacrifices which development demands when they are convinced that everyone is sharing those sacrifices and that there will be a just distribution of the progress which sacrifice brings.

I am fully aware that these fundamental social reforms are not made without controversy. We are deeply committed to democratic processes, and we know from our own experience that economic and social reform involves vigorous debate, time, and adjustment of contending views. The great human forces which have unleashed the drive for development in the last several years also demand social justice as a part of that development.

#### **Developing Human and Material Resources**

The third requisite for development is also the most obvious: the human and material resources necessary to permit a nation to build the basic economic structure which will produce long-term growth.

In our rush to create new capital we often neglect the importance of the human resources necessary for economic development. But factories and roads and bridges will not be built without men to plan them, to engineer them, and to manage them. The programing of economic development itself requires the application of a hundred skills; and the implementation of these plans requires thousands of men to run the factories, teach new methods to the farmer, and guide the public administration of the developing society. The history of economic progress in all countries is proof that general education and the development of skills are the most productive long-run investments which can be made in the future of any nation.

Let me say a word here about the element of time. It is a truism to say that each nation has consumed centuries in getting to where it is today. But in development, decades or even centuries can be jumped over because of the transferability of

knowledge and technical skills. We are celebrating the 100th anniversary of our land-grant colleges, but that does not mean that it will take a hundred years to equal that experience elsewhere. The rapid growth of educational systems and institutions of higher education throughout Latin America in the postwar period has been deeply encouraging and lays a solid base for the training of the manpower needed for national development. It is no accident that sharply increased attention is being given within the alliance to the training of leaders, for people remain the bottlenecks for the accomplishment of great human tasks.

Of course large sums of capital will be needed. Much of it will be mobilized within the developing country. But the United States also accepts its obligation to supply a substantial share of the external assistance needed for the success of the Alliance for Progress. These funds can come from only one source—the ordinary taxpayers of the United States. We have no magic mountains of gold; the alliance is for us a people's effort, just as it is in the rest of the hemisphere. President Kennedy has pledged us to a mammoth 10-year effort. And we intend to live up to that pledge in the years to come.

With the fulfillment of these three conditions, and with unremitting effort by all of us, we can insure the success of the Alliance for Progress. And with these same instruments we can also help bring a better life to men and women in other parts of the world.

The Alliance for Progress represents an acceptance by all nations of the hemisphere—North American as well as South—of our common responsibility to create an American civilization where no man is forced to live out his life in hunger or hopeless poverty, where every man has the right to hope for a better life for himself and his children.

We approach this task confident of the unparalleled creative power of free societies. We approach this task with the knowledge, evolved from experience, of what we must do to advance the development of the American nations. We approach this task with the same unyielding will which created a civilization in a wilderness and subdued a continent to the service of freedom.

And when we succeed in our alliance—as we shall succeed—then we will have created a hemisphere where every man will be liberated from material bondage in order to pursue unhindered

the ceaseless quest of the human mind and heart. In this way the basic goal of my country, and of yours, will have been fulfilled.

#### **Additional Remarks<sup>2</sup>**

I wonder if I might conclude with just a personal observation or two.

We in this country are aware of the fact that in this great effort which we have called the Alliance for Progress we are in a real sense the junior partners—junior because the effort which we can commit will be considerably less than the efforts which will be committed by all the others. Of the large sums of capital needed for new investment in the next decade perhaps some 20 percent of it will come from external sources, and of that more than half will come from us. But there remains the 80 percent which will be mobilized by the peoples of the countries of the hemisphere themselves. As far as we in the United States are concerned, the sums of which we are talking are on the order of 2 percent of the gross national product of the other members of the alliance; 98 percent is their responsibility and their contribution.<sup>3</sup> I hope that we in this country can recognize that we are the junior partners and, in good manners and good spirit, that we are in relationships with mature societies with vast problems on their hands, with peoples to lead, peoples to educate, with efforts to mobilize, and that we can understand their problems even though many of them seem far away.

The second has to do with what may turn out to be the most difficult part of all our alliance effort. We are dedicating ourselves to a decade of impatience. That is the meaning of the Alliance for Progress. Now it is customary for free men to take their deepest common commitments for granted and to exaggerate the importance of their marginal differences. One of our problems therefore within the family of the hemisphere is to discover how to combine urgency—desperate urgency—with a kind of common

feeling which will preserve the unity and fellowship of this hemisphere.

In certain respects we must not expect too much. Will there be those who will be discontented with the pace of the effort? Of course. Some will think the movement is too slow. There will be a few who think, in their own situations, that the movement is too fast.

Will there be some of us here in North America who will be impatient with the rate of progress in one or another country or several below the border? Of course. Will there be countries in the hemisphere who will be somewhat disturbed because a neighboring country seems to be moving somewhat more rapidly than one's own country? Yes. Will there be hard negotiations in allocations of resources? Surely. Will there be problems to solve as one neighbor helps another in any one of the dozens of ways in which help is going forward? Yes.

All these things are true. All that means is that free peoples are doing business with each other in a common effort through free procedures. Therefore we shall be debating domestically as well as internationally. We shall be negotiating seriously and hard. We shall be dissatisfied—steadily and continually dissatisfied, I hope—because whatever we do will still leave us the great unfinished business of freedom ahead, but our job is to get on with this great alliance, with a solidarity which our commitment to the peoples of this hemisphere requires, and keep these marginal differences within bounds. Because we approach this task confident of the unparalleled creative power of free societies and we approach this task with the knowledge evolved from experience of what we must do to advance the development of the American nations. We approach this task with the same unyielding will which created a civilization out of a wilderness and subdued a continent to the service of freedom.

And when we succeed in our alliance, as we shall succeed, then we will have created a hemisphere where everyone will be liberated from material bondage in order to pursue unhindered the ceaseless quest of the human mind and heart. And in this way the basic goals of my country and of your countries, gentlemen, will have been fulfilled. And in this way there will be many who look back on their own lives and say with pride, "I lived during the Alliance for Progress."

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<sup>2</sup> The following six paragraphs were released separately as press release 270-A dated Apr. 25.

<sup>3</sup> The percentages are rough approximations, the 2 percent representing the \$1 billion U.S. commitment for the first year of the alliance and the 98 percent representing the estimated \$50 billion total gross national product of the Latin American nations participating in the alliance.

## Secretary Rusk's News Conference of April 26

Press release 276 dated April 27

*Secretary Rusk:* Before I take your questions, I should like to make a few comments on nuclear testing. First, I should like to urge all of you to study again carefully the address to the Nation made by President Kennedy on March 2 on this subject.<sup>1</sup> In that statement he essentially did two things: He set forth with great clarity the reasons why it would be necessary for us to undertake a certain number of tests in the absence of an international agreement banning nuclear tests with adequate assurance, and, secondly, he indicated, without any doubt whatever, that it is a major objective of American policy to bring an end to nuclear testing immediately and permanently through arrangements which would give all of us assurance that testing had, in fact, been abolished.

We have had in the last several hours strident language from the Communist bloc which reflects the weakness of their position on the merits. And I should like to remind you of the nature of the obstacle which stands between us and the abolition of nuclear weapons testing. In essence it is the refusal of the Soviet Union to accept the kind of international verification which would remove from the problem the element of blind trust and give arrangements which would themselves lay a basis for reasonable confidence among nations.

You might wish to refer to my statement of March 23d at the Geneva disarmament conference<sup>2</sup> on this matter of espionage. The proposals made by the United States and the United Kingdom<sup>3</sup> involve the location in the Soviet Union, the United States, and elsewhere of a limited number of control posts. Those would be staffed by inter-

### President Gives Authorization To Proceed With Nuclear Tests

The Atomic Energy Commission announced on April 24 that President Kennedy has authorized the Commission and the Department of Defense to proceed with a series of nuclear weapons tests in the atmosphere over the Pacific. The tests, to be conducted by Joint Task Force Eight under the command of Maj. Gen. A. D. Starbird, will begin as soon as is operationally feasible.<sup>1</sup>

<sup>1</sup> On Apr. 25 the Atomic Energy Commission made the following announcement:

"A nuclear test detonation took place at about 10:45 a.m. EST today in the vicinity of Christmas Island. The detonation was in the intermediate yield range. The device was dropped from an airplane. The test was the first detonation in Operation Dominic, now under way in the Pacific."

national personnel. The actual location of a post in the Soviet Union would be made on the basis of agreement with the Soviet Union, within a range of a considerable number of square miles of the area selected by the control organization.

The Soviet Union would have to agree on the exact location of a control post. The personnel would be limited to that control post and would not be free to wander around the countryside.

Our proposals also included a necessary number of on-site inspections. Those inspections would be necessary to clarify the data which would be picked up by the instruments at the control post to determine in fact whether such an event as recorded might be a nuclear explosion or a natural event such as an earthquake.

On any on-site inspection inside the Soviet Union, personnel would use Soviet transportation. They would identify in advance the exact location of the area which they wished to observe, they would be accompanied by as many Soviet observers as the Soviet Union wished to have

<sup>1</sup> For text, see BULLETIN of Mar. 19, 1962, p. 443.

<sup>2</sup> *Ibid.*, Apr. 9, 1962, p. 571.

<sup>3</sup> For text of a draft treaty on nuclear weapon tests submitted by the U.S. and U.K. delegations to the Conference on the Discontinuance of Nuclear Weapon Tests on Apr. 18, 1961, see *ibid.*, June 5, 1961, p. 870.

alongside, and they would be limited in function to the precise job of verifying what had in fact occurred at the time of the so-called suspicious event.

We cannot ourselves find in any such arrangements any substance whatever in the notion that these procedures could involve espionage. In fact, as I pointed out in Geneva, on-site inspections would take a look in any given year at less than 1/2000th of Soviet territory. Instrumentation, of course, in the control post would be much more extensive in its coverage of so-called suspicious events.

We find no substance whatever in the idea that that kind of international inspection could involve espionage.

I think it is also relevant to point out that, under the conditions of modern warfare, espionage in the old-fashioned sense is largely irrelevant because all of the great powers today know enough about each other to know how to inflict crippling blows in the event of a general war.

So that the incidental kind of information which might be picked up would have little or nothing to do with the kind of strategic problems with which the modern world is faced. The acceptance, therefore, of that amount of international machinery seems to us to be a minimum contribution which the Soviet Union can make to the halting of the nuclear arms race.

It is hard for us to understand why that contribution cannot be made in the interest of mutual confidence, in the interest of the allaying of suspicion, when the alternatives are so unpromising, because the alternatives are an arms race, with a commitment of increasingly massive resources to that problem, an increasingly instable strategic situation over the years to come. There were solid reasons behind President Kennedy's determined effort to achieve a nuclear test ban treaty.

There is another element which is of concern to us and that is that, if this amount of inspection is unacceptable, it provides a very gloomy prospect for advance in the field of general disarmament. The Soviet side has repeatedly indicated its readiness to accept rigorous international inspection. Thus far, apparently what they mean is that they will permit inspection of what has come to be called the bonfire, that is, those weapons which are destroyed, but not inspection of armed forces or production which remain.

Well this, obviously, is not a basis on which disarmament can go forward. Secrecy and disarmament are basically incompatible. No government will turn over the future of its nation to reliance upon something going on behind a veil in another country. No government will turn over the future of its people to decisions made somewhere else on the basis of announced policies which free people cannot accept. Therefore we hope very much that these are questions which will be broadly reviewed, and that attitudes will change, and that some progress can be made.

Now, where do we go from here? We move in two directions. On the one side, as indicated in the March 2d statement of the President, we shall conduct, in the absence of an adequate treaty, a series of selected and sophisticated tests. These will be considerably less in megatonnage or fallout than those conducted by the Soviet Union last autumn. There will be no tests for political or psychological reasons. These tests will be aimed at the security of the United States and the free world.

At the same time we shall make every possible effort to achieve a nuclear test ban treaty at the earliest occasion. As far as we are concerned, we are ready to continue and will continue the negotiations looking toward the possibility of such a treaty. I understand that the general view in the present conference at Geneva is that talks should continue and that every effort should be made to bring this arms race to an early and permanent conclusion insofar as nuclear weapons are concerned.

I might just add one other comment, that on Saturday evening I am leaving for a 10-day trip which will encompass meetings with CENTO in London, with NATO in Athens, and with our colleagues in ANZUS in Canberra. I am grateful, in view of some of the problems that you gentlemen know about, that it has been possible to arrange these three meetings in sequence so that they can be accomplished in one brief period of 10 days, but I am looking forward to the chance to meet my colleagues in these three circumstances.

Now I will be glad to take your questions.

#### **Reaction to Atmospheric Testing**

*Q. Mr. Secretary, Senator Keating of New York says reaction to atmospheric testing will indicate who our friends really are. Would you agree with this?*

A. I think that we can assume that there is generally around the world a deep regret that atmospheric testing continues. But I think also that there is general recognition of the circumstances under which these American tests must go forward. We ourselves regret—not the decision under the circumstances—we regret the necessity for the decision, and we would have preferred arrangements which would have made it possible not to proceed with these tests. But we have to meet our responsibilities, and we do so as a matter of necessity.

I think that when we talk about world public opinion, we must look at it in its broadest aspects. We must look at it as including our more than 40 allies. We must look at it in terms of those neutrals who recognize that the possibility of neutrality depends upon the strength and the policy of the United States and its closest allies.

Yes, there is general regret in this country and abroad, but I think also there is general understanding of the circumstances under which these tests are being held.

*Q. Mr. Secretary, in view of the interest which exists around the world in this series of tests, can you or other officials of the Government be more specific as to the duration of the tests, the number of weapons to be exploded, and other precise information which would perhaps contribute to public understanding?*

A. No, I think it would not be for me to disclose the possible numbers of such tests or the duration of the series. In the President's March 2d speech he indicated that our tests would be considerably less in megatonnage and fallout than those conducted by the Soviets last autumn, but that information, I think, is not for me to provide today.

#### **Position on Summit Meetings**

*Q. Mr. Secretary, on another subject, would you care to give us your assessment or interpretation of Chairman Khrushchev's apparent about-face on the question of summit meetings, in which he appears now to agree with the American position that some agreement and preparation is necessary? What do you think has caused this apparent change in his position?*

A. Well, I would not, myself, emphasize the element of change in his position. Mr. Khrushchev did propose, as you recall, a meeting of

18 heads of government at Geneva in connection with the disarmament proposal.<sup>4</sup> But I think there is a sober realization on all sides that summit meetings have to be handled with some care; I was interested in his remarks on this subject. I think it is reasonably clear that summit meetings should produce a positive result rather than a negative result, because such meetings cannot occur and leave the situation just where it was before they convened.

*Q. Mr. Secretary, on the question of test ban negotiations in the future, is it our position at this point that the only kind of treaty we are interested in is one which bans all types of tests, or, given this current round of tests on our part and the expected Soviet tests, is there a possibility that we might again propose, as we have before, a ban on atmospheric tests alone?*

A. The objective certainly ought to be to ban all nuclear tests. I would not wish to comment on what the long-range future might hold, but the present object ought to be to ban all nuclear tests in order to put a ceiling, a limitation, on the nuclear arms race. We shall go ahead on that basis and try our best to get an agreement on that basis. One of the reasons we think so is that, quite honestly, we believe that it is in the national interest of all nuclear powers to find some way to end this massive diversion of resources, and this injection of unstable elements into the general world situation, to get on with the tests.

#### **Situation in Berlin**

*Q. Mr. Secretary, on Berlin, the public record is in a curious state, sir. The Soviet Union has made some detailed comments on American proposals which have not officially been put on the public record. Can you clarify this situation for us, and also can you give us your assessment of the present posture of the Berlin talks?*

A. The Soviet comments—Mr. Gromyko's [Soviet Foreign Minister Andrei A. Gromyko] speech the other day—I would not suppose went into very much detail on these questions, but I would be willing to comment on certain aspects of it. He referred to some certain obstacles that have to be overcome. We would agree that there are some obstacles that have to be overcome.

He referred to the presence of Western forces

<sup>4</sup> *Ibid.*, Mar. 5, 1962, p. 356.

in West Berlin. That, I would say, is quite an obstacle, because we are not treating that question and will not treat that question as a negotiable problem.

There have been other questions which have been alluded to in the course of discussions but which have not been pursued in any detail, because the central issues which are involved in what the West has defined as our vital objectives are still there unresolved insofar as Soviet proposals are concerned.

So there has not been any opportunity or occasion to pursue some of these other questions in any detail.

I believe the Department has clarified in the last day or so one point which needed some clarification. Mr. Gromyko's reference to the relation between access and what he calls the sovereignty of East Germany, of the GDR [German Democratic Republic], points to a matter which has been discussed from time to time, and that is that on our side we see no incompatibility between free access and the local responsibilities and authorities of those in the area through which access would move. In other words, we see a situation where no interference by one with the other is entirely possible, but that does not get into the question of recognizing the GDR or of accepting the permanent division of Germany or any questions of that sort.

It is obvious that the East Germans are very much involved in access. Some 95 percent of the access to West Berlin necessarily involves East German participation—barges, trains, traffic on the *Autobahn*, and so forth—but we see no basic incompatibility between free access and the fact that there are some authorities who are responsible for what goes on in East Germany.

#### **International Control of Atomic Energy**

*Q. Mr. Secretary, this happens to be almost exactly the 15th anniversary of the publication of the Acheson-Lilienthal report. In other words, we have gone down this road for 15 years and it has been a totally sterile road, apparently. Do you have any comment to make on that?*

A. I think my principal comment would be that events since then have demonstrated the great wisdom of the efforts made by the United States just after World War II to bring atomic energy under international control and to prevent the competi-

tive kind of atomic arms race which was then predicted, which was then predictable, and which has, in fact, taken place.

One recalls with certain regret that, when those proposals were made just after World War II, the phrase used to describe them by the other side was "atomic blackmail," and that expression continues to be used at the present time by the other side.

No, these secrets of nature could not be kept secret from man. This was known when this weapon was first developed. The most strenuous efforts were made to prevent just what has occurred. I think my principal comment is that we must pick up the problem—try once more—because the future of man depends upon it.

*Q. Mr. Secretary, do you see any possibility of a summit conference this year?*

A. Well, this year has quite a few months to run. I wouldn't want to be a prophet on that matter. I do not see one in the immediate future.

*Q. Mr. Secretary, in recent days both Premier Khrushchev and Foreign Minister Gromyko have spoken relatively in moderate tones about Berlin. Do you see their comments as perhaps indicating a sign that they want serious, businesslike negotiations on Berlin?*

A. I think there is a recognition among all of the capitals who are directly involved in the Berlin question that this is a serious problem and potentially a highly dangerous problem and that it ought to be handled responsibly, if possible. I do believe that the indication contained in the joint statement which Mr. Gromyko and I made at Geneva recently,<sup>5</sup> that the matter should be discussed further, is an indication that both sides wish to pursue this matter further and not to move it promptly to a crisis.

Of course, these are questions which can change in a very short time period. I probably will see Ambassador Dobrynin before I leave on my trip, but an announcement of any particular appointment on that would be made at the appropriate time.

#### **Geneva Disarmament Negotiations**

*Q. Mr. Secretary, with respect to picking up the problem again of new negotiations, would we be disposed to consider some alternate plan as con-*

<sup>5</sup> For text, see *ibid.*, Apr. 16, 1962, p. 625.

*trusted with the one you just mentioned. At the Geneva negotiations a number of our good allies did offer a number of alternate plans, such as Canada. Would it be our position that we would stand on the plan you have just outlined, or would we consider some other plan?*

A. This is a question which is somewhat vexing for a government which tries to find reasonable answers to problems and has some reputation for trying. Since March of last year we can honestly say that we have made many, many adjustments in our proposals to take into account what we had understood to be the Soviet position.

As late as the Geneva conference we made additional proposals in that direction to eliminate the threshold, for example, and to include all underground tests without an increase in the inspection machinery, to locate the control posts in the Soviet Union in direct relationship to the seismicity of the areas which, as it turns out, would mean that very considerable, very large areas of the Soviet Union would not have control posts in them because there is little or no earthquake activity and the control posts would be concentrated in those areas where earthquakes are more frequent.

Having gone through all of that, we feel we are very close to, or at the point, where further compromise on the verification would undermine confidence. We do not want machinery the only effect of which would be to multiply suspicion. We do not expect the Soviet Union to trust us or the Western World. We do not believe on these matters that we can trust them, but trust should be irrelevant. What we need is machinery which gives confidence so that these suspicions do not build up, where all of us on both sides can give assurance to our peoples that the situation is as it is reported to be and agreed to be under treaties.

So, having made many, many adjustments, we can't keep dividing the difference—we can't keep coming up with new proposals just because someone else continues to say no, and particularly when they now say no on things which they earlier agreed to.

I was forced to comment in Geneva that the faster we tried to move to the Soviet position the faster they seemed to abandon their own. We can't move beyond the point where we cannot in good conscience to ourselves and our own responsibilities and to our people and to our allies say we think these arrangements give us adequate security

for the future of our nation and for the free world.

*Q. Mr. Secretary, it has been reported that the Western proposals or the American proposals on Berlin do not include rail and water routes in the access authority. Can you say whether this report is accurate and, if it is, what the considerations behind that are?*

A. I think these are matters which are subject to discussion and negotiation among the Allies and with the other side at some point. The key elements, of course, in access would be the capability of supporting the viability of West Berlin with unimpeded access by whatever means are needed. It is of critical importance, of course, that the *Autobahn* and the air be unimpeded. It is also of great importance that barge and train traffic move in a normal fashion.

Those arrangements have been worked out in connection with the general flow of traffic trade between the two parts of Germany. But I would not want to try to spell out in detail how that might evolve in the future. This depends somewhat on the responsibilities of the access authority. If there were actual administrative responsibility for the actual operation—for example, in connection with one of our turnpike authorities—you would have one sort of a situation. But if you had a supervisory body only, which would control and supervise the administration of access by whomever and by whatever means, then you would have a rather different situation. So I can't really quite honestly answer your question precisely.

*Q. Mr. Secretary, the Dutch and the Indonesians have still not met at the conference table. What do you consider to be the main obstacle at the moment?*

A. Well, I think the principal matter is that there are contacts with both Governments on the basis on which they might resume talks. We, ourselves, hope that those talks will be resumed in the near future. I would not, I think, want to try to put my finger on any particular obstacle at this moment. We are hopeful that those talks will shortly resume.

*Q. Mr. Secretary, would you comment on Premier Khrushchev's call for the rewriting of a Russian constitution and the embodiment into it of its principles of foreign relations?*

A. No, I think that that is something that I need not comment on. That is an internal matter of the Soviet Union. Of course we will all be interested in having a look at whatever constitution evolves from that process.

*Q. Mr. Secretary, what can you tell us about the talks just held here by the U.A.R. Economics Minister [Abdul Moncim al-Kaissouni] and their results if any?*

A. We have had some very extensive talks with him. I will be seeing him later this afternoon myself. We have been considering what role we might play in their development program. I think those talks have been worth while, and I hope that the other side will think so, too, by the time they are concluded.

### **Problem of Population Control**

*Q. Mr. Secretary, can you say what, if any, interest the Government has in seeing increased research on population control methods? There was a report yesterday that State Department advisers had called for an increase in research on this area, but purportedly the decision on the recommendation has been held up for 7 months in the Department of Health, Education, and Welfare.*

A. I myself have not seen the particular report to which you apparently refer. I personally hope this question does not become a tempest in a teapot. Obviously, when people are talking about economic-social development, demographic and population factors are a very important part of any consideration of such questions.

The United States back in 1946 joined in supporting the establishment of a population commission in the United Nations, and we have worked with that since that time. We are working very hard on certainly one side of the ledger in this problem as between population and available resources. We in many countries are working toward increasing productivity and making it possible to take care more effectively of growing populations. Population policy is preeminently a question for each country to decide for itself and as a practical matter is something which each family must decide for itself.

For us to be indifferent to population factors would be, I think, reckless on our part, and we do take very seriously the population trends, the

impact of population growth upon development plans, and we shall continue to follow that problem. There are some aspects of it which are for each government to decide for itself, but we are not ourselves trying to press other governments on that in one way or the other.

*Q. Mr. Secretary, closer to home, one of our neighbors in South America is having quite a political struggle at this point. Is there any point at which we as a friendly government can intervene with any suggestions or offers of help or anything else that might retain political stability there?*

A. Well, I don't want to be indiscreet, but I don't identify which neighbor you are talking about. (Laughter.)

*Q. Argentina.*

A. In the case of Argentina, of course, we do have a deep and friendly concern in what is going on there, and we hope very much that they will be able to work out their situation on the basis of constitutional and a free government and take up again the great tasks which we all envisage in the Alliance for Progress. I would say at the moment today I am relatively optimistic that this can be done. But this is a critical period for them, and we wish them success in working it out.

*Q. Mr. Secretary, could you give us your evaluation of the Soviet need for testing? It is a foregone conclusion that they will test, but how ready and how much do they need to test, in your judgment?*

A. I think it would be for them to comment on their need. I wouldn't want to speak to that.

*Q. Mr. Secretary, tomorrow the U.N. Security Council is scheduled to take up the Kashmir dispute. The United States, as I understand it, had been exceedingly reluctant to see this come up before. Now that it is to take place, what outcome would the United States like to see happen here?*

A. This is a matter which, as you know, has been with us for many, many years. I think that, in the longer run, this is a question which will have to be solved by the two governments primarily concerned. What happens in the United Nations has to be viewed in relation to a possible permanent settlement. But I would not wish today, in

advance of the Security Council meeting, to try to anticipate how that might best contribute to a settlement.

### Central Issue of Berlin Problem

*Q. Mr. Secretary, what you have said, sir, and what Chairman Khrushchev has said would indicate that the question of the role of the Western occupation troops in Berlin is probably the single most formidable problem to be resolved in the Berlin crisis. You have said that for us this is not a matter that can be negotiated. Do you see any prospects, sir, of either overcoming, surmounting, or sidestepping—avoiding—this issue?*

A. I think for 3 years this has been a central issue, at least in terms of the Soviet proposals. If the Soviet Union wishes to draw a line under World War II, the West has some views as to how one draws a line under World War II in terms of a permanent settlement of the problem in Germany, and those have been put forward over the years. Give the German people a chance to decide how they want to arrange their affairs and to unify that country. But if there is no prospect for a settlement on that basis, then we have to take a look at the factual situation. The facts are that we are in West Berlin and we are going to stay there.

*Q. Mr. Secretary, could I put the question slightly differently. Given the situation you have just described, do you see the possibility of any agreement on Berlin which might be reached with the Soviet Union ending the occupation status on which we have based our position all these years?*

A. The rights and interests of the Soviet Union in Germany stem from the same source from which our rights and obligations stem—the surrender of Nazi Germany. We would want to be very careful about putting those rights on another basis, certainly on any unilateral framework. If we are told, on the one side, that what happens in East Berlin and East Germany is just not discussible, it is only what happens in West Berlin that is discussible—this is not acceptable. If they want to sit down to try to find a permanent solution to the German problem, we are ready at any time, but we are not going to be able to accept a highly unilateral, one-sided approach to the problem.

*Q. Mr. Secretary, at Athens, when you get there.*

*the problem of whether NATO is to have a separate nuclear deterrent is due to be discussed. There have been informal talks on this. Do you anticipate that there will be a solution to this particular issue while you are there?*

A. I would think on a question which is as important and as complex as that that these are discussions which will continue to go on quietly for some time in the permanent Council of NATO. I have no doubt that they will be alluded to in the meeting in Athens, but on your particular question, will it be solved there, I would think that the answer to that would be probably not.

*Q. Mr. Secretary, do you expect to start your talks on Berlin with Ambassador Dobrynin as soon as you return in your forthcoming trip?*

A. I indicated earlier I shall probably see him before I go off on my trip, and I will be back in about 10 days and we will see what happens then.

*Q. Mr. Secretary, Mr. Gromyko said in his speech the other day that agreement had been reached in principle on one or two points, including, I believe, agreement on a nonaggression pact between NATO and the Warsaw Pact group. Is this correct?*

A. There has been no agreement formulated on any particular point, but it is a matter that has been well known for many years that NATO does not intend to commit aggression on anybody. It has also been known since 1945 that the United States does not favor, for example, the diffusion of nuclear weapons in the hands of governments who do not have them. These are matters which are stated policies. They have been discussed, but there has been no agreement formulated on them.

There are a number of these points which probably could fall into place, because of standing policies of the two sides, if the central issues could be disposed of, but if the central issues are not disposed of, then I think these other questions will remain in the air.

*Q. Mr. Secretary, you and Mr. Gromyko drafted at Geneva, or began to draft at Geneva, an indication of major agreements and major disagreements surrounding the Berlin issue. Mr. Gromyko has tried to characterize these; leaks of points have come out. Wouldn't it be useful if you told us what the basic areas of agreement and disagreement were as you drafted them?*

A. I would think the answer to that question would be no.

*Q. Mr. Secretary, when you see Mr. Dobrynin this week, will you have formulated an agreed Allied plan? In other words, are the Germans now no longer uneasy about what you are going to say?*

A. Well, we are in regular contact with the German Government. I think that uneasiness came out of special circumstances, not necessarily related to our consultations with the German Government. No, we will try to carry these discussions further, but how far we will get in the next talk will have to be seen.

*Q. But are all your lines of negotiation now agreed to by Bonn?*

A. I think we are in good shape on our inter-allied relations on this point, with the exception of the attitude in Paris with respect to the nature of the contacts with the Soviet Union, which is now, of course, well known.

*Q. Mr. Secretary, what do you see as the point of going on with the general disarmament talks in Geneva? You have told us today that trust should be irrelevant—this is one of the pillars of the Soviet policy—and you have also said that their attitude toward inspection is not a basis on which disarmament can go forward. What can you hope to get out of these continuing talks?*

A. Well, I think you have to ask the question the other way around as well. What do you hope to get out of stopping them? What do you hope to get out of quitting the effort? It is so important in the long run that we try to make advance in this field, if we can, that we should not be discouraged, despite the fact that we have had 16 years of discouragement, despite the fact that more than 30 resolutions have been passed in the United Nations on disarmament without, so far, perceptible advance on disarmament. What we hope to accomplish in the serious proposal that we made at Geneva is to begin the process.

Now, we are under no illusion that far-reaching disarmament literally involves the transformation of the nature of international relations, and this means after thousands of years of history. This is not going to be easy or simple. It isn't strange that it might take some time, but it is going to take persistent effort to make a start. We would

like to see a start made in a way that is consistent with the security of everyone concerned, to try to find a way to bring this arms race down. So we are not going to give up, as far as we are concerned. But there are certain elementary aspects which cannot be abandoned. One of them is that you don't turn the fate of your country over to someone else by not knowing what is going on in this field of disarmament when you sign a treaty on the subject. So we have to have some way of assurance that the steps that are agreed to are, in fact, being taken. But we will continue to try.

## **President Reviews World Problems With Prime Minister Macmillan**

*Harold Macmillan, Prime Minister of the United Kingdom, made an informal visit to the United States April 25-29. Following is the text of a joint communique released on April 29 by the Office of the White House Press Secretary and the Office of the Prime Minister following discussions between Mr. Macmillan and President Kennedy April 28-29.*

President Kennedy and Prime Minister Macmillan have undertaken in Washington during the past day a continuation of the series of discussions which they began in Key West last year.<sup>1</sup> They have conducted a general review of international problems facing their two countries.

In particular, the President and the Prime Minister reviewed the problems of disarmament and of nuclear test control. They reaffirmed their regret that the Soviet Government has not been willing to join in an effective treaty which would end nuclear testing. They expressed the determination of their two governments to continue to work for progress toward disarmament, including the ending of nuclear tests.

The President gave the Prime Minister an account of the recent discussions between Secretary of State Rusk and Soviet Ambassador Dobrynin. They agreed on the importance of maintaining these and other contacts between East and West. They reaffirmed their willingness to consider meetings of Heads of Government whenever there is an indication that such meetings would serve the in-

<sup>1</sup> For text of a joint communique released at Key West, Fla., on Mar. 26, 1961, see BULLETIN of Apr. 17, 1961, p. 544; for text of a joint statement released at Washington on Apr. 8, 1961, see *ibid.*, Apr. 24, 1961, p. 579.

terests of peace and understanding, and in this respect they took note of the opinion recently expressed by Chairman Khrushchev.

The Prime Minister informed the President of the progress in the Brussels negotiations between Great Britain and the European Economic Community, and explained the importance of preserving the interests of the Commonwealth and EFTA [European Free Trade Association] countries. The President and Prime Minister expressed their hopes that these negotiations between the United Kingdom and the EEC would be crowned with success. The President informed the Prime Minister of the progress of proposals for new trade legislation to permit stronger relationships within and beyond the Atlantic Community.

The President and the Prime Minister then reviewed the situation of the NATO alliance in the light of the forthcoming meeting in Athens. They also discussed the situation in Southeast Asia, and strongly reaffirmed their support for an independent and neutral Laos under a government committed to that objective. They discussed problems of mutual commercial interest, including questions of shipping policy, tariffs and commodity problems. The President informed the Prime Minister of the developing efforts of the Western Hemisphere through the Alliance for Progress and explained his concern for the maintenance and development of adequate market opportunities for the products of the Latin American countries.

## View From the Diplomatic Tightrope

*by Harlan Cleveland*

*Assistant Secretary for International Organization Affairs*<sup>1</sup>

Some time ago, you will recall, the great Wallendas had an accident on their high wire. Two of the younger members of the troupe plummeted from their pyramid and were killed; a third is still in the hospital. The oldest of the Wallendas, 60-year-old Herman, who still does handstands on the high wire, was asked whether they weren't afraid up there.

"Certainly we're afraid," he said. "If you do not feel afraid, either you're a fool or you haven't got enough experience. You don't want anyone up there who is not afraid; he endangers everybody. You have to realize there is danger in front of you and danger behind you. Don't get careless: don't get too tense. You can't go too far in either direction."

I doubt if in his busy and productive life as a circus entertainer Herman Wallenda has ever given much attention to that other circus called "international relations." But his words, born of wisdom and experience in his business, fit the busi-

ness of diplomacy as well. "Don't get careless; don't get too tense." I cannot think of a better text for some words about our national will and purpose—and about its executive instrument, the Department of State.

"The Department," as we smugly call it, maintains active diplomatic relations with 101 sovereign nations. Some are rich and some poor: some are experienced and some are new boys in the hard school of political responsibility: some are stable, some are volatile, and some are both in turn. But every one is a special case. This means dealing with a hundred separate political regimes, each with its own policies, ideas, plans, hopes, ambitions, and prejudices—and each with its own political leadership more or less responsible to its own domestic constituency.

We cannot assume that other countries only have foreign policies, that only we can afford to have domestic politics. International diplomacy is mostly the resultant of the domestic politics of our 100 neighbors—as well as our own.

Of course on many matters—indeed, on an increasing proportion of all our foreign affairs—we

<sup>1</sup> Address made before the American Society for Public Administration at Detroit, Mich., on Apr. 14 (press release 249 dated Apr. 13).

deal not with nations but with groups of nations—14 NATO [North Atlantic Treaty Organization] allies, 7 partners in SEATO [Southeast Asia Treaty Organization] and 4 in CENTO [Central Treaty Organization], 19 other independent American Republics, 2 partners in ANZUS [Australia-New Zealand-United States], and 103 neighbors on the East River in New York.

Altogether, we pay regular membership dues to 51 of these international clubs. We invest in 6 international banks and funds. We make voluntary contributions to 24 special programs, to feed refugees, eradicate disease, promote research, and finance development. And we participate in more than 400 major intergovernmental conferences this year. Some of these conferences are pretty complicated—the most recent tariff-cutting meeting under the General Agreement on Tariffs and Trade lasted for a year and a half and involved 25 of the 40 member countries working on literally thousands of commodities. In the General Assembly of the United Nations, 104 countries dealt with about 100 agenda items in the 16th General Assembly. Those of you who are good at arithmetic will already have figured out that this means more than 10,000 national decisions had to be taken in the world community on how to vote, on issues ranging from the representation of Red China to the future of Ruanda-Urundi to the voting of a \$200 million issue of U.N. bonds.

Standing in the center ring of this international circus, we never have the luxury of playing to a single audience. Everything we do is watched with care and apprehension by our own publics, by our differing allies, by the several varieties of neutrals, and by the Communist states as well. Merely to name the audiences is to suggest the difficulty of satisfying all of them at once. It is, in fact, impossible. I know of no foreign policy problems worth discussing on which any given position will not be offensive to some significant group at home or abroad.

To formulate the national will in these circumstances is to seize the multiple horns of many dilemmas. Our culture teaches us that there are two sides to every question; we learn this in college debating, in court proceedings, in two-party elections, and in TV westerns, even of the adult variety. We also learn about two-sidedness from columnists who, analyzing the complexities of foreign policy, manage to simplify it all for us by finding two clearly etched points of view inside

the Federal establishment, and then simplify it further by identifying the heroes and villains, the good guys and the bad guys.

The real world is not like that at all. I am not aware of any real problem now under consideration in the Department of State which has only two sides. Five or six sides might be typical, and in United Nations affairs I can point to problems that have 17 sides or 35 sides or even 104.

Whenever an important decision is made on a serious issue in world affairs, a good case can be made for any of several alternative policies or actions. If the choice among them is a relatively rational one, in which reasoned analysis can provide the answer that really is "best," the matter is disposed of at the third level of our bureaucracy or below—and the chances are you will never hear of it. But any problems that reach the level of the Secretary of State involve a nip-and-tuck choice, on which reasonable men can—and frequently do—have very different views. And if a decision has to be taken to the President, the issue is likely to be so finely balanced that political instinct—a sense of direction combined with a kind of feel for the total environment—often becomes the decisive weight in the scales.

This sense of direction cannot be discovered merely by listening to what statesmen say their purposes are. In fact, I am not even going to take up your time today trying to define the purposes of our foreign policy. I'm going to refrain from doing this, not because it's too hard but because it's too easy.

They add up to a many-sided effort, under the canopy of nuclear deterrence, to make the non-Communist world hum with the cheerful and contagious sounds of success and thereby help to subvert the Communist world by demonstrating that free choice works better, and feels better, than coercion.

See? All in one sentence. Let's rise above principle to the rarer, more exhilarating atmosphere of practice.

#### **Tendency of Policies To Become Obsolete**

To illustrate what I mean, I have selected for brief exposure five issues that are on the front burner in the Department today. They are reasonably typical of the business of making and conducting foreign policy. They help show that the garden variety issue in world affairs comes

not with two sides but with several or many; that the answers to interesting problems are always complex; that whatever we do, someone will be mad—but someone else will be glad. They suggest that foreign policy is no business for the man with the easy answer: that, as in space travel, the shortest distance to the goal is far from a straight line; that horseback opinion is more than likely to be wrong; and that hipshooting is almost sure to be either dangerous or silly or even both.

Above all, they show that old doctrines wear out, old techniques become obsolete, and old policies, like old soldiers, really do fade away.

The longer I work at the business of diplomacy, the more I am impressed by the rapid obsolescence of even the most successful policies. On practically every important question we try to handle in the State Department there is a race between the development of the objective world around us and the development of doctrine with which to analyze and deal with that world.

Perhaps it is obvious that in a rapidly moving world—a world in which, as one philosopher has suggested, we cannot be sure where we are going but we know we are going there fast—it stands to reason that doctrines would have to change as rapidly as the world itself is changing. What does not stand to reason is that the human mind, which is so incomparably complex and rapid a computer, has not usually kept our policies up to date with the pace of events in the real world outside the mind. Or maybe it is not the capacity of our minds to think but rather a congenital reluctance to use our minds to think ahead.

Whatever the cause, we can see evidence of this lag in every corner of foreign policy. We see it in the contrast between our enthusiasm for John Glenn's pioneering flight and the sluggishness of our thinking on the kinds of international institutions we should be building to use this new technology for peaceful purposes. We see it in the trouble we have—and the trouble the Russians have—in facing up to the proliferation of nuclear weapons. We see it in the fateful moves toward Atlantic partnership; in our still primitive attempts to unravel the mysteries of nation-building in the world's less developed areas; in efforts to improve the peacekeeping machinery of the world community; and in the search for new doctrine to deal with the hard-core remnants of colonialism, now that the independence movement has almost run its course.

### Examples of Built-In Policy Lag

Consider, as one example of our built-in policy lag, the question of nuclear weapons technology. Fifteen years ago we had a world monopoly—and a strong sense of the implications of the atomic age. We offered to transfer this monopoly and its implications to the United Nations but were prevented from doing so because the Soviets were determined to develop their own capacity. This they did—sooner than most people expected. Our minds and efforts were then focused on the competitive development of nuclear weapons, on the big-power nuclear arms race forced upon us. This attitude was not altered when the British and then the French joined the nuclear club, because these developments fitted the context of East-West confrontation—and the doctrine of mutual deterrence.

Now we face a quite different situation. Several other nations now have the scientific capacity to acquire a nuclear weapons capability. There is not much time to prevent this from happening. The problem, of course, is complex. There are French, German, Chinese, and other special angles—all coming together in what is known as the "United Nations angle." But what is new is that rather suddenly the nuclear powers and the smaller powers share a common interest in arresting the spread of nuclear weapons. Yet it is not happening.

Our task is to find an approach based not on competitive development by the major powers, and the envious efforts of other powers to develop some nuclear capability of their own, but on common interest in limiting and then dismantling the nuclear arsenals that already exist. The dilemma, once again, is that scientific invention and technological innovation have outrun our capacity to invent the institutions to keep this most dangerous technology under control.

Consider, next, the dilemma of next steps toward Atlantic partnership. The problem here has been created largely by the success of our own past policies. The Marshall plan not only triggered the physical recovery of Europe from the damage of history's worst war; it set in motion a chain of events and innovations which, under European initiative, has produced a sensational economic renaissance and a trend toward political unification which is one of the most stirring events of our epoch. The six nations of Western Europe

are rapidly creating a single market as dynamic and potentially as prosperous as our own. If all goes well, Britain will soon join the Common Market, further adding to the size, weight, and influence of a great new community far stronger than the Soviet Union and potentially in the same league with the United States.

Our problem with all this is that our trade legislation is obsolete for the purpose of dealing with the European Common Market. We simply have never had to negotiate on equal terms before, and the doctrinal inheritance from Cordell Hull gives us inadequate leverage for the purpose.

This does not pose a difficult dilemma in theory. It does, however, confront us with the choice of equipping ourselves to enter a great new Atlantic partnership with enormous economic and political opportunities—or of suffering disadvantages brought on by the success of our own efforts in the years behind us. If we move forward—as surely we will—some of our industries which have shown signs of middle-aged complacency will have to sit up and take notice; and a few will find it useful to make more radical adjustments. But a law which served us well for three decades—and the bargaining techniques which went with it—are plainly out of date in the 1960's.

### **Nation-Building and Noninterference**

I mentioned the mysteries of nation-building, by which I mean, of course, our efforts to help the emerging nations modernize their economic and social systems. At best we know precious little about the complex equations in the processes of economic and social growth. We do know it requires, among other things, massive imports of capital, technology, and professional skills. We also know that in many cases it will require reform of land tenure systems, tax laws, and corrupt practices baked hard in the cake of custom. We also know that it requires the rapid growth of new institutions of almost every kind, public and private.

But these things can no longer be done in an atmosphere of tutelage; the pride of new nationalisms will not stand for the old patronizing ways, even if their purpose is to speed the achievement of nationhood. And from our side we uphold energetically the doctrine of noninterference in the internal affairs of other states. Yet how can we account responsibly for the use of public funds

if we do not exercise reasonable control over their use inside other countries? What, for example, does the Alliance for Progress mean if it doesn't mean financing rapid social reform?

How do we reconcile their acute sensitivity about foreign influence, plus our own doctrine of noninterference, with the fact that our aid programs make us deeply influential in internal development of societies? How do we assist in building institutions inside other countries—a network of rural health clinics, an agricultural extension service, a secondary school system, a radio and TV network, a modern army—without tripping and falling across that heavily mined political and ethical boundary called the doctrine of noninterference?

We have somehow been doing this, by trial and error, for close to two decades. It says something about our intellectual lag that we have handled the dilemma of noninterference mostly by avoiding it, by resolutely *not* thinking about it. But I wonder if the time has not come when we have to think up some new doctrine that fits the reality of our interdependent world, the reality of deep mutual involvement of national governments in each country's internal development.

My own hunch is that we will find this new doctrine in the creative use of international organizations, as is already happening on a very large scale. We will increasingly find, I think, that through the U.N. and through regional organizations some of the most sensitive relationships in the world—like training for public administration, or advising on national budgets, or reorganizing police forces—can be effectively drained of their political content, stripped of any implication that the technical assistance people are intervening, by operating in the name of the world community. There is already a big laboratory test now in process, as thousands of technicians operate in a hundred countries, representing a dozen different agencies of the U.N. family.

### **U.N. Peacekeeping Machinery**

In some cases the problem of policy adjustment is not related to the obsolescence of old ideas which once were good but rather to the growing realization that some old ideas never were designed for the real world. Such, for example, is the case of the peacekeeping machinery of the United Nations.

You will recall that the original idea, in 1945 when the U.N. Charter was signed, was that the United Nations should have a standing force provided by the great powers to deal with breaches or threatened breaches of the peace. But we have found from experience that each crisis requiring peacekeeping forces arises in a different form and therefore requires a different kind of force.

In actual experience the United Nations has engaged in eight peacekeeping operations—in Indonesia, Greece, Palestine, Kashmir, Korea, the Middle East, Lebanon, and the Congo. Each time the mission was different. Each time the number and type and training and nationality of the forces were somewhat different—and the supply and logistical problems were different too.

In most cases the standing force envisaged by the framers of the charter would have been the wrong kind of force to deal with the actual situations the U.N. has had to tackle. The political composition would have been wrong, or the mix of weapons system would have been inappropriate.

One lesson is clear from the scattered experience to date: We cannot run the risk of throwing together scratch teams with no training at a moment's notice—emergency forces which are, as the President described them in his U.N. speech,<sup>2</sup> "hastily assembled, uncertainly supplied, and inadequately financed." Entirely new ideas of identifying, training, commanding, transporting, and supplying special units for special jobs will have to be worked out against future emergencies.

### **Puzzle Created by End of Colonialism**

Let's take a final example of the need for new concepts: the fascinating puzzle created by the demise of colonialism. Most of our present doctrine is based on experience connected with the rapid dismantling of the old European trading empires. The doctrine is self-determination, leading to independence—a concept recorded deep in the history of freedom, impressed on the world by Woodrow Wilson in our own time, and reflected in the extraordinary fact that more than 900 million people have achieved their independence from colonial rule in the forties and fifties, or will surely achieve it in the early 1960's. This concept is still valid today, but its application must be

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<sup>2</sup> For text of President Kennedy's address before the U.N. General Assembly on Sept. 25, 1961, see BULLETIN of Oct. 16, 1961, p. 619.

tempered with judicious examination of the conditions which exist in each dependent area.

The United Nations has recommended self-determination for all, in resolutions with which we have associated ourselves. That recommendation can be carried out, sooner or later, in the big African colonies. But that still leaves some 50-odd enclaves and islands scattered around the world. Even by the wildest stretch of a sentimental imagination, most of them do not have the potential of becoming sovereign and independent nations. Many of them are small, and some are tiny—one of the four remaining U.N. trust territories has only 3,000 inhabitants. How much real estate does it take to make a nation? How many persons add up to a people?

The peoples of the 50 islands and enclaves should not be deprived of the benefits of economic development. They should not be deprived of the rights and obligations of self-government nor the opportunity for free association with the modern world. The world community must find ways—new ways if necessary—by which the peoples of such territories can be associated in freedom with the modern world.

The need for new doctrine on this subject is urgent, not only for the rational development of the remaining bits and pieces of the colonial system but also for the rational development of the United Nations. The charter principle of the sovereign equality of member states means that each country gets one vote, regardless of population, size, power, or willingness to contribute to U.N. activities. That full vote in the General Assembly has become the badge of nationhood, the mark of prestige, the membership card in the world community for more than half a hundred nations since the U.N. was founded. They are no more likely to give it up than they are likely to return to colonial status.

But the proliferation of sovereignties does raise two serious questions for those who are interested in building the United Nations as an executive organization for peace, in addition to a safety valve for international tension. One question is this: Are we coming to the limit of the number of national sovereignties that are reasonable for the size of the world we live in?

The second question is closely related to the first. With some further increase in U.N. membership in prospect, can the U.N. devise ways of so organizing itself that basic policy decisions con-

tinue, as they still do today, to give a special weight to the judgment of those members that carry the major political, economic, and military burdens in the world outside the General Assembly chamber?

Well, that's quite a lineup of intellectual lags—the spread of nuclear weaponry, Atlantic partnership, nation-building, peacekeeping, and the wriggling remnants of colonialism. And I have hardly mentioned the Congo; or the implications (for us as well as for the Communists) of the rift between Moscow and Peiping; or the dozen cases where we are deeply involved in what the Secretary of State calls "other people's disputes" (Kashmir, West New Guinea, and the recent unpleasantness on the shores of the Sea of Galilee); or the delicate and dangerous confrontations of power in Korea, Laos, Viet-Nam, and Berlin. And if they were here, each of my colleagues in the State Department would complain that I have left out several of the missing pieces of doctrine that have kept them working nights, Saturdays, and Sundays in recent months, building foreign policy by accretion in 1,600 outgoing cables a day.

It's quite a record for a race we call civilized.

### **Cosmic Choices and Chances**

An anthropologist announced some time ago that he had discovered the missing link between the anthropoid ape and civilized man. The missing link, he said, is us.

We, the missing link, live at a very specialized moment in mankind's long ascent toward civilized behavior. The moment is unprecedented and unrecoverable. History holds its breath while we decide how to act in the presence of three familiar facts, facts no less fateful because they are familiar:

First, our brains now contain the technical genius to meet before long all the basic physical wants of mankind—in this country and Europe in our lifetime and in the rest of the world in the lifetime of our children. Without a single new scientific discovery or insight, we know how to limit most of the hunger and disease which have been man's chief preoccupation through the millennia of unremembered time. And so now, or in just a few years' time, the problem is not whether we can produce enough progress for everybody but what kind of progress we want to produce. It

is a much more difficult question, but it will be much more fun to work on.

Second, our brains have recently developed the intellectual equipment and social skills necessary to organize people on a scale large enough and complex enough to put our full technical know-how to work in solving the "whether" and choosing the "what."

Then, at this moment of historic opportunity, a God with a taste for irony has placed in our hands the power to end it all.

Individual men and women have always had the option to decide whether to live or die. But only in our generation have men and women acquired the priceless and frightening power to make this choice for whole societies. The cosmic choices and chances which the social fallout of science makes available to us were just never available before.

We have been prepared for these choices and chances by an uncounted infinity of mutations, by half a million years—or maybe much more—of human evolution, by only a few millennia of recorded history, by a brief but brilliant development of systematic thought—through Chinese human relations, Greek logic, Indian philosophy, Jewish and Christian ethics, Western science, and the rest. From all of this rich teaching, we know that the choices which face us are ours—yours and mine, as individuals—that there is no shelter from the social fallout of science, that we cannot duck the questions it raises, nor turn them away, nor refer them to higher authority—nor dare we leave them unanswered.

In this unique moment of history, not unduly distracted by the crossfire from left and right, the Government of the United States is in a mood to make history, not just to watch it go by. Those of us who are in the act can take no special credit for this circumstance; it is the mandatory spirit of a great power in a dangerous world. Because we have the capability to act, we cannot merely hope for peaceful change but must actively promote it—at home in each country, and abroad among the nations.

So if you ask us whether we're afraid, as we do our headstands on the State Department high wire from day to day, the answer is "Certainly." Our motto, like Herman Wallenda's, is "Don't get careless; don't get too tense. You can't go too far in either direction."

## New Vistas for International Cooperation in the Peaceful Uses of Outer Space

*Statement by Francis T. P. Plimpton*

*U.S. Representative on U.N. Committee on Peaceful Uses of Outer Space<sup>1</sup>*

This is the inaugural meeting of the expanded United Nations Committee on the Peaceful Uses of Outer Space. The United States Government, for which I have the honor to speak at this table, regards this meeting as potentially—I stress “potentially”—one of the truly significant moments in the history of man’s search for peace. It is up to us here at this table, and to the governments and the scientific communities for which we speak, to do all we can to translate that potential into fact.

The space age—the age of man’s conquest of the earth’s gravitational field—is now 4½ years old. The launching of artificial earth satellites, which was a wonder of the world 4 years ago, is now commonplace. Many new vistas of scientific and technical achievement in outer space can now be envisaged, some clearly, others still only in dim outline. But there can be no question whatever that these new vistas will be explored, whether by this generation or the next.

Now, why should this development concern the United Nations? And why should this particular meeting be so significant? I believe the answer is twofold:

First, this is the first meeting among governments for the purpose of planning international cooperation in the peaceful uses of outer space at which all countries now capable of space launchings are represented.

Secondly, the United States Government looks upon this United Nations Committee as serving

an interest in the promise of the space age which is shared not just by the great powers but by the scientists and technicians and the ordinary people of every region and continent of the world.

Space science and space technology are not the exclusive preserve of a few advanced countries: The special abilities which they require are distributed among many nations. And as far as the benefits to man’s life on earth are concerned—better communications and more accurate weather forecasting in particular—no people anywhere in the world should be excluded from them. This is a field in which many can contribute and all can benefit.

### Cooperation Needed at Several Stages

Nations need to cooperate at several different stages of the space effort. Let me specify.

1. Even the most advanced and expensive technical field—that of major space launchings—is not going to be forever limited to the United States and the Soviet Union. A number of nations of Europe are already developing a joint space-launching program of their own. Doubtless others will embark on this course too, as rocket technology develops. Cooperation among the growing number of launching authorities will be an obvious necessity.

2. Scientists and technicians the world over can cooperate in developing instruments and experiments for inclusion in satellites and sounding rockets. The United States is already engaged in such peaceful projects with eight of the nations represented on this Committee.

3. Many governments and scientific communi-

<sup>1</sup>Made before the opening session of the Committee at New York, N.Y., on Mar. 19 (U.S./U.N. press release 3944).

ties can cooperate in placing scientific instruments and experiments inside the space capsules to be launched.

4. Space vehicles, once launched, must be tracked and the vital scientific information which they transmit must be received on earth. As Colonel John Glenn put it recently in this building, his flight was "not only a national team effort but international as well." This international cooperation must and will be developed further, and many governments and scientific communities will be doing the furthering.

5. Numerous legal questions will arise, as the space age progresses, requiring the development by the nations of common legal doctrines and standards. Outer space is thus an important area for the future growth of international law.<sup>2</sup>

6. Finally, as I said, every people and nation stands to benefit from these activities. What nation that wishes to improve its crop yields can fail to be interested in the potential benefits of more accurate weather forecasting by satellite? What nation that wishes to multiply its people's friendly contacts with the rest of the world can fail to be interested in worldwide television, on which its people may both see and be seen, both speak and learn, halfway round the globe?

It is difficult for us to grasp these new possibilities. Last December 4, in the General Assembly debate in which this meeting had its origin, Ambassador Stevenson, speaking for my country, referred to that difficulty in these words:<sup>3</sup>

Despite the urgent need for immediate international action, I fear that we come to this subject ill-prepared to think clearly about it. I suspect that we are handicapped by our heritage of thought about the affairs of this single planet.

Mr. Chairman, a great deal has happened in the 3½ months that have passed since that statement was made. And as we open these significant meetings I dare to hope that we may lift ourselves above that earthbound "heritage of thought," inspired by the realization that we already have entered an age of great exploration, high adventure, and unpredictable benefit for the human race.

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<sup>2</sup> For an address by Richard N. Gardner on "Extending Law Into Outer Space," see BULLETIN of Apr. 9, 1962, p. 586.

<sup>3</sup> *Ibid.*, Jan. 29, 1962, p. 180.

## U.N. Resolution on Outer Space

Let me review briefly with you the most notable of these developments, some of which are the direct outcome of the unanimous adoption by the 16th General Assembly of the resolution on international cooperation in the peaceful uses of outer space to which I have referred, Resolution 1721 (XVI).<sup>4</sup>

First, that resolution expanded the membership of this Committee and requested it to carry out the mandate of the resolution that established it in 1959, Resolution 1472 (XIV), as well as the mandate of the new resolution. This means that 2 years of dangerous stalemate have been broken and that a competent body of the United Nations can take up again the urgent problems of the age of outer space in which we find ourselves. This is what this Committee is meeting for today—the first step in what I hope will become a long and rewarding record of constructive work on behalf of all United Nations members.

Second, in the General Assembly's unanimous approval of the outer space resolution all the members of the United Nations have committed themselves to basic principles of the greatest significance. They are:

. . . that the exploration and use of outer space should be "only for the betterment of mankind and to the benefit of States irrespective of the stage of their economic or scientific development,"

. . . that "international law, including the Charter of the United Nations, applies to outer space and celestial bodies,"

. . . that outer space and celestial bodies are "free for exploration and use by all States in conformity with international law and are not subject to national appropriation," and

. . . that the United Nations should provide a "focal point for international co-operation"—urgently needed in the "common interest of mankind."

This is to say that we, all of us—the members of this Committee and all other member states of the United Nations—are committed to the free exploration and development of the great reaches of outer space under the rule of law, on the basis of international cooperation, and for the betterment of all nations and all peoples. We have re-

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<sup>4</sup> For text, see *ibid.*, p. 185.

jected the concept of national sovereignty in outer space; no moon or planet shall ever fly a single nation's flag. These principles are sound principles, and I take this opportunity to reendorse them heartily on behalf of the United States Government.

### **Groundwork for International Cooperation**

Third, preliminary steps have been taken to lay the groundwork for active international cooperation under the United Nations on specific projects in the spirit of the principles I have just reviewed.

The World Meteorological Organization is asked to present to the July meeting of the Economic and Social Council, and to the 17th General Assembly, organizational and financial arrangements to develop on an international basis a worldwide weather research and service program framed in the light of the great contributions that can be made to such a program by a system of meteorological satellites.

Similarly, the International Telecommunication Union is asked to recommend steps to prepare the way for the establishment of a satellite system of world communications on a global and nondiscriminatory basis. In addition, the Special Fund and the United Nations Technical Assistance Board are asked to give sympathetic consideration to requests by member states for assistance in developing communications systems so that all members can be in a position to participate in and benefit from a communication satellite system.

Finally, the Secretariat is asked to and already has established a central registry for all manmade objects in orbit. The United States has already complied with the request in the resolution that launching states submit information for the registry and has registered as of February 15th the no less than 72 United States space vehicles and associated objects that were then in sustained orbit or space transit.<sup>5</sup> This initiates a comprehensive space vehicle registry, available to all interested nations and international organizations, to the end that human uses of outer space may be ordered and available to all peoples.

Thus this Committee, guided by agreed principles, starts its deliberations in the knowledge that the United Nations and its agencies have

already made a modest start on projects and activities which show promise of real potential significance.

### **U.S. Policy of Partnership**

Fourth, international cooperation in space projects is already expanding rapidly. While working toward global cooperation under the United Nations, the United States has been consistently following a policy of partnership with other nations in planning and executing peaceful space experiments.

Thus we have entered into a dozen closely integrated cooperative efforts with other countries employing small sounding rockets for scientific investigations of the upper atmosphere. Such programs enable the world scientific community to obtain meteorological and other atmospheric data of far greater value than that which we alone could provide in the United States. The program will have made it possible to probe directly into the rare phenomena of the far northern skies in Scandinavia, to observe electromagnetic radiations in Southern Hemisphere skies, to coordinate launchings in the Eastern and Western Hemispheres to permit comparison of their results, and to fly in one rocket nose cone scientific instruments designed by and in different nations with the data open to the entire world's scientific community. We have plans of even broader cooperation, involving simultaneous scientific launchings over an extended period of time by many countries.

Within a matter of weeks now, we will attempt to place in orbit the first international satellite, a satellite instrumented by scientists of the United Kingdom and launched by our National Aeronautics and Space Administration in the United States. Before many months, in a similar cooperative effort, we will be launching in this country a second international satellite prepared entirely in Canada. Additional cooperative satellites are under consideration with other nations.

In the fields of immediate practical interest to mankind—communications and meteorology—the United States has already taken major strides toward establishing a broad international framework in which to pursue benefits for all.

The intercontinental testing of experimental U.S. communications satellites to take place later this year will be accomplished through the partic-

<sup>5</sup> For text of a letter from Ambassador Stevenson to Acting Secretary-General U Thant dated Mar. 5, see *ibid.*, Apr. 9, 1962, p. 588.

ipation of major ground facilities provided by a number of countries in Europe and Latin America. An international ground-station committee, composed of representatives from all the countries involved in these first tests, is already meeting regularly to determine such questions as frequency selection and other vital elements of the experiments which lie just ahead of us. In fact it is possible that this autumn there may be, on an experimental basis, a direct relay of a television broadcast to Europe of 5 minutes of the General Assembly's debate. Let us hope that the particular 5 minutes will be carefully chosen.

The United States has, in advance of each launching of its Tiros meteorological satellites, invited nations of the world to coordinate weather observations of their own with data obtained through simultaneous passes of the satellites above their skies. This cooperative international effort, in which some 30 nations have so far participated, was brought to focus last year in an international meteorological satellite workshop in this country, to which over 100 nations were invited to study the techniques for operational use of satellite weather data against the day when such data may be directly available to all.

In the operation of our own global tracking and data acquisition network we have welcomed the participation of scientific and technical personnel in the host countries, with the result that more than half of the United States National Aeronautics and Space Administration stations abroad are operated wholly or in part by technicians of the host countries. A technical training program operated by that Administration contributes to this direct participation.

We have recognized that training is a prerequisite in many cases to the fruitful collaboration of scientists in these common efforts. Accordingly the United States National Aeronautics and Space Administration has provided specialized training for foreign scientists preparing for joint programs and more recently has announced the availability of fellowships for as many as 100 foreign graduate students a year who may study in U.S. university laboratories currently engaged upon space projects with NASA.

There is thus already abundant indication of the value of the international linking of hands in the common interest. We do not cite our own United States efforts along these lines as more than an indication of the true promise and larger benefits

of cooperation in space activities which will come if *all* of the interested nations enter into broader association, with the assistance and guidance of this Committee.

A fifth development, since the outer space resolution was approved at the last assembly, is that the United States successfully launched a manned space vehicle into orbit three times around the earth. As the United States Representative I naturally take pride in recalling this event. But I much prefer to think that the flight of Colonel Glenn, and of the Soviet astronauts Gagarin and Titov, will come to symbolize, not the narrow pride of earthly rivalries, but the *liberation* of mankind from its earthbound "heritage of thought about the affairs of this single planet." It is up to us to insure that the freedom of space first enjoyed by those intrepid explorers will remain unchallenged for all who follow them.

In any case, Mr. Chairman, I believe that the opportunity for many millions of people to share freely and openly in the excitement of Colonel Glenn's flight brought home with high drama the fact that the space age is here. I believe there is pulsing through all of us a new and widespread sense of adventure, a feeling of keen and sharp anticipation that we are on the threshold of a new age. And this should serve as a lasting stimulus to the work of this Committee.

#### **Prospect of U.S.-U.S.S.R. Collaboration in Space**

Finally, Mr. Chairman, since the General Assembly acted on this matter last year, there is hopeful prospect of collaboration between my country and the Soviet Union in outer space projects.

For many years the United States has been calling for a program of outer space cooperation. In his first state of the Union message on January 30 1961, President Kennedy declared:<sup>6</sup>

... I now invite all nations—including the Soviet Union—to join with us in developing a weather prediction program, in a new communications satellite program, and in preparation for probing the distant planets of Mars and Venus, probes which may someday unlock the deepest secrets of the universe.

This proposal was repeated in the President's speech to the General Assembly on September 25. We were gratified, therefore, when Chairman

<sup>6</sup> *Ibid.*, Feb. 13, 1961, p. 207.

<sup>7</sup> *Ibid.*, Oct. 16, 1961, p. 619.

Khrushchev, in congratulating the American people on the successful flight of Colonel Glenn, also cited the advantages of a pooling of effort in outer space.<sup>8</sup>

On March 7 the President wrote to Chairman Khrushchev<sup>9</sup>—and we are asking that the full text of this letter be circulated as a Committee document—proposing United States–Soviet collaboration on the following specific and important space projects.

1. The President suggested the joint establishment of an early operational weather satellite system designed to provide global weather data for prompt use by any nation. He proposed that the United States and the U.S.S.R. each launch a satellite to photograph cloud cover and provide other agreed meteorological services for all nations. These two satellites could be placed so as to provide coverage of all areas of the earth's surface. The worldwide data which would thus be garnered would be of unprecedented value and would be made available throughout the world through normal international meteorological channels. This would be an important step toward implementing the weather research and study programs now being formulated by the WMO in response to the outer space resolution adopted by the General Assembly in December.

2. President Kennedy proposed that each of our countries establish and operate a radio tracking station to provide tracking services to the other, using equipment which the other country would provide. We believe that both countries would derive much valuable experience from such a joint program, not only valuable scientific experience but valuable human experience as to the advantages of open cooperation in each other's country.

3. In another proposal President Kennedy suggested that the United States and the U.S.S.R. cooperate in mapping the earth's magnetic field in space. Each country would launch a satellite in an agreed different orbit and would make available the resulting significant scientific data throughout the entire world scientific community.

4. President Kennedy further suggested that the U.S.S.R. join the United States in a cooperative effort in space communications. We are happy to note that a number of countries are

already constructing equipment suitable for participation in such an effort. If technological representatives can get together soon to discuss this complex question, an important first step will have been taken to meet the objective, contained in the last General Assembly resolution, that communication by means of satellites should be available to all the nations of the world as soon as practicable on a global and nondiscriminatory basis.

5. President Kennedy proposed that there be a pooling of efforts and exchange of information in the field of space medicine. This is an area where there are tremendous opportunities for research, in which scientists from many countries can cooperate, for the problems of human health know no international boundaries. Not only would cooperation in medical research in this area help insure man's survival in space and his safe return; it might well open up new vistas as to the ultimate nature of the human body and its behavior.

6. Beyond these specific proposals for immediate collaboration the President indicated his willingness to discuss broader cooperation in still more challenging projects, including unmanned exploration of the lunar surface and the mutual definition of steps to be taken for an exhaustive scientific investigation of Mars and Venus, possibly by man himself.

I want to emphasize that in this correspondence we have suggested no condition or limitation and that we have made clear that we are open to any specific suggestions the Soviet Union may make.

We now await Chairman Khrushchev's response to these proposals. If we are indeed on the verge of a breakthrough toward real space cooperation between our two countries—as we emphatically hope is the case—it would be a most favorable omen for our work here and, indeed, for peace everywhere.

#### **Opportunities for Committee Action**

So, Mr. Chairman, our deliberations begin in an atmosphere of high expectation and with enough solid progress in the recent past to inspire my delegation with the hope that we shall succeed in rising above the mental inhibitions of our earth-bound "heritage of thought," that we shall lift our minds and sights up to heights worthy of the spatial immensities with which we are dealing.

The space age is here—that is a fact and there are astronauts to prove it.

<sup>8</sup> For an exchange of messages between President Kennedy and Mr. Khrushchev, see *ibid.*, Mar. 12, 1962, p. 411.

<sup>9</sup> *Ibid.*, Apr. 2, 1962, p. 536.

International cooperation in outer space, although not yet wide enough, is a fact.

And the United Nations is back to work on the subject of outer space, committed to the principles of cooperative effort for the good of all mankind in an effort carried out in accord with the charter of our organization.

Based on these facts, and in the light of the high principles which the past General Assembly resolution so eloquently lays down, I should now like to suggest various matters which the United States believes this Committee could profitably consider and act upon in our common endeavor to further international cooperation in the peaceful use of outer space in the fateful years that be ahead of us.

These matters include the exchange of information and knowledge, joint research, cooperative development of space projects, and the extension of the rule of law in outer space.

#### **Exchange of Scientific Information**

We believe that this Committee has an unparalleled opportunity to stimulate the exchange of both scientific and technical information.

We already have made a beginning with the registration of objects sent into outer space.

Beyond this the Committee might consider ways to encourage the formation of national space committees which would help member nations to participate more effectively in international space programs. In order to form a comprehensive picture of the nature of national space efforts and international space cooperation it might be useful for the Committee to request reports from nations and national groupings, such as the European Space Research Organization.

We also believe it would be helpful and practicable to have the Secretariat prepare informational material regarding measures which states might take to increase their ability to participate in international space endeavors. Such materials might include information about existing national training programs and facilities, requirements for sounding rockets and the necessary facilities for launching such rockets, and the minimum equipment required for telemetry operations.

With the participation of representatives from COSPAR (the Committee on Space Research), WMO (the World Meteorological Organization), and ITU (the International Telecommunication Union) it might be useful for the Committee to

examine the operation of existing scientific and technical data centers, translation services, and communications facilities for the dissemination and use of scientific information received from space activities.

We hope the relationship between this Committee and such organizations will be close, effective, and fruitful. This Committee can play a useful role in encouraging these organizations to move ahead as rapidly as possible in carrying out the General Assembly resolution. The Committee should also work closely with UNESCO (the United Nations Educational, Scientific and Cultural Organization), as the scientific and educational agency of the U.N. system, so that the maximum benefits may be derived from its assistance and support.

#### **Cooperative Research Efforts**

It is apparent from what I have just said that the fullest kind of exchange of information is needed in all phases of space research. But if the research itself can be done on a common or cooperative basis, our progress will be speeded, the cost will be reduced, and the areas of mutual interest will be expanded.

The offers made by President Kennedy to Chairman Khrushchev for joint research endeavors were not intended to exclude other cooperative projects in this field or the participation of other nations in them. On the contrary, they were intended to get things started and open the way for cooperative research efforts on a broader international scale.

For example, the Committee might explore the desirability of establishing one or more international scientific laboratories, where scientists from all nations could join together on space-related research projects, combining their knowledge and creative talents in the search for answers to some of the countless mysteries that still lie unresolved. We have in mind such questions as the human aspects of space flight—medical, biological, ecological, psychological, and other matters relating to human activity and survival in space.

We believe the Committee might wish to consider requesting COSPAR and the International Astronomical Union to study the desirability of organizing a worldwide system of ground-based observatories to gain the new information about the planets which will be needed for future manned exploration.

I have mentioned U.S. efforts in the development of meteorological and communications satellites. In order to prepare the way for effective international sharing of the benefits to be derived from the use of such satellites, the General Assembly in its Resolution 1721 (XVI) put forward various proposals which it requested the WMO and ITU to examine. The first of these proposals looks toward a worldwide program of weather research and weather prediction.

The United Nations program calls upon the World Meteorological Organization, in collaboration with UNESCO and the scientific community, to develop two kinds of proposals. The first is for an international research program to yield information essential for improved weather prediction and perhaps eventually weather control. The second is for an international weather service program—a global network of regional weather stations to receive, process, and transmit meteorological information from orbiting weather satellites as well as from earth-based instruments.

The cost of the worldwide weather program is small compared to its potential benefits. The challenge to the U.N. is to develop a program which will encourage the necessary cooperation among nations in research, in the training of weather experts, in construction of weather stations, in the tracking of weather satellites, and in the exchange of weather information.

### **Global System of Communications Satellites**

With respect to communications, the General Assembly resolution looks toward the establishment of a global system of communications satellites.

Space technology has opened up vast possibilities for international communications. According to many current estimates, it should be technically possible by the end of this decade to have in operation a global system of telephone, radio, and television communication. The cost of such a system will be great, but its benefits will be enormous.

With the aid of satellites, telephone communication between continents will become immeasurably easier. A single communication satellite can offer 20 times the number of telephone channels available in our existing undersea cables. At the same time a satellite system could make possible global radio and television. An audience of hundreds of millions of people could be listening

to or watching the same program in many parts of the world.

This fundamental breakthrough in communication could affect the lives of people everywhere. It could forge new bonds of mutual knowledge and understanding between nations. It could offer a powerful tool to improve literacy and education in developing nations. It would enable leaders of nations to talk face to face on a convenient and reliable basis.

The satellite system likely to be in use within this decade will be for point-to-point relay between central installations in different countries, not for direct broadcast into people's homes. This means that the benefits of space communications can be made available to all peoples only through political as well as technical cooperation. It may prove easier to secure cooperation in the technical area than in the political, but our efforts must go forward in both areas simultaneously.

The measures proposed in both meteorology and satellite communications will be of direct importance to all the countries of the world, and the United States hopes that the WMO and ITU will give them urgent and careful attention. This Committee can expect reports from WMO and ITU at a reasonably early date, and at that time we will all have an opportunity to review their work and to provide these organizations with appropriate suggestions.

In the meantime, as the ITU moves ahead with consideration of matters related to satellite communications, we in the United States are laying the basis for cooperative effort in this field. There has recently been presented to the Congress legislation to establish a United States communications satellite corporation.<sup>10</sup> The purpose of this corporation would be to expedite the development of satellite communications so that a global system can be operational as soon as practicable.

I want to make it clear that this corporation is intended to be the United States participant in a global system, a truly international arrangement with broad ownership and participation. That the satellite communications system would be international is dictated by a number of common-sense considerations. The satellites will be primarily useful for communicating between coun-

<sup>10</sup> For text of President Kennedy's message transmitting the proposed legislation to Congress, see White House press release dated Feb. 7.

tries, and much of the traffic will be between other countries not involving the United States at all.

In view of the importance of communications to all states, many other countries will wish to have a voice in the operation and management of the system and will be prepared to contribute to the cost of the system. For our part we welcome this interest in cooperation and participation by other countries, both as a sharing of the burden of establishing and maintaining the system and as a demonstration of international cooperation which will have value in itself.

Development of communications and meteorological satellites and various other projects of course can be initiated only by those countries with the necessary economic and scientific means. This Committee is not in a position to undertake the kind of major operations which such projects require. Our primary task at this stage is limited to study and to the stimulation of international cooperation in outer space work.

But this is not a passive function. Through its promotion of research, through its studies, through encouragement and assistance to national efforts, and through its authority as a subsidiary organ of the General Assembly, this Committee can expand the sphere of international cooperation. We believe the Committee will want to maintain a continuing interest in these activities and thereby help to assure that the benefits of all space activities will be made available on a nondiscriminatory basis to all nations.

We believe it would also be useful for this Committee to request reports from COSPAR on its activities and planning. Furthermore, the Committee might consider the work which COSPAR is doing to identify the type of future space experiments and space explorations which might profitably be undertaken and the sequence and manner in which they should be conducted.

### **International Law and Outer Space**

Let me briefly turn now to my final topic: international law and outer space. The United Nations can and should play an important role in developing principles for the guidance of states in connection with outer space activities. We should proceed in this area with the recognition that the task of the organized international community is to develop principles and standards which are sufficiently realistic and specific to have an impact on international practice, and which are not so

grandiose or elaborate as to be impractical and therefore ignored.

The practical and specific principles, which were unanimously approved by the Assembly in part A of General Assembly Resolution 1721 (XVI), form the basic foundation of a legal regime for outer space. They represent a forward-looking expression by the Assembly that outer space is indeed the province of all mankind. They are practical in the sense that the enlightened self-interest of all states should lead to compliance with them.

Building on this foundation, we will propose that studies be undertaken on two subjects: first, state responsibility for space-vehicle accidents; and second, problems arising from the landing, by reason of distress or mistake, of space vehicles in the territory of other states.

Mr. Chairman, these are the suggestions which my delegation has to offer at this time toward the development of a work program for this Committee. We look forward with interest to what we are sure will be the stimulating and constructive suggestions and comments of other members.

And now, Mr. Chairman, may I conclude. Our Committee is on the launching pad, and the countdown has begun. As we lift ourselves from our earthbound "heritage of thought," may we free ourselves of the gravitation of national rivalries and suspicions, may we rise into an outer space of new and high and unlimited perspective on the world below us, may we enjoy the pleasant weightlessness of mutual confidence and understanding, and may our orbit reach the apogee of that international cooperation and friendship which alone can insure the survival, in any space, of the particular planet on which we so precariously live.

### **Current U.N. Documents: A Selected Bibliography**

*Mimeographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, New York.*

#### **General Assembly**

Letter dated March 26, 1962, from the Finnish representative addressed to the Secretary-General concerning Resolution 1664(XVI). A/5108. March 26, 1962. 2 pp.

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- Commission on the Status of Women. Access of girls to elementary education. E/CN.6/396. January 4, 1962. 67 pp.
- Economic Commission for Africa. Economic and social consequences of racial discriminatory practices. E/CN.14/132. January 6, 1962. 216 pp.
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- Commission on International Commodity Trade. Position of synthetics in the measurement and analysis of international markets for primary commodities. E/CN.13/44. February 2, 1962. 12 pp.

## TREATY INFORMATION

## 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.
- Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.
- Convention on road traffic, with annexes. Done at Geneva September 19, 1949. Entered into force March 26, 1952. TIAS 2487.
- Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

#### Aviation

- Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.
- Adherence deposited:* Tanganyika, April 23, 1962.
- International air services transit agreement. Done at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.
- Acceptance deposited:* Tunisia, April 26, 1962.

#### Cultural Relations

- Agreement on the importation of educational, scientific, and cultural materials, and protocol. Done at Lake Success November 22, 1950. Entered into force May 21, 1952.<sup>1</sup>

<sup>1</sup> Not in force for the United States.

*Notification that it considers itself bound:* Sierra Leone, March 13, 1962.

## Customs

- International convention to facilitate the importation of commercial samples and advertising material. Done at Geneva November 7, 1952. Entered into force November 20, 1955; for the United States October 17, 1957. TIAS 3920.

*Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

## Diplomatic Relations

- Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Open for signature at Vienna until October 31, 1961, and at United Nations Headquarters, New York, until March 31, 1962.<sup>2</sup>

*Signatures:*<sup>3</sup> Finland, Philippines, October 20, 1961; Belgium, October 23, 1961; San Marino, October 25, 1961; Thailand, October 30, 1961; United Kingdom, December 11, 1961; Cuba, January 16, 1962; Luxembourg, February 2, 1962; Canada, February 5, 1962; Costa Rica, February 14, 1962; Iraq (with reservation), February 20, 1962; Tanganyika, February 27, 1962; Italy, March 13, 1962; Japan (with declaration), March 26, 1962; Central African Republic, Korea, New Zealand, South Africa, March 28, 1962; Greece (with reservation), Pakistan, March 29, 1962; Australia, Dominican Republic, France, March 30, 1962; Nigeria, March 31, 1962.

*Ratification deposited:* Pakistan, March 29, 1962.

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*Signatures:*<sup>3</sup> Finland, Philippines, October 20, 1961; Belgium, October 23, 1961; United Kingdom, December 11, 1961; Luxembourg, February 2, 1962; Iraq, February 20, 1962; Tanganyika, February 27, 1962; Italy, March 13, 1962; Japan, March 26, 1962; Central African Republic, New Zealand, March 28, 1962; Dominican Republic, France, Korea, March 30, 1962.

## Property

- Convention for the protection of industrial property. Signed at London June 2, 1934. Entered into force August 1, 1938. 53 Stat. 1748.
- Adherence effective:* Iceland, May 5, 1962.

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- Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

## Trade and Commerce

- Declaration on provisional accession of Tunisia to the General Agreement on Tariffs and Trade. Done at Tokyo November 12, 1959. Entered into force May 21, 1960; for the United States June 15, 1960. TIAS 4498.
- Signature:* Peru, March 19, 1962.

- Procès-verbal extending and amending declaration of November 22, 1958 (TIAS 4461), on provisional accession of the Swiss Confederation to the General Agreement on Tariffs and Trade. Done at Geneva December 8, 1961. Entered into force December 31, 1961; for the United States January 9, 1962. TIAS 4957.

*Signatures:* Belgium, February 2, 1962; Finland, January 24, 1962; France, February 13, 1962; Italy (sub-

<sup>2</sup> Not in force.

<sup>3</sup> For earlier signatures, see BULLETIN of Aug. 14, 1961, p. 306.

ject to ratification of declaration of November 22, 1958), March 8, 1962; Japan, March 5, 1962; Luxembourg, February 27, 1962; Norway, March 7, 1962; Pakistan, February 16, 1962; Sweden, February 2, 1962; Tunisia, January 18, 1962; United Kingdom, March 19, 1962.

Procès-verbal extending declaration of November 12, 1959 (TIAS 4498), on provisional accession of Tunisia to the General Agreement on Tariffs and Trade. Done at Geneva December 9, 1961. Entered into force January 8, 1962; for the United States January 9, 1962. TIAS 4958.

*Signatures:* Belgium, February 2, 1962; Canada, December 29, 1961; Finland, January 24, 1962; France, February 13, 1962; Indonesia, February 5, 1962; Italy, March 8, 1962; Luxembourg, February 27, 1962; Norway, March 7, 1962; Pakistan, February 16, 1962; Peru, March 19, 1962; Rhodesia and Nyasaland, February 27, 1962; Switzerland, February 14, 1962; United Kingdom, March 19, 1962.

Ninth protocol of rectifications and modifications to texts of schedules to the General Agreement on Tariffs and Trade. Done at Geneva August 17, 1959.<sup>2</sup>

*Signature:* Finland, January 24, 1962.

Declaration giving effect to provisions of article XVI:4 of the General Agreement on Tariffs and Trade. Done at Geneva November 19, 1960.<sup>2</sup>

*Signature:* Denmark, March 19, 1962.

Declaration on extension of standstill provisions of article XVI:4 of the General Agreement on Tariffs and Trade. Done at Geneva November 19, 1960.<sup>2</sup>

*Signature:* Denmark, March 19, 1962.

## United Nations

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*Signature and acceptance:* Sierra Leone, March 28, 1962.

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### Brazil

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 exchanges of notes. Signed at Brasilia March 15, 1962. Entered into force March 15, 1962.

Agreement amending the agricultural commodities agreement of May 4, 1961 (TIAS 4918). Effected by exchange of notes at Brasilia and Rio de Janeiro March 15, 1962. Entered into force March 15, 1962.

Agricultural trade agreement. Signed at Washington April 19, 1962. Entered into force April 19, 1962.

### Ecuador

General agreement for economic, technical, and related assistance. Signed at Quito April 17, 1962. Entered into force April 17, 1962.

### El Salvador

Agreement relating to the furnishing of defense articles and services to El Salvador for the purpose of contributing to its internal security. Effected by exchange of notes at San Salvador April 10 and 13, 1962. Entered into force April 13, 1962.

### Liberia

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1731-1736), with exchange of notes. Signed at Monrovia April 12, 1962. Entered into force April 12, 1962.

### Mexico

Agreement relating to the assignment and use of television channels along the United States-Mexican border. Effected by exchange of notes at Mexico April 18, 1962. Entered into force April 18, 1962.

### Poland

Agreement amending the agricultural commodities agreement of December 15, 1961 (TIAS 4907). Effected by exchange of notes at Washington April 19, 1962. Entered into force April 19, 1962.

### United Arab Republic

Agreement amending the agricultural commodities agreement of February 10, 1962 (TIAS 4947). Effected by exchange of notes at Washington April 23, 1962. Entered into force April 23, 1962.

### United Kingdom

Agricultural trade agreement. Signed at Washington April 26, 1962. Entered into force April 26, 1962.

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*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.*

**Guaranty of Private Investments.** TIAS 4799. 4 pp. 5¢.

Agreement with Argentina—Signed at Buenos Aires December 22, 1959. Entered into force provisionally December 22, 1959. Entered into force definitively May 5, 1961.

**Economic, Technical and Related Assistance.** TIAS 4800. 8 pp. 10¢.

Agreement with Honduras—Signed at Tegucigalpa April 12, 1961. Entered into force May 27, 1961.

**Economic, Technical and Related Assistance.** TIAS 4801. 9 pp. 10¢.

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Agreement with the Republic of Korea, relating to agreement of February 8, 1961. Exchanges of notes—Signed at Seoul February 8, 1961. Entered into force February 8, 1961.

**Joint Financing of Certain Air Navigation Services in Greenland and the Faroe Islands.** TIAS 4801. 1 pp. 5¢.

Agreement with Other Governments, amending the agreement done at Geneva September 25, 1956, as amended. Adopted at Montreal, June 9, 1961. Entered into force June 9, 1961.

<sup>2</sup> Not in force.

**American Republics**  
 The Alliance for Progress in the Context of World Affairs (Rusk) . . . . . 787  
 Success of Alliance for Progress Key to Welfare of Americas (Rusk) . . . . . 789

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**Check List of Department of State Press Releases: April 23-29**

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C. Release appearing in this issue of the BULLETIN which was issued prior to April 23 is No. 249 of April 13.

No.	Date	Subject
*261	4/23	Itinerary for visit of Macmillan.
*263	4/23	U.S. participation in international conferences.
†264	4/23	Hearings on revocation of Mrs. Flynn's passport.
*265	4/24	Brubeck designated Special Assistant to Secretary of State (biographic details).
†266	4/25	Delegation to NATO meeting (rewrite).
*267	4/25	Cultural exchange (Jamaica).
†268	4/24	Hong Kong textile talks.
*269	4/26	Cultural exchange (Togo).
270	4/25	Rusk: "The Alliance for Progress in the Context of World Affairs."
270-A	4/25	Rusk: additional remarks.
271	4/26	Rusk: MBC program on Alliance for Progress.
*272	4/26	Mrs. Louchheim: United Fund Women's Council, Philadelphia.
*273	4/26	Itinerary for visit of President of Cyprus.
*274	4/26	Itinerary for visit of Macmillan.
†275	4/27	Delegation to ANZUS meeting (rewrite).
276	4/27	Rusk: news conference of April 26.
†277	4/27	Delegation to CENTO meeting (rewrite).

\*Not printed.  
 †Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

# Bulletin

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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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# The Future Trade of the United States

*Address by President Kennedy<sup>1</sup>*

This port of New Orleans is the second leading port of the United States. I would like to say that Boston is the first, but nevertheless this great port is symbolized by this great wharf and I think it most appropriate to come to this city, and this pier, on this river, and say a word about the future trade of the United States. And I am particularly happy to be in this city. For throughout its history, this happy city has symbolized and served our country and the world at large. Cosmopolitan by nature, tolerant in outlook, the product of many nations, and cultures, and creeds, and races, New Orleans has long represented the strength of diversity working in harmony—and I am confident that the overwhelming majority of the citizens of this city intend to see that this most valuable reputation and character are preserved.

After the battle of New Orleans Andrew Jackson said that he was fighting for the reestablishment of the American character. And that, in our generation and time, is our responsibility: the reestablishment of the American character. And I speak today of one facet of that character, and that is trade. This trade and competition and innovation have long been a significant part of the American character.

The Founding Fathers—Washington, Jefferson, Adams, Franklin—were men of trade as well as men of affairs. For trade represents widening horizons. This great river, which reaches as far as the Rockies, and Pennsylvania in the East, connects this city with the farthestmost points of the world. It represents the spirit of liberty and the

spirit of democracy, and the spirit of trade goes hand in hand with that great institution.

Today this nation sells more goods abroad than any nation in the world; we buy more goods than any nation in the world; and we gain both from the buying and the selling. One-twelfth of all of our transportable goods—an amount larger than all we purchase for automobiles and auto parts—are bound up in foreign trade, which affects the livelihood of everyone who lives in this city. In 1960 we exported more than 50 percent of all the locomotives we built in this country, 49 percent of all the cotton we grew in the United States, 31 percent of the oil machinery, 57 percent of the rice, 31 percent of the construction and mining equipment, 29 percent of the tobacco, 23 percent of the metal-forming machine tools, and 41 percent of the soybeans. And in return we purchase goods without which there would be no coffee breaks, no banana splits, and no opportunity for us to use dozens of essential materials.

In this city more than in most, your feet are in the water. Last year \$2 billion worth of goods passed through these wharves around the world—feed from the Great Plains, cotton from the South, tobacco from the South, steel plate from Birmingham, automobiles from Detroit, and bananas and coffee from the South American countries. Trade has built New Orleans, trade will sustain New Orleans, trade will develop New Orleans in the coming months—not only on this pier but in your banks, your insurance companies, your oil industries, your chemical industries—your industries, which means the welfare of all of your people is bound up with that river which flows into the ocean.

Louisiana stands fifth—fifth—among all the States of the United States in the percentage of

<sup>1</sup>Made at ceremonies opening a new dockside terminal at New Orleans, La., on May 4 (White House press release dated May 7, as-delivered text).

people in this State who work in foreign trade of local employment. And the other four States are Arkansas, Texas, Alabama, and Mississippi. The five States of the Union where more people, percentage-wise, are engaged in occupations depending on foreign trade are all here in the South. In short, the five States which will benefit the most from our new trade legislation are here in your neighborhood. All this indicates we must go forward.

### **A Great Dividing Point**

In May of 1962 we stand at a great dividing point. We must either trade or fade. We must either go backward or go forward. For more than a quarter of a century the reciprocal trade legislation fathered by Cordell Hull of Tennessee and sponsored by Franklin Roosevelt has served this country well. And on 11 different occasions it has been renewed by Congresses of both parties. But that act is no longer adequate to carry us through the channels and the locks of world trade today. For the whole pattern of trade is changing, and we must change with it. The Common Market uniting the countries of Western Europe together in one great trading group indicates both a promise or a threat to our economy. Our international balance of payments is in deficit, requiring an increase in our exports. Japan has regained force as a trading nation; nearly 50 new nations of Asia and Africa are seeking new markets; our friends in Latin America need to trade to develop their capital; and the Communist bloc has developed a vast new arsenal of trading weapons which can be used against us, and they are ready to take and fill any area in which we leave a gap, whenever American leadership should falter. And we do not intend to give way.

I believe that American trade leadership must be maintained and that is why I come to your city. I believe it must be furthered, and I have therefore submitted to the Congress the Trade Expansion Act of 1962.<sup>2</sup>

It is not a partisan measure—its provisions have been endorsed by leaders of both parties. It is not a radical measure—its newest features merely add force to the traditional American concepts. And it is not a measure favoring one section of our country over another—farm, labor, business,

and consumer groups, from every part of the Nation, support this legislation. I am convinced that the passage of this bill is of vital importance to you and to every other American, not only to those vast numbers of people who are engaged in trade but to *every* citizen: as a consumer who is concerned about the prices you must pay, as a patriot concerned about national security, as an American concerned about freedom. The basic economic facts make it essential that we pass this legislation this year.

### **Expanding Opportunities for Trade**

Our businessmen, workers, and farmers are in need of new markets, and the fastest growing market in the world is the European Common Market. Its consumers will soon be nearly 250 million people. Its sales possibilities have scarcely begun to be tapped. Its demand for American goods is without precedent—if only we can obtain the tools necessary to open the door.

Our own markets here at home expand as our economy and population expands. But think of the tremendous demand in the Common Market countries, where most consumers have never had the goods which we take so much for granted. Think of the opportunities in a market where, compared to the ratio of ownership in this country, only one-fourth as many consumers have radios, one-seventh television sets, one-fifth automobiles, washing machines, refrigerators!

If our American producers can share in this market it will mean more investment and more plants and more jobs and a faster rate of growth. To share in that market we must strike a bargain, we must have something to offer the Europeans, we must be willing to give them increased access to our markets. Let us not avoid the fact: We cannot sell unless we buy. And there will be those who will be opposed to this competition. But let those who believe in competition—those who welcome the challenge of world trade as our predecessors have done—let them recognize the value that will come from this exchange of goods. It will enrich the choice of consumers. It will make possible a higher standard of living. It will help hold the lid on the cost of living. It will stimulate our producers to modernize their products. A few—a very few—may be adversely affected, but for the benefit of those few we have expanded and refined the safeguards of the act.

<sup>2</sup> For text of the President's message to Congress, see BULLETIN of Feb. 12, 1962, p. 231.

As in the past, tariff reductions will take place gradually over a period of years. As in the past, import restrictions can be imposed if an industry undergoes undue hardship. Tariff policies on some items—such as textiles and oil—are already covered by special arrangements or agreements which give them the necessary assurances.

Finally, under this bill, for the first time, a constructive, businesslike program of adjustment assistance will be available to individual firms and workers, specifically tailored to help them regain their competitive strength. They will not stand alone, therefore, in the marketplace. There will be temporary aid in hardship cases with the creative purpose of increasing productivity, of helping labor and management get back in the competitive stream—instead of using tariff laws as a long-term Federal subsidy or dole, paid by the consumer to stagnant enterprises.

With this variety of tools at our disposal, no one—and I say no one—is going to be sacrificed to the national interest with a medal and an empty grocery bag.

### Increasing Employment in Growth Industries

But let us not miss the main point: The new jobs opened through trade will be far greater than any jobs which will be adversely affected. And these new jobs will come in those enterprises that are today leading the economy of the country—our growth industries, those that pay the highest wages, those that are among the most efficiently organized, those that are most active in research and in the innovation of new products. The experience of the European Common Market, where tariffs were gradually cut down, has shown that increased trade brings employment. They have full employment in the Common Market and an economic growth rate twice that of the United States. In short, trade expansion will emphasize the modern instead of the obsolete, the strong instead of the weak, the new frontiers of trade instead of the ancient strongholds of protection.

And we cannot continue to bear the burden that we must bear of helping freedom defend itself all the way from the American soldier guarding the Brandenburg Gate to the Americans now in Vietnam or the Peace Corps men in Colombia. Unless we have the resources to finance those great expenditures, which in the last year totaled over \$3 billion, unless we are able to increase our surplus of balance of payments, then the United

## World Trade Week, 1962

### A PROCLAMATION<sup>1</sup>

WHEREAS the people of the United States recognize expanding world trade as a vital force in fostering growth and unity among the countries of the free world; and

WHEREAS American business, labor, agriculture, and consumers benefit whenever there is a significant expansion of American exports and imports; and

WHEREAS the development of the European Common Market, the Alliance for Progress, and the economic advancement of underdeveloped areas are major free world economic developments which are of profound importance to us; and

WHEREAS it is appropriate to set aside a period to give special recognition and emphasis to the significance of international trade and commerce:

NOW, THEREFORE, I, JOHN F. KENNEDY, President of the United States of America, do hereby proclaim the week beginning May 20, 1962, as World Trade Week; and I request officials of the Federal, State, and local governments to plan appropriate ceremonies and activities in observance of that week.

I urge business, labor, agriculture, educational and civic groups, as well as the people of the United States generally, to observe World Trade Week with gatherings, discussions, exhibits, and other activities designed to promote continuing awareness of the importance of world trade and our policies toward it in strengthening our economy and the unity of the free world, and a better understanding of the vital new problems now confronting us.

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 May in the year of our Lord nineteen [SEAL] hundred and sixty-two, and of the Independence of the United States of America the one hundred and eighty-sixth.



By the President:

GEORGE W. BALL,  
*Acting Secretary of State.*

<sup>1</sup> No. 3474; 27 *Fed. Reg.* 4503.

States will be faced with a hard choice, of either lessening those commitments or beginning to withdraw this great national effort.

One answer to this problem is the negative an-

swer: raise our tariffs, restrict our capital, pull back from the world—and our adversaries would only be too glad to fill any gap that we should leave. This administration was not elected to preside over the liquidation of American responsibility in these great years.

There is a much better answer, and that is to increase our exports, to meet our commitments, and to maintain our defense of freedom. I have every confidence that, once this bill is passed, the ability of American initiative and know-how will increase our exports and our export surplus by competing successfully in every market of the world.

### **Strengthening the Partnership of Free Nations**

Third and last, the new trade act can strengthen our foreign policy, and one of these points, as Ambassador Morrison<sup>3</sup> knows well, is Latin America. The Alliance for Progress seeks to help these Latin American neighbors of ours. That effort must, and will, continue. But foreign aid cannot do the job alone. In the long run our sister Republics must develop the means themselves to finance their development. They must sell more of their goods on the world market and earn the exchange necessary to buy the machinery and the technology that they need to raise their standard of living. The Trade Expansion Act is designed to keep this great market as a part of the world community, because the security of the United States is tied up with the well-being of our sister Republics.

And we have a concern for Japan, which has maintained its freedom. Last year Japan bought a half a billion dollars more of goods from us than we bought from her, and it is important that she not be locked out of the world markets, because otherwise those who are opposed to freedom can win a victory in the coming years. To pay for her imports Japan must sell. Many countries seek to discriminate against those goods, and we need the bargaining tools of the new Trade Expansion Act to bring Japan fully into the free-world trading systems.

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<sup>3</sup>deLesseps Morrison, U.S. Representative to the Organization of American States.

For we are moving toward a full partnership of all the free nations of the world, a partnership which will have within its area 90 percent of the industrial productive power of the free world, which will have in it the greatest market that the world has ever known, a productive power far greater than that of the Communist bloc, a trillion-dollar economy, where goods can move freely back and forth. That is the prospect that lies before us, as citizens of this country, in the year 1962.

Those who preach the doctrine of the inevitability of the class struggle and of the Communist success should realize that in the last few years the great effort which has been made to unify economically the countries of the free world offers far greater promise than the sterile and broken promises of the Communist system. Against the Communist system of iron discipline the Atlantic partnership will present a world of free choice. Against their predictions of our collapse it will present a challenge of free nations working in harmony, and it will provide economically an effective answer to those boasts of their ultimately overtaking us.

That is why the passage of the Trade Expansion Act is so important this year. And that is why I salute men such as Chairman Wilbur Mills of Arkansas of the Ways and Means Committee and your own Congressman Hale Boggs, who are preparing for its passage.

This is a great opportunity for all of us to move ahead. This city would never have developed as it has unless those who have preceded us had had the spirit of initiative and courage. That is what is asked of us today. This wharf demonstrates your confidence in the future. No section of the United States will benefit more in the coming months and years if we are successful.

In the life of every nation, as in the life of every man, there comes a time when a nation stands at the crossroads—when it can either shrink from the future and retire into its shell or can move ahead, asserting its will and its faith in an uncertain sea. I believe that we stand at such a juncture in our foreign economic policy. And I come to this city because I believe New Orleans and Louisiana—and the United States—choose to move ahead in 1962.

## The Direction of United States Foreign Policy

by George C. McGhee

Under Secretary for Political Affairs<sup>1</sup>

I greatly appreciate the honor of being asked to address this international luncheon of the golden anniversary meeting of this distinguished group. I could not let the occasion pass without paying tribute to the founders of your organization and to your leaders over the half century of the Chamber's existence. No group has made a greater contribution to the United States business community. The Chamber has, moreover, provided a valuable continuing point of contact between business and government. The recent statement by the Chamber, *Policy Declarations on World Affairs*, indicates the farsighted approach it takes to the problems which our nation faces in the present troubled world.

I have been asked to speak today on the major problems and challenges facing United States foreign policy, to identify the free world's strengths and weaknesses, and to chart the course that United States foreign policy is expected to take in the years ahead.

The headlines of our newspapers seem today to be concerned principally with the various crises which are endemic to the current international scene. The acute situations we face in Berlin, South Viet-Nam, Laos, the Congo, and Cuba tend to attract most of our attention and, perhaps, to distort our perspective toward more fundamental problems.

We hear it said that our national efforts are overly devoted to coping with these crises—to reacting to initiatives taken by the Communist bloc—and that we have no broad strategy directed

toward "winning" the cold war. It is true that much of our energies are consumed by issues arising out of the crisis areas. Indeed, involving as they do possibilities for shifts in the power balance between the free world and the bloc, or even for local "shooting" wars that could lead to a global conflagration, we cannot ignore them. We must continue to do what we can to assist the nations involved in eliminating these persistent obstacles to world peace. We must confront and defeat Communist aggression, wherever it occurs.

But Americans are entitled to more than this from their Government. They are entitled to some assurance that their Government knows what it is doing—that it has a plan and that it is carrying it out. I hope to make it clear to you that your Government does have such a plan—a positive strategy which looks beyond the current crises and the cold war toward the building of a stable, peaceful world order which can best assure the security and well-being of the American people. I would today like to describe for you the goal and the courses of action which make up this strategy.

The goal is to strengthen and unify the free world. This can best be achieved through the creation of what was described by the President in his last state of the Union message as a community of free nations—a community whose members can cooperate increasingly on matters of mutual concern while shaping their own institutions according to their own desires.

Indeed, such a world community would be entirely consistent with the principles of United States foreign policy to which your Chamber has subscribed: that every nation has the right to govern itself, that nations should recognize the

<sup>1</sup>Address made before the United States Chamber of Commerce at Washington, D.C., on Apr. 30 (press release 279).

sovereign equality of every other nation, and that nations should cooperate peacefully with each other so that the rule of law can ultimately supplant the rule of force.

Our strategy lays out five main courses of action to achieve the community of free nations:

First: Creation of an enduring partnership among the North Atlantic nations, so there will be a hard core of strength at the center of this community.

Second: Defense of the frontiers of the evolving world community.

Third: Assistance to the less developed countries, so they can assume their rightful and constructive role in the community.

Fourth: Creation of a framework of interdependence among the members of the community through international organizations, trade, and private and public ties.

Fifth: Pursuance of a policy toward the Communist states which will avert war, so the community will be free to build, while promoting the chances of long-term constructive evolution in the bloc.

I shall take up each of these five elements of our strategy in turn.

### **Building a North Atlantic Partnership**

I turn first to our partnership with other Atlantic nations.

To discharge the tasks of defending and building the free community, we need a strong partner, one with resources comparable to our own and with a will to utilize those resources in pursuit of common goals. Such a partner is at hand in an increasingly cohesive Europe. It has been the consistent policy of both this and the previous administration to support the movement toward European integration in every feasible way. This policy is paying off handsomely in greater European strength, unity, and confidence.

We also seek to create an increasingly effective North Atlantic community, within which Europe and the United States can work ever more closely in common tasks. Foremost among these tasks is that of insuring the security of the North Atlantic area. If the countries of Europe are to commit themselves unreservedly to a constructive partnership with the United States, they must know that their homeland is as secure from Soviet

threats and military pressures as the facts of military life permit.

We are now engaged in a discussion with our allies in the North Atlantic community as to the best means of maintaining this security. Two basic points seem to be emerging from this discussion.

First: There is need for greater NATO non-nuclear strength. The deterrent to Communist attack will be the more convincing if the Communists know that we can respond effectively at every level of aggression.

Second: Greater sharing of nuclear responsibility is politically desirable, so nuclear weapons will be a force for cohesion instead of division. To this end we are trying to work out with our allies agreed NATO guidelines concerning use of United States nuclear forces. We are developing procedures to consult with our allies concerning that use when time permits. We have, moreover, indicated our willingness, as the President suggested at Ottawa last year,<sup>2</sup> to join our allies in developing a truly multilateral seaborne medium-range missile force if that is their desire.

Parallel with these efforts to create a more intimate partnership among the North Atlantic nations in the military field go efforts to develop closer political and economic relations.

The processes for political consultation in NATO are being strengthened to this end.

In the economic area, trade is believed to offer the key area to joint action. The members of the expanded Common Market account for a major portion of American export trade—altogether \$6 billion a year—and much of our imports.

We have every reason to anticipate that successful trade negotiations with the European Common Market would add to our domestic prosperity, increase employment, provide new opportunities to industrial and agricultural producers, help to check inflation, and in the long run contribute substantially to the dynamism of our whole economic system.

A mutually beneficial trade expansion with the Common Market could be the first and perhaps decisive step toward converting a relatively loose association of nations of unequal strength into a tightly knit partnership of equals: the United

<sup>2</sup> For text of an address by President Kennedy before the Canadian Parliament on May 17, 1961, see BULLETIN of June 5, 1961, p. 839.

States and the European Community. By the same step we would have increased the economic and technological dynamism of both partners. We would have cemented and consolidated existing institutional relationships which might be imperiled if the two great common markets of Western Europe and North America should make the tragic mistake of becoming economic rivals.

The building of a community of free nations will also require joint action by the North Atlantic partners in other economic areas. We must seek to coordinate the Atlantic nations' monetary and fiscal policies, so these countries can sustain a high rate of economic growth while maintaining financial stability and equilibrium in international payments. The OECD [Organization for Economic Cooperation and Development]—which came into existence in September last year<sup>3</sup>—is the mechanism set up for this purpose. Its Economic Policy Committee is now at work on these problems.

The North Atlantic nations must concert to increase their financial and technical aid to less developed countries and to insure that this aid is soundly allocated and that its burden is equitably shared. Again, the OECD serves this purpose, and the work being done in its Development Assistance Committee is beginning to bear fruit.

As this United States-European partnership takes form, we must be increasingly alert to the necessity for associating Japan with its constructive tasks. This powerful nation, moving forward at an extraordinary rate, must find within the community of free nations a useful and fitting role of world responsibility. Japan has an essential role to play in aiding growth in the less developed areas, not only of Asia but also of the Middle East, Africa, and Latin America. It is because of this role that Japan is the only non-European country which is a member of the OECD's Development Assistance Committee.

### **Defending the Frontiers of Freedom**

I turn now to the second aspect of our strategy: defending the frontiers of freedom throughout the community of free nations. This requires military strength, appropriately positioned, and the will to use this strength effectively. This can only be accomplished through cooperation between our-

selves and those of our European allies able to supply military equipment and training, and our allies along the frontiers of freedom whose military forces constitute our first line of defense.

In developing this strength we face not only a general threat but also a Communist military strategy aimed at points of particular vulnerability in the free world's defenses—such as the shortage of local ground forces in Korea in 1950. A major lesson of postwar history is that we must, in order to eliminate these areas of vulnerability, develop a full range of military capabilities.

We must not only have a strong nuclear deterrent, backed by both active and passive defense systems, but we and our allies must also develop and maintain nonnuclear ground, air, and naval forces which can effectively meet lesser forms of aggression, including guerrilla warfare. We do not wish to be faced, in response to every form of attack, with the choice between inaction and use of nuclear weapons.

Our objective is thus to develop a stable military environment, one which will both minimize the temptation to others to use force against the community of free nations and reduce the likelihood that force, if it is used, will escalate into all-out war.

To help create such an environment we also seek, at the same time, agreement on arms control measures. The disarmament proposals put forward by the United States at the Geneva disarmament meeting on April 18<sup>4</sup> are the most comprehensive ever formulated by any government. They are not a propaganda device but a sincere effort to produce a workable plan leading toward general and complete disarmament.

We believe that even limited progress in arms control could reduce both the chances and the destructiveness of war. It may seem paradoxical to consider arms control as part of a program for maintaining a stable military environment. Limited arms control agreements with the Soviets could, however, make a major contribution to this objective. Risks inherent in uncontrolled arms competition could be reduced, even if large reductions in armed forces were not soon achieved.

One of these risks is that of the proliferation of nuclear weapons capabilities. To curtail this risk we are proposing a number of specific measures, including a ban on nuclear testing and the cutoff

<sup>3</sup> For background, see *ibid.*, Jan. 2, 1961, p. 8.

<sup>4</sup> For text, see *ibid.*, May 7, 1962, p. 747.

of production of fissionable materials for weapons purposes.

Another risk is that of war by accident and miscalculation. To reduce this risk we are pressing for such limited measures as advance notification of military movements and we are proposing establishment of an international commission in which the Soviets and we could jointly devise still further safeguards against miscalculation.

Progress in the disarmament negotiations has not so far been encouraging. The Communists set great store on their closed society. Moreover, Soviet arms control policies often seem to be dictated primarily by propaganda considerations.

We should not, however, despair for the future. Increasing Communist awareness of the perils of the arms race, internal changes within Communist society, and continuing joint study and consideration of the need for inspection and the varied forms which it might take—all these may eventually create some opportunities for agreements which will moderate present risks.

In the meantime the main hope of creating a stable military environment must continue to rest on military preparedness, reflected not only in our own defense measures but also in our military aid to other countries. The funds that we use to improve Allied armed forces, where this lies beyond the local countries' capabilities, are just as vital to free-world security as our own defense budget.

#### **Assisting Growth in Less Developed Areas**

To build an evolving community of free nations we must not only defend its frontiers; the community must at the same time provide incentives for the struggling less developed countries of the world to cast their lot with the rest of this community. I turn, therefore, to the third aspect of our strategy for building the community: assisting growth in less developed areas.

If the developing countries cannot achieve desired economic progress, they may well turn from political systems based on individual freedom and consent to extremist solutions which would estrange them from the free world. This is what the Communists are hoping for.

The record to date, however, is not one which should give the Communists much comfort. Widely accepted judgments that Indochina, in 1954, Egypt, in 1956, and West Africa, in 1960, might be lost to the free world proved overly pes-

simistic. The plain fact is that the people of the emerging nations do not wish to come under Communist control as long as any alternative means of achieving the progress they seek is at hand.

We are seeking to sustain and fortify just such an alternative: progress in freedom. We are using a variety of means to this end: economic and technical aid, educational and cultural assistance, the Peace Corps, provision of agricultural surpluses, efforts to lower artificial trade barriers, and measures to avoid excessive fluctuations in commodity prices.

Private American business has a key role to play in this effort. I commend to all of you a stimulating and thoughtful pamphlet which your Chamber has issued on *What the Communist Offensive Means to American Business*. It makes useful suggestions as to actions that private enterprise can take in working for development of the free world.

Your investments abroad provide essential capital to less developed countries. The know-how that goes with your investments plays a vital role in helping these countries develop business and managerial talent of their own, which can spark their drive toward modernization.

The Government is your partner in this exciting task. The economic development financing which it provides—through AID [Agency for International Development], the Export-Import Bank, and the U.S. contribution to the World Bank—helps create the roads, ports, and other basic facilities that make growth of private enterprise in less developed areas possible. Our technical assistance and exchange programs expose peoples to new attitudes and skills which hasten that growth. We are grateful for the national Chamber's consistent support for all these needed programs.

#### **Creating a Framework of Organization**

I have spoken of the framework of organization within the Northern Hemisphere which enables the industrialized nations to work together in building the community of free nations. There are many other ties which can bind the members of the community together. I shall turn now, as the fourth aspect of our global strategy, to the steps we are taking to strengthen these ties.

There are, first, the regional security organizations which join countries for the defense of key

areas in the Southern Hemisphere. CENTO, [Central Treaty Organization], SEATO [South-east Asia Treaty Organization] and ANZUS [Australia–New Zealand–United States] are of major importance in the defense of the Middle and Far East. In Latin America the OAS [Organization of American States] provides us with an important regional instrument covering a wide range of objectives. Within its framework we seek to strengthen a sense of common mission, both to hasten progress in the hemisphere and to defend this region from Communist intrusion.

Then there are groupings which substitute freely undertaken and mutually beneficial relations between countries of the Northern and Southern Hemispheres for former colonial ties. The British Commonwealth and the French Community, thus replacing old ties on a new basis, add to the strength and cohesion of the free world.

There are other organizations, largely regional in character, which are directed solely to economic and social tasks. The Alliance for Progress is a notable and increasingly valuable example. The Colombo Plan organization is another useful grouping of this kind. We work closely with both these instruments in promoting regional efforts.

Next there are important worldwide economic organizations: the World Bank and its affiliate, the International Development Association; the International Monetary Fund; and the General Agreement on Tariffs and Trade. The United States supports a growing role for all these worldwide instruments of action by free nations.

The binding effects of trade and investment in the free world, stimulated by these institutions, link the producer and the consumer, the lender and the borrower, the buyer and the seller. Access to the more than \$100 billion of trade among the free-world nations is in itself one of the greatest incentives for the adherence of individual nations to an increasingly interdependent community of free nations.

Finally, and in many ways most importantly, we come to the United Nations. The U.N. is not only a forum for useful discussion; it is also at work helping both to defend and build the community of free nations.

The U.N. helps to keep the peace, and thus to shield the community from undue disruption, in such troubled areas as the Middle East and the Congo. We are working to strengthen even

further its procedures for settlement of disputes.

The U.N. helps to advance the less developed countries' growth. Its specialized agencies assist that growth in many different fields. The Decade of Development, on which the U.N. has embarked, will provide a dramatic context within which such efforts can be accelerated.

In addition to the intergovernmental ties that thus bind the community together there are a widening variety of links between private and professional groups of all kinds, which serve the same purpose. Indeed, variety is the very essence of the community. Unlike the monolithic Communist world, it can accommodate diversity.

In seeking to strengthen the community we must build on this multiplicity of organizational arrangements, both public and private, each proceeding from a recognized area of common interest in the solution of a common problem. It is this combination of private and official ties together which constitute the warp and woof of the community of free nations.

### **Policy Toward Communist Nations**

I have spoken of four main elements of our strategy for moving toward an effective community of free nations: the development of its core of strength; the defense of its frontiers; assistance to its less developed members; creation of its organizational framework.

I turn now to the fifth and final element of this strategy: our policy toward the Communist nations.

This policy combines a stick and a carrot. It has two main purposes:

First, to deter Communist efforts to harass or frustrate the community of free nations.

Second, to hold out to Communist nations the prospect that they can increasingly share in the useful work of this community if they will abandon their aggressive tactics.

To achieve the first purpose—to deter Communist disruptive efforts—we seek to convey to the Communists a clear understanding of determination to defend our vital interests. This is a major purpose not only of our military effort but of our diplomacy.

Press accounts of our diplomatic contacts with the Soviets emphasize the question of whether they will lead to agreement. The value of these

contacts in giving us an opportunity to convey our intentions is thus sometimes overlooked. Our discussions of Berlin with the Soviets, for example, have given us a useful occasion to make clear what we consider to be our vital interests in this area. The Communists could not now act against these interests in ignorance or misunderstanding of the importance that we attach to them.

To achieve our second purpose—to promote constructive changes in Communist policy—we offer the Communist rulers incentives to cooperate with, instead of trying to destroy, the community of free nations.

We should, first of all, recognize that we and the Soviet Union do have many common interests. We have a common interest in averting nuclear proliferation, in reducing the risk of war by miscalculation, and in limiting the cost of the arms race. As I have pointed out, we are negotiating at Geneva to these ends.

We have a common interest in preventing crises in such areas as Berlin and Laos from erupting into spreading hostilities. We have been engaged in discussions regarding both these areas.

We have a common interest in cooperating in matters affecting outer space, Antarctica, public health, and exchanges in various fields of human and cultural activity. Joint programs, and negotiations leading to new programs, are proceeding in all of these fields.

Progress will, however, at best be slow. It may be that none of these efforts will yield significant results in a short time. But our effort to build a community of free nations would be incomplete if it did not include steady and patient efforts toward the long-term goal of promoting constructive evolution in the policies of the Communist nations.

#### **Conclusion**

We should be clear, however, as to the main focus of our policy. It is *not* geared defensively to Communist initiatives. It is based rather on the manifold opportunities for growth and increased strength within the free world.

We would have every incentive to create a community of free nations if Marx and Lenin had never existed. We must not allow an excessive preoccupation with the alternative smiles and frowns of their Communist heirs to divert us from

our positive goal. Indeed, fulfillment of this goal—the creation of a strong, united community of free nations—offers the best hope for the ultimate withering away of the Communist offensive.

I end, therefore, as I began—by commending to you a United States foreign policy whose basic strategy seeks to bind together the members of the community of free nations in the tasks of developing their common sources of strength, defending their frontiers, aiding their less developed members, and perfecting their unity. Such a community would be so strong that it could not be assailed from without and that it would be bound to generate increasing attractive power from within.

This is neither a defensive nor a defeatist strategy. This is a “win” strategy. A foreign policy geared to such a strategy deserves—and will, I hope, continue to receive—your wholehearted support.

### **President Kennedy Holds Talks With Chancellor of Austria**

*Alfons Gorbach, Chancellor of Austria, made an informal visit to the United States May 2-5. Following is the text of a joint communique by President Kennedy and Chancellor Gorbach released after their discussions at Washington on May 3.*

White House press release dated May 3

President Kennedy and Chancellor Gorbach of Austria conferred this afternoon on a number of matters of mutual interest.

In the course of their conversation the Chancellor and Foreign Minister [Bruno] Kreisky clarified the views of the Austrian Government with regard to certain economic problems, including the problem of Austrian participation in European economic integration. The President expressed his recognition of the special situation of Austria and there was mutual agreement on the need for solutions that would take this into account. The President and the Chancellor reaffirmed the traditional friendship of their two countries.

## The Domestic Base of Foreign Policy

*by Walt W. Rostow*

*Counselor of the Department and Chairman of the Policy Planning Council*<sup>1</sup>

My theme tonight is the connection between our life at home and our position on the world scene. The substance of that theme is, quite simply, this: The object of our military and foreign policy is to protect the kind of society we are and wish to become; but, in order to execute such a policy at this stage of history, we, as citizens, must assume a high degree of personal responsibility for the common good.

What I have to say is a variant on the oldest injunction in the democratic tradition reaching back, at least, to early Greece; namely, that freedom can be preserved only when citizens in a democracy voluntarily take into account the public interest.

I know of no organization in the United States which has acted more consistently and effectively on this injunction than the League of Women Voters.

### **Purpose and Policy on World Scene**

First, a brief outline of the view we take in Washington of our purpose and policy on the world scene. Then I shall turn to a few of its implications for our affairs at home.

A little while back there was much talk in the country of the need to restate our national purpose. I doubt that we require a new definition of national purpose. The definition provided in the preamble of the Constitution still serves us well. It has not been outdated by the passage of almost

two centuries or by the extraordinary changes in the world environment within which our nation must live and forge its destiny.

Our national government was created "to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity."

And behind this statement of purpose is the transcendent principle written into the Declaration of Independence: ". . . Governments are instituted among Men, deriving their just powers from the consent of the governed."

In a world where human liberty is everywhere challenged; in a world where government by consent is repressed as a matter of principle in many quarters and must painstakingly be built in others; in a world where we must allocate almost \$50 billion a year, as well as the best of our scientific engineering and industrial skills, to provide for the common defense, these familiar phrases are not rhetoric from a distant, irrelevant past. They are good working guidelines for the Nation's policy.

Our national security policy is designed, of course, to protect the territorial integrity of the Nation; but it is designed to do more. It aims to promote and maintain a world environment for this society in which our abiding national purposes can be best attained, notably an international environment in which it will be possible to "secure the Blessings of Liberty to ourselves and our Posterity."

This environment must be built at a time in history when we confront the Communist intent,

<sup>1</sup>Address made before the biennial national convention of the League of Women Voters of the United States at Minneapolis, Minn., on May 3 (press release 287 dated May 2).

plainly and candidly stated, to shape the life of this planet in ways hostile to fundamental values incorporated in our national purpose. It is a time of revolution in military technology which has yielded an uncontrolled competitive arms race and a situation where all peoples are vulnerable to swift and heavy attack. It is a time when the peoples of Latin America, Africa, Asia, and the Middle East are modernizing their societies and exerting strongly on the world scene a new sense of nationalism. It is a time when Western Europe and Japan have revived their economies and become again important centers of power and influence.

We live in a paradoxical world, moreover, where nationalism has never been a stronger force but in which the individual nation-state must cooperate increasingly with others in order to provide for its own security and economic welfare.

While we do not need new national purposes, we evidently do need a national policy that faces these facts of life, that grips them effectively and shapes them in ways which will meet the national purpose. The policy we are pursuing aims to do these things. It has five major dimensions.

First, we are strengthening the bonds of association among the more industrialized nations of the free world. Western Europe and Japan are passing through a remarkable phase of postwar recovery and economic growth. Their increased resources and their gathering political confidence make it possible for them to share the responsibilities and burdens of building and protecting the free world. Their revival may lighten a little—but it will not lift—the burden of responsibility we have borne since 1945. The problems we jointly confront do not permit the United States safely to draw back from the intimate associations of the postwar years, toward a more detached position. On the contrary, in the face of a purposeful Communist bloc, in a world of nuclear weapons and missiles, at a time when world trade is expanding and the patterns of world trade and monetary arrangements are being reshaped, when the peoples and nations in the underdeveloped parts of the world are forging modern ways of life which will profoundly affect the future of us all, we must draw closer than ever before and mount many new enterprises—from the reshaping of NATO to the unfolding activities of the OECD [Organization for Economic Cooperation and Development].

A second dimension of our policy centers on the relation of our country to Latin America, Africa, Asia, and the Middle East. If we are to bequeath to our children and grandchildren an environment in which our own liberty is secure, these nations must maintain their independence in the difficult transitional process of modernization through which they are now passing. Their governments must prove to their peoples that they are capable of providing regular progress toward higher standards of welfare and social justice. And we must help keep open for them the possibility of gradually developing, in ways of their own choice, governments increasingly based on the consent of the governed. The Alliance for Progress and our other programs of development assistance, as well as our military aid programs and the special assistance we are providing the hard-pressed peoples of South Viet-Nam, are, for example, geared to these objectives.

Third, we are working with our friends in the more developed areas—in Europe, Canada, Japan, and elsewhere—to create together a new set of constructive relations with the underdeveloped areas as a whole. Our objective is to promote new forms of cooperation among self-respecting sovereign states to supplant old colonial ties which are gone or fast disappearing from the world scene. While the headlines are filled with the residual colonial problems—for example, Rhodesia, Angola, and West New Guinea—quiet but real progress is being made in fashioning new links of mutual interest and advantage between the more developed and less developed nations of the free world.

The fourth dimension of our policy is military. There is much for us to build within the free world, but we must protect what we are building or there will be no freedom. We must maintain with our allies a full spectrum of force from well-protected nuclear missiles to a capacity to deal with guerrilla warfare and subversion. There can be no safety for any of us unless it is understood that we and our allies command the resources and the will to use them to protect the vital interests of the free world. But we want these resources to be sufficiently flexible so that in dealing with limited forms of Communist aggression we are not faced with the choice of surrender or nuclear war.

Our ability to cope with limited aggression and the threat of aggression is being tested in Berlin and Southeast Asia. We do not intend to sur-

render at either point, or any other point along the frontiers of freedom.

The fifth element of our policy concerns our posture toward the nations now under Communist rule. With them we are engaged in an historic test of strength, not merely of military strength but of our capacity to understand and deal with the forces at work in the world about us. The ultimate question at issue is whether this small planet is to be organized on the principles of the Communist bloc or on the basis of voluntary cooperation among independent nation-states acting from day to day on the principles of the U.N. Charter. We do not intend to win this struggle by initiating nuclear war to destroy the Communist world. We do intend, however, to build, unify, and extend by peaceful means the community of free nations.

Within the Communist bloc, history has not stopped. The desire of men to shape their lives along lines that fit their national traditions and national interests is growing, not receding. The desire of men to limit the powers of the state and to enlarge the areas of personal freedom and private integrity is growing. Despite the failure of the test ban negotiations and the unpromising state of the disarmament talks, men everywhere are increasingly aware that they must work together to reduce the risks of nuclear war and the burden of armaments by effective measures of international control and mutual inspection.

As these forces exert themselves we are prepared to find and to consolidate even very limited areas of overlapping interest with Communist regimes, notably in the field of arms control; to develop wider contacts with the peoples under Communist rule; and to build patiently toward the kind of world we envisaged when the U.N. was set up—while keeping our powder dry.

The strategy which guides us is, then, quite simple. We are working from day to day to bind in close partnership the industrialized nations and to build with them a wider community by creating a new partnership between the more developed and less developed nations of the free world. We intend to defend this community of free nations in ways that will minimize the possibility that a nuclear war will come about. And we intend to draw the nations now under Communist regimes toward this free community, both by preventing the expansion of communism and by seeking cooperation in specific areas of common interest

which we believe will increasingly emerge as the strength, unity, and effectiveness of the free community is demonstrated.

### **Cost of Defending Freedom**

If these are our purpose and our policies, what does it demand of us at home?

Our purpose is to maintain an environment for our society which will permit it to continue to develop in conformity with our abiding principles. But it is clear that policies necessary to fulfill this purpose, in our day, impose responsibilities and burdens on us at home. It was never promised that the defense of freedom could be conducted without cost.

The policy we are now pursuing on the world scene requires that we organize our resources so as to produce three major results.

First, *we must maintain a large balance-of-payments surplus on current account.* Other industrialized nations of the free world are assuming and should assume a larger share of the common burden. But our role of leadership requires that we generate in our normal commercial dealings the dollars necessary to maintain our bases and forces overseas and to support the efforts of weaker nations to defend their independence and to develop their economies. At this stage of history there is no substitute for our leadership in the free world. For ourselves and for the cause of freedom everywhere we must remain a front runner among the industrialized nations of the world.

We must do this at a time when the extraordinary industrial surge in Western Europe and Japan of the 1950's has given them command over fields of modern technology in which we earlier were dominant. Moreover, in the past decade our industrial plant has aged more than that of our major competitors.

We are up against a tough problem, then, if we are to maintain a balance-of-payments position necessary for continued leadership in the free world. But we do not intend that the United States go the way of other powers in the past who were forced to surrender positions of vital interest on the world scene because they lacked the will and capacity to finance their obligations. Our position of world responsibility requires us to remain also a front runner in technology and in productivity.

Major dimensions of domestic economic policy

thus flow directly from the balance-of-payments requirements of the Nation's security.

It is the Nation's security requirement that has led the President to propose to the Congress tax measures which would increase the flow of funds to capital formation and investment in new productive equipment.

The Nation's security requirement has led us to improve our capacity to apply research and development techniques to the civilian economy as well as to our military efforts.

The Nation's security requirement has led us to undertake a wide variety of measures to promote American exports and our capacity to attract tourists.

The Nation's security requirement has led the President to make the public interest felt in the negotiation of labor-management contracts and in price policy.

If we are to maintain the trade surpluses on which the Nation's leadership in the free world depends, we must meet the competition. This means that we need higher productivity, labor-management contracts settled in relation to productivity increases, and respect for the old and fundamental national doctrine that prices be set in competitive markets.

In the most literal sense the President has made the public interest felt in recent wage negotiations and in the matter of the steel price in response to his constitutional duty to provide for the common defense. If the steel price had risen last month, the tax measures necessary for rapid industrial reequipment and the case for labor self-discipline in terms of productivity increases would, almost certainly, have been lost. Our ability to earn what we must earn on the world scene to support our responsibilities would have been in jeopardy.

The second major element of economic policy required to support our foreign policy is *the trade legislation which is before the Congress.*<sup>2</sup> Our friends in Europe are engaged in an exciting historical process of drawing Europe toward unity. This process touches the history of many nations and the deeply felt emotions of their peoples. It will take time and encounter many difficulties. But, looking at the trend of events since 1947 and the currents of thought in Europe, there is little

doubt that we shall see the consolidation of Europe occur in the 1960's.

In the light of the policy I have outlined, that process poses a fundamental question: Is this to be a Europe powerful but turned inward? Or will it be a Europe linked with the United States even more closely than in the past, intimately engaged with us in the great common enterprises of the free community of nations?

That question will be answered, in part, by whether the President receives the authority to negotiate with Europe the kind of low-tariff arrangements that the common interest of the free world demands. Without this legislation we shall be unable to influence effectively the outcome of the historical process now under way.

Third, and most fundamental of all, this nation requires *a high and well-sustained rate of growth and relatively full employment.*

We need a high rate of growth not because there is some inherent virtue in a particular growth percentage or because we wish to look well in international statistical comparisons. We need a high rate of growth for a quite practical purpose: We must command a flow of resources that will permit us to deal with our military and other responsibilities on the world scene while providing at the same time jobs for our people and an improvement in the standard and quality of our domestic life.

In setting goals for our national growth we have not picked a figure out of the air. We have calculated the flow of resources necessary to provide the arms, the jobs, the schools and roads, and the generally rising standards of consumption our people require and deserve.

These three grand objectives—the maintenance of an adequate commercial balance-of-payments surplus, a relatively free trading system within the free world, and a high rate of American growth—are locked intimately together and are dependent upon each other.

We require a surge in productivity and stable prices not merely to maintain our trade balance but also to permit our economy to compete successfully in a world of freer trade. And we need it to keep pressures from arising that would force us to cut down business activity and employment in order to prevent our reserves from running down at an excessive rate.

The trade legislation we propose is not only an essential piece of the architecture of the free com-

<sup>2</sup> For text of the President's trade message to Congress, see BULLETIN of Feb. 12, 1962, p. 231.

munity—if it is to be a unified community—but low tariffs, in themselves, will help keep prices and costs down here at home.

Finally, our growth rate and a policy of maintaining relatively full employment for our working force, which I described as the most fundamental requirement. We need a high rate of growth not merely to provide the resources for both public and private purposes but also to provide the profits and the hopeful expectations on which investment decisions are ultimately based and to provide both labor and management the confidence to introduce the new technology available to us. Tax incentives without an environment of growth and prosperity cannot induce the investment we need to raise productivity—as it must be raised. Moreover, we know from practical experience that liberal trade policies are more acceptable to our people at times of prosperity and rapid growth than at times of business recession.

In the largest sense these three interlocked policies represent a fundamental challenge to the vigor of our private enterprise system and to the democratic process in our country. After a period when our economic primacy on the world scene was easily—almost automatically—insured, we must make a conscious and widespread effort if we are to remain an effective world leader. To this end all three policies are required.

Some say that the domestic objectives I have described cannot be achieved without heavyhanded and direct Government controls. They argue that it is impossible for labor and private enterprise, with marginal help from the Government, to negotiate the wage contracts and to conduct the price policies that the national interest demands. They hold that old-fashioned price competition is a waning force in our economy.

We take a more hopeful view. We believe it is possible for labor and management to negotiate wage contracts which relate wage rises to productivity increases. We believe private enterprise, aided by a revised tax structure and an environment of sustained prosperity, is capable of mounting a great program of modernization of our industrial plant. We believe competition is still the mainspring of our economic system and capable of reconciling public and private interests over a wide range.

In short, we refuse to take the view that the only choice we face is between controlling the

economy in detail or leaving the common interest out of account in the workings of the economy.

The truth is that our society has proved vastly more resourceful and flexible in weaving together public and private interests than our textbooks would suggest. Think, for a moment, of the way we work together in the defense effort, in our space programs, or in the reconstruction of our urban areas. All these—and many other enterprises in our economy—weave elements of public and private institutions together in subtle and constructive ways.

We believe the challenge of these three interlocked national objectives can be met in the same spirit of community partnership. We believe the Federal Government can play a limited but essential role in the economy without administration of prices and wages.

### **Need for Understanding and Leadership**

The economic foundations of our national security policy are, of course, fundamental. Nations, like individuals, must be able to back their play—in this case, with economic resources as well as with military strength. But even more is demanded of us as citizens than to provide an economic base for our security without distorting our domestic life.

We live now—and we shall probably continue to live over the foreseeable future—in a world of high tension. While we are building the free community of nations we will continue to face a series of crises arising from direct Communist probes, from the inevitable political and social changes that accompany the modernization process, and from systematic Communist efforts to exploit those changes.

The progress we make may be slow and unsensational; and it is the crises that dominate the headlines.

Moreover, until the very day when the leaders of the Communist regimes are prepared to accept effective systems of international inspection and control, we will have to live with the hard but necessary fact of the nuclear arms race.

This demands that we all—as responsible citizens of a democracy—develop an understanding of the Nation's policy and of the world in which we seek to make it effective. Only this knowledge can produce the poise and confidence that is the bedrock of our kind of society.

I believe there is good reason for Americans to face the future with such poise and confidence.

Over the past 15 years we have thrashed out on a bipartisan basis the bone structure of a military and foreign policy that makes sense. The new steps we have taken over the past 15 months are bipartisan in their origins and in the support they command.

We have over these years successfully defended the frontiers of freedom: from Azerbaijan, Greece, Berlin, and South Korea in the early postwar years to Berlin again and Viet-Nam now.

We have helped demonstrate in Western Europe and Japan, as well as here at home, the extraordinary vitality of democratic capitalist societies.

We have begun to work out with our friends in the underdeveloped areas pragmatic methods of economic and social development that offer progress without the sacrifice of human freedom, growth without the acceptance of police-state methods.

Meanwhile, where Communist regimes are in power, they have demonstrated they have nothing to offer human beings that cannot be better accomplished in freedom. Compare East and West Germany; compare Communist China, its people hungry, its industrial plant substantially idle, with India, steadily forging ahead, spreading democratic methods down to the villages. Compare the growing web of partnership among proud sovereign nations in the free world with the repressed nationalism and deep schisms of the Communist bloc.

As the President said at Berkeley on March 23:<sup>3</sup>

No one who examines the modern world can doubt that the great currents of history are carrying the world away from the monolithic idea toward the pluralist idea—away from communism and toward national independence and freedom. No one can doubt that the wave of the future is not the conquest of the world by a single dogmatic creed but the liberation of the diverse energies of free nations and free men.

It is sometimes asked if our policy is a “no win” policy.

Our answer is this: We do not expect this planet to be forever split between a Communist bloc and a free world; we expect this planet to organize itself in time on the principles of voluntary cooperation among independent nation-states dedicated to human freedom; we expect the principle

that governments derive their just powers “from the consent of the governed” to triumph on both sides of the Iron Curtain.

We stand ready to fight to the limit to defend the vital interests of the free world. But we are not looking for a military climax to this historic struggle. The victory we seek will see no ticker-tape parade down Broadway. It is a victory which will take many years and perhaps decades of hard work and dedication—by many peoples—to bring about.

It will not be a victory of the United States over the Soviet Union.

It will be a victory of men and nations that aim to stand up straight, over the forces that wish to entrap and to exploit their revolutionary aspirations.

It will be a victory for those who recognize the profound interdependence of the nations on this planet over those who would press to the limit their national or ideological ambitions.

It will be a victory for those who recognize that the powers of the state over the individual should be limited by law and practice and that there is no substitute in a modern society for the energy and commitment of responsible free citizens who understand what needs to be done and why it is in their interest to do it.

For Americans the reward of victory will be, simply, this: It will permit our society to continue to develop along the old humane lines which go back to our birth as a nation; it will provide “the Blessings of Liberty to ourselves and our Posterity.”

This is the goal, the policy, the faith of those who carry on from day to day in Washington. As Secretary Rusk said in speaking to the American Historical Association last year: “. . . we are not merely counterpunching against crises. We are taking our part in the shaping of history.”<sup>4</sup>

And, indeed, a government—an administration—can only take its part in a democracy such as ours. The future rests in a quite particular way with those, like yourselves, who have assumed as citizens a special commitment to understand and to lead. It rests with the scientists and engineers who create our military and civil technology; with our labor negotiators and our business leaders; with those in uniform and those out of uniform—like the Peace Corps—who are help-

<sup>3</sup> *Ibid.*, Apr. 16, 1962, p. 615.

<sup>4</sup> *Ibid.*, Jan. 15, 1962, p. 83.

ing protect and build the free community overseas.

The struggle of creation and defense in which we are engaged is not a private game played over the cable lines that run to Washington from foreign capitals. It is, quite literally, a job for us all.

## **U.S. Replies to Japan and Ghana on Resumption of Nuclear Testing**

*Following are the texts of notes presented to the Governments of Japan and Ghana regarding resumption by the United States of atmospheric nuclear testing.*

### **NOTE TO JAPAN, APRIL 30**

Press release 282 dated April 30

The Embassy of the United States presents its compliments to the Ministry of Foreign Affairs and has the honor to refer to the Ministry of Foreign Affairs note of April 26<sup>1</sup> and to previous notes from the Ministry of Foreign Affairs concerned with atmospheric nuclear weapon tests which the United States is now conducting in the Pacific, and has the honor to state as follows:

The United States Government shares the earnest desire of the Government of Japan and the Japanese people for an immediate and complete end to all nuclear tests. As the Government of Japan is aware the United States has striven for some three years at Geneva to conclude a treaty which would ban further tests of these weapons. However, on September 1 of last year the Soviet Union broke its moratorium on these tests and inaugurated a two-month series comprising more than forty nuclear explosions in the atmosphere.<sup>2</sup> As the President of the United States stated in a letter to the Prime Minister of Japan on this subject,<sup>3</sup> "The nuclear test moratorium which was so brutally broken by the Soviet Union in 1961 cannot now be kept by our side alone, if we are to avoid the hazard of advances by the Soviet Union which might imperil us all."

The United States regrets profoundly the necessity for conducting nuclear weapon tests. The United States cannot, however, unilaterally re-

frain from defense preparations. The arms race cannot be stopped unless and until all major powers agree to stop it. Had there been a will to reach agreement on the part of the Soviet Union, an agreement could have been signed, for during the past year the United States has made numerous concessions of considerable importance in an effort to reach agreement. None of these efforts has had any effect in bringing the Soviet Union to accept the principle of international inspection.

Negotiations on disarmament and cessation of nuclear testing are now in progress at the Geneva Disarmament Conference. With a view to reaching rapid agreement on a nuclear test ban, the United States is prepared to examine all suggestions which appear to provide the basis for establishing an effective control system. While the United States continues to believe that the U.S.-U.K. draft treaty of April 18, 1961,<sup>4</sup> does afford the best basis for the rapid conclusion of a treaty, the United States does not insist that this be the only basis for negotiation. The United States delegation has, in fact, accepted a proposal made by eight non-NATO non-Warsaw Pact delegations in Geneva as one of the bases for negotiation. The United States hopes that further negotiations will be fruitful and is doing its utmost to make them so. The Government of Japan may be assured that the United States test series will cease immediately if the Soviet Union changes its previous position and now concludes a test ban treaty.

With respect to the statement of the Government of Japan in its note verbale of April 9<sup>5</sup> concerning the general principle of the freedom of the high seas, the United States Government cannot accept the view of the Government of Japan that the proclamation of danger areas in the Pacific in connection with the tests is contrary to international law. The high seas are open to all nations for use in any activity sanctioned by international law. The use of the high seas and superjacent air space for military exercises of all kinds including weapon tests is traditional. The proclamation of danger areas as a notice to all that certain areas of the high seas will be used at a certain time in testing weapons is a necessary and humane adjunct of the use of the high seas for such purposes. In view of the location of the tests and the expected relatively short duration

<sup>1</sup> Not printed here.

<sup>2</sup> For background, see BULLETIN of Sept. 18, 1961, p. 475.

<sup>3</sup> For text, see *ibid.*, Mar. 26, 1962, p. 497.

<sup>4</sup> For text, see *ibid.*, June 5, 1961, p. 870.

<sup>5</sup> Not printed here.

thereof, it is the view of the United States Government that such use of the high seas is not unreasonable.

The United States Government notes that the Government of Japan has reserved the right to claim compensation from the United States Government for losses which the Government of Japan and the Japanese people may incur as a result of these nuclear weapon tests. As stated by President Kennedy in his address on March 2, 1962,<sup>6</sup> preparations for the current series of tests have included all possible precautions to guard against injury or damage. In consequence the United States Government does not anticipate any losses as a result of the test series. However, if, after the tests have ended, evidence is officially presented that Japan or its nationals have incurred clearly definable losses as a result of these tests, the United States Government will be prepared to give full consideration to the question of compensation in the light of such evidence.

#### NOTE TO GHANA, MAY 2

Press release 284 dated May 3

The United States Government has taken note of the Government of Ghana's *aide memoire* of April 26, 1962, and wishes to state that the United States will gladly cease the testing of nuclear weapons the moment an effectively monitored agreement to that effect enters into force. The United States Government regrets the necessity for conducting nuclear weapon test explosions but wishes to point out to the Government of Ghana that for the past three years the United States has been second to none in its efforts to negotiate a treaty which would provide for the ending of nuclear test explosions. Until such time as a treaty comes into force, the United States will not unilaterally relinquish the right to conduct necessary defense preparations.

Beginning in November 1958, there had been for three years a *de facto* moratorium on the testing of nuclear weapons. Last autumn, however, the Soviet Union broke that moratorium with a nuclear weapon test series of almost fifty nuclear explosions, many of very large yield and one with an explosive force of more than fifty million tons of TNT. This was the largest and most intensive

nuclear test series in history and it must be assumed that the Soviet Union derived much information of military significance from these experiments. If the Soviet Union were to conduct nuclear test explosions while the United States refrained, military preponderance would in time come to rest with the Soviet Union. Needless to say, such a development would be exceedingly dangerous for any government seeking to maintain its independence.

The United States refrained from conducting nuclear weapon tests in the atmosphere for nearly eight months after the Soviet series began, during which time the United States Government continued to press for an agreement which would remove nuclear weapon testing from the context of military preparations. On March 2, 1962, the President of the United States offered to forego any further nuclear weapon tests if an adequately verified treaty could be negotiated and signed. Despite the fact that in the past year the United States has made at least a dozen concessions in an attempt to reach a compromise agreement with the Soviet Union, there was no corresponding movement on the part of the Soviet Government in the direction of even a minimal international control system. This unfortunate situation has far-reaching consequences, for if the Soviet Union cannot accept even the modest amount of verification required for a test ban agreement, the prospects for disarmament are indeed somber. There can be no disarmament without a corresponding commitment to verification arrangements because governments cannot risk the lives and freedom of their peoples by disarming without certain knowledge that other states are also disarming. For its part, the United States is fully prepared to admit inspectors in its territory under arrangements to ensure that the inspection process is not misused in any way. The United States asks no more than this from any country but it can accept no lesser commitment to verification in any general disarmament agreement.

The United States Government would appreciate the support of the Government of Ghana in the efforts that are now taking place in the Geneva disarmament conference to achieve an agreement on the cessation of nuclear weapon test explosions. The United States has accepted as one basis for further negotiations in Geneva a memorandum presented by the delegations of eight nations rep-

<sup>6</sup> For text, see BULLETIN of Mar. 19, 1962, p. 443.

resented in the conference who are neither members of NATO nor of the Warsaw Pact. Further negotiations may succeed in elaborating this memorandum to the end that it may serve as the basis for an adequately verified nuclear test ban agreement. The United States Government believes these negotiations should be intensified so that during the course of the present conference in

Geneva, progress can be made towards disarmament and a cessation of nuclear testing. If the Government of Ghana and other non-aligned states will support these efforts, particularly by exerting their influence towards the negotiation of a verified nuclear test ban agreement, the United States Government is hopeful that an agreement can be reached.

## **Aids and Obstacles to Political Stability in Mid-Africa**

*by G. Mennen Williams*

*Assistant Secretary for African Affairs*<sup>1</sup>

The emergence of a broad band of sovereign nations in mid-Africa is part of one of the major events of the 20th century—the dissolution of the great colonial empires that were built during the age of exploration. This development has presented United States foreign policy with some sharp challenges to its ingenuity. It also has given us some excellent opportunities to revitalize America's dedication to our revolutionary heritage and our democratic traditions.

Nowhere have the challenges been sharper nor the opportunities greater than in Africa. On that continent we have met our challenges forthrightly and have taken a firm stand in favor of freedom and independence for the peoples of Africa.

Our policy toward the developing nations was clearly stated by President Kennedy in his state of the Union message last January.<sup>2</sup> The President said:

... our basic goal remains the same: a peaceful world community of free and independent states, free to

choose their own future and their own system so long as it does not threaten the freedom of others.

Some may choose forms and ways that we would not choose for ourselves, but it is not for us that they are choosing. We can welcome diversity—the Communists cannot. . . . And the way of the past shows clearly that freedom, not coercion, is the wave of the future.

### **The Area of Mid-Africa**

We have implemented that policy with positive actions in the United Nations, in all of the developing areas of the world, and, certainly, in the area of mid-Africa. Mid-Africa is not a term in common use, and I would like to define it for the purpose of these remarks. As I use the phrase, it includes all of Africa south of the Sahara to the northern boundaries of Angola, Northern Rhodesia, and Mozambique.

Mid-Africa today embraces 23 independent nations, 21 of which became sovereign states within the last 6 years. It also includes several areas that are in various transitional stages on the road to self-determination.

More than twice the size of the United States, this area encompasses a wide range of geographical conditions. It comprises the belt of sand and grassland states running across Africa below the Sahara; the Horn of Africa, composed of the Ethiopian highlands and the coastal lowlands;

<sup>1</sup>Address made before the American Academy of Political and Social Science, Philadelphia, Pa., on Apr. 13 (press release 253).

<sup>2</sup>BULLETIN of Jan. 29, 1962, p. 159.

the rain-forest states of the west coast, extending from Senegal through the Congo; and the east African lands of Kenya, Uganda, Tanganyika, and Zanzibar.

Within this vast arc of old, new, and emerging nations there are readily recognizable diversities in peoples, economies, languages, politics, and ways of life. Some of these factors are divisive forces and obstacles to political stability in the mid-African section of the continent.

These forces are balanced, however, by a series of cohesive forces—a large number of factors that tend to unite the entire region spiritually and aid in its desire for political stability. These include a common love of freedom and independence, a determination to improve standards of living and education, an insistence on personal and national dignity, a reluctance to be drawn into the maelstrom of the cold war through political alignments with either East or West, and a strong interest in unity, both regional and Africa-wide. I would like to concentrate on this last aspect today.

#### **African Desire for Unity**

The desire for unity—either pan-Africanism or regional cooperation—is dear to the heart of every African leader. Yet even within the body of this unifying factor, which carries the seed of healthy coordination and cooperation, there is also the seed of disunity, which can bear bitter fruit in terms of unstable political relationships among mid-African states. On balance, however, the solidarity of purpose and belief that some form of mutual cooperation is necessary and proper to Africa's political, economic, and social development is the predominant force.

The United States is glad to see the lively interest Africans are taking in cooperative endeavors. We believe this course can contribute importantly to a stable and strong continent. But we expect no miracles, no overnight associations that spring full-blown from the fresh fields of African freedom. After all, it has taken the highly developed nations of Europe centuries to set aside internal strife and suspicions. Only in recent years have they begun working together meaningfully in a free association.

Our own development from a loosely bound group of colonies into the United States of America was swift, but we were blessed with a number

of favorable factors not found in combination in many other parts of the world. We were bound by the thread of a common language, a coordinated revolutionary struggle, transportation and communications that were good for that day and age, and even interlocking economic ties to some degree. With such factors operating in our favor, it was much easier to form strong bonds among our Thirteen Original States than it is elsewhere in the world today.

#### **Progress Toward Regional Groupings**

Thus, while there is a common desire for some form of unity among Africans in all parts of Africa, there are not enough other points of mutual interest to sustain immediate continent-wide groupings. On the other hand, there is considerable activity in Africa in terms of regional political, economic, and social consultations and groupings. These are welcome developments because we believe that some form of mutual effort is necessary if a number of new African states are to become economically and politically viable.

Although we view such associations with pleasure, we do not propose to tell Africans which groupings we consider good, bad, or indifferent. This is a matter for Africans to decide upon for themselves. As President Kennedy has said, we want for the Africans what they want for themselves, and we intend to hold to that position. In a sense this is the opposite side of the coin of African nonalignment in the cold war—a development in which we choose not to aline ourselves with one or another of the various associational movements that are taking place on the African Continent.

Some of Africa's progress toward regional groupings is the outgrowth of patterns set by former colonial regimes, which usually were administered on an area or regional basis. After the first blush of independence wore off, the reestablishment of old relationships with African neighbors commenced among the new African states and has continued through a series of shifting patterns. The motivation for such regrouping is both political and economic, stemming from realization on the part of most new nations that they are too limited in size, in population, in wealth, or in defense capabilities to make their way without cooperating together.

## Major Regional Organizations

Because there is a constant process of change in African groupings, they present a kaleidoscopic picture to an outside observer. At the moment there are four major regional groupings in mid-Africa.

First, there is the Union Africaine et Malgache—the African and Malagasy Union—composed of 12 states of French “expression.” The UAM contains two subgroups—the Conseil de l’Entente (Ivory Coast, Upper Volta, Niger, and Dahomey) and the Conference of Equatorial States (the Republic of Congo (Brazzaville), Gabon, Chad, and the Central African Republic)—and Cameroon, Senegal, Mauritania, and the Malagasy Republic.

A second group is known as the Casablanca powers, which are five in number—Morocco, Guinea, Ghana, Mali, and the United Arab Republic. This is the only group combining north African with mid-African states. The Casablanca group meetings also have been attended by the Provisional Government of Algeria.

A third group is the East African Common Services Organization. This grew out of the common services performed by the East African High Commission, which includes Kenya, Uganda, and Tanganyika. At the recent Conference of the Pan-African Freedom Movement for East and Central Africa, it was agreed that Somalia and Ethiopia should negotiate to become members. This group one day may become the East African Federation.

Fourth, there is the new Lagos group of 20 nations which cuts across the continent and unites nations that speak both French and English. The Lagos grouping includes the 12 UAM states, Togo, Liberia, the Republic of the Congo (Léopoldville), Ethiopia, Somalia, Nigeria, Sierra Leone, and Tanganyika.

From Angola north to the Sahara, then, the only independent mid-African country not participating in one or more of the new African regional organizations is the Sudan.

## Similarity of Organizational Patterns

Apart from the east African group, which includes countries not yet independent, these original groupings have patterns of organization so similar that they are almost stereotypes. Gen-

erally, they are composed of a council of chiefs of state, which makes all political and administrative decisions; a defense council; an organization for economic and cultural cooperation; a customs union; and an organization for postal communications, telecommunications, and transport. None has a central capital, and the various secretariats are scattered among the members’ capitals. The meetings of the council of the chiefs of state rotate among the capitals, and there is a fixed rotation for the council presidency. Methods of operation depend on the motivating political ideology, the area covered, and the degree of similarity of members’ institutions.

## Union Africaine et Malgache

The most recent meeting of any of these four groups took place only a few weeks ago, when the Union Africaine et Malgache held its second formal conference of chiefs of state at Bangui, Central African Republic. This really was the sixth meeting of the group known as the Brazzaville states since early 1960, although the group was not organized formally as the UAM until it met at Tananarive in the Malagasy Republic in September 1961.

The cohesion of this grouping is favored by common traditions and, to some extent, common administrative arrangements inherited from the French colonial period. They take pride in their French cultural “expression.” They are members of the franc zone, are associate members of the European Economic Community, and continue to receive large French economic (and to some extent military) support. Although they shun any formal alignments with Western powers, most of them consider themselves part of the West in many ways.

The Council of the UAM meets twice a year and is the group’s organ for determining overall internal and external policy. To make foreign policies effective, the charter of the UAM provides for the establishment of a corresponding group at the United Nations and makes it obligatory for the group to meet there on all important issues. This has led to the 12 UAM states’ voting together on most issues. As they represent about one-eighth of U.N. membership, their posture in the U.N. is extremely significant. The Council also has shown definite interest in the development of wider African groups.

A Defense Council and a secretariat were created by the defense pact of the 12 UAM states. There is, however, no intention to create a single command or a single army. Emphasis is on military cooperation only to help check externally supported subversion. This Council could provide members with a useful means of cooperating in the suppression of Communist subversion. Establishment of a defense organization also may help to reduce pressures for large national arms buildups and their consequent drains on national budgets.

#### **Objectives of OAMCE**

The Organization for African and Malagasy Economic Cooperation, OAMCE, is the economic arm of the UAM. Its objectives are to establish common policies relating to currency, customs, and investments. The committee structure of the OAMCE illustrates its broad program:

a. The Committee of Foreign Commerce is working on harmonizing customs classification procedures and nomenclature leading toward the establishment of an Afro-Malagasy free trade zone. It also is studying the organization of African markets.

b. The Committee for Study of Monetary Problems plans to propose measures to coordinate the activities of the three existing banks of issue, to study methods of transferring funds, and to examine annually the balance of payments of each state and propose measures to eliminate deficits.

c. The Committee of Economic and Social Development is geared to study and coordinate the development plans of the member states to harmonize their investment codes and to study the possibility of a common price stabilization fund. It presently is considering the establishment of a development institute and bank.

d. The Committee of Scientific and Technical Research is coordinating documentation relating to the development of member states and the possibility of setting up technical institutes at African universities in member states. It also has under consideration a plan for pooling African technicians, who are in short supply in UAM and other mid-African countries.

e. The Committee for Post and Telecommunications has the complicated function of coordinating existing systems of communication, establishing networks, and drafting codes for intraregional

postal and telecommunications services. Among the first questions to be considered by this unit were the issuance of stamps, transport of mail, and uniform postal rates.

f. Air Afrique is a joint airline enterprise that serves all member states except Madagascar. It also serves Paris and Nice and has arranged reciprocal service between Dakar and Conakry with Air Guinea. Organized in close association with Western commercial airlines, Air Afrique represents a constructive alternative to a number of small, uneconomic airlines established for prestige purposes. Although Air France and Union Aero-Maritime de Transport are minority shareholders in Air Afrique, UAM member governments have the controlling interest in the line. Air Afrique has a permanent secretariat answerable to the UAM Committee of Transport Ministers, which is presently considering both additional internal air links and links with the outside world.

#### **Cultural Emphasis in Casablanca and Lagos Groups**

The Casablanca and Lagos groups have laid more emphasis on cultural relations than the UAM. This is not surprising because the UAM states have a common background of French culture. The Casablanca group desires to develop a purely African culture as part of its tradition. The Lagos group, composed as it is of both French- and English-speaking Africans, who cannot communicate without translators, is determined "to promote and accelerate the consolidation of our African cultures and traditions in the interests of preserving our heritage." To speed this development, the Lagos group is forming an educational and cultural council to:

1. break down language barriers among African and Malagasy states;
2. harmonize the group's various educational systems;
3. adapt school curricula and general educational policies to the needs and experience of the African and Malagasy states;
4. develop and use rationally university resources;
5. promote the revival of African and Malagasy culture and traditions;
6. establish an African and Malagasy organization for educational, cultural, and scientific cooperation;
7. develop the education of women.

## **Need for Regional Planning**

In examining the physical and cultural fragmentation of Africa today, the need for regional cooperation is apparent. This is a strategic moment to begin such a task, as the field is virgin and available funds have to be channeled carefully for most efficient use. Transportation and communications facilities are generally poor in mid-Africa, and it would be wise to plan for improvements on a regional, as well as on a national, basis.

Larger markets are essential to attract modern industrial investment, and these can be achieved only by breaking down political boundary lines to form a common market—at least among small neighboring countries. Within a common market, there can be cooperation in development planning to secure the benefits of industrial specialization, and agreement can be reached on legal means and ways to provide an attractive investment climate.

In the field of higher education a single center financed from combined resources could make possible the establishment of better institutions for professional, scientific, and medical training and research. Diseases—human, plant, and animal—do not respect borders and can only be held in check by the combined efforts of neighbors.

Although many development plans are in the blueprint stage, they give strong assurances that Africans are thinking through their problems. The principal problems and greatest needs are professional cadres and investment capital, and these have to be built rapidly to implement the many unborn plans.

## **Differences Among Major Groups**

In the area of pan-Africanism interest on the part of mid-African states is very much alive, but predictions on future developments are precarious. The Conference of Independent African States (CIAS), now favored by the Casablanca group, held its first meeting in Accra, Ghana, in April 1958, with 8 states present, and met again in Addis Ababa, Ethiopia, in June 1960, with 12 states represented. It originally was scheduled to hold its third session in Tunis this month. This meeting, to which all 29 independent African states were invited, has been postponed until late fall in the hope of attracting the 20 Lagos powers.

Although all of Africa's independent states

were invited to the Pan-African Monrovia Conference in June 1961 and the Lagos Conference in January 1962, the Casablanca powers boycotted both conferences. Although the charter of the Lagos group, which is now in the final drafting stage, is designed for an all-African organization, the possible attendance of Lagos group members at the next CIAS conference is a matter yet to be resolved by the members. The question was debated by the French-speaking members at the recent UAM conference at Bangui and will be a major agenda item at the next meeting of the Lagos chiefs of state, which will probably take place before the CIAS Tunis meeting is scheduled.

Aside from their outspoken "nonalignment" position, the deepest split between the Casablanca powers and the other groups lies in the Casablanca group's militant anti-imperialist and anticolonialist philosophy. This group considers the UAM members to be "neocolonialist" because they have remained associates of the European Economic Community and are negotiating to renew that association. The Casablanca group claims that regional groups "Balkanize" Africa. For their part, the UAM and the Lagos group feel that they are deeply anticolonial and anti-imperialist and believe they have developed an evolutionary concept of decolonialization. Instead of making a radical break with the former colonial powers when they became independent, these groups have been content to loosen ties gradually and to accept economic and military aid for support and services they cannot yet afford.

## **U.N. Economic Commission for Africa**

The United Nations Economic Commission for Africa and the Commission for Technical Cooperation in Africa South of the Sahara, known as the CCTA, also are part of the mainstream of pan-Africanism. Mid-African nations are very active in these organizations.

The U.N. Economic Commission for Africa in one sense is becoming an African parliament, to which delegations from all of Africa come to debate issues of continental interest. Although the watchword is African unity, the free expression of political differences frequently puts the spirit of such unity to severe test. Agreement is frequent, however, and at the last session of the Commission one of the most important items agreed upon was the establishment of an African Insti-

tute of Economic and Social Development at Dakar, which will be established this year. The Commission's greatest service lies in the technical studies which the secretariat undertakes on Africa-wide social and economic problems and in the technical committees set up to study them.

#### **Work of the CCTA**

The CCTA, which was established in 1950 by France, Britain, Belgium, Portugal, and South Africa, by 1961 included 19 independent African states. Its object is to insure technical cooperation between all the countries south of the Sahara in four main fields:

a. problems related to the physical background of the continent, such as geology, geography, cartography, climatology, hydrology, and pedology;

b. problems related to biological subjects—plant life, forests, ecology, agriculture, plant industry, and animal industry;

c. human subjects—health, medicine, nutrition, and science of man, including problems of education, labor, and statistics; and

d. technology, such as housing, road research, and treatment of waters.

Much important work has been accomplished by this group. At its last meeting in February of this year, the European members either withdrew or were expelled, and membership is now purely African, directed by Africa for the benefit of African development.

Among the items of urgent consideration at the CCTA's most recent meeting was the creation of a specialized training fund to establish regional training centers for middle-level personnel. Three such centers have already been set up for customs officers, hydrology agents, and port guards. An audiovisual language center has been established to assist in developing bilingualism in French and English.

This organization presently is carrying out projects such as rinderpest eradication, research to combat bovine pneumonia, and oceanographic and fisheries research in the Gulf of Guinea. The United States has made a substantial contribution to the latter.

The CCTA and the U.N. Economic Commission for Africa are the only two organizations supported by members of both the Casablanca and

Lagos groups. As instruments of inter-African cooperation, they may serve not only to develop highly important technical projects but also to bring currently competing African political groups closer together.

#### **Common Interest Among All Groupings**

Although this picture of the many and various mid-African groupings may seem confused and overlapping, there is a considerable body of common interest throughout. The need for cooperation to develop Africa is found at all levels, from a small cluster of neighbors through an all-Africa grouping. As the small units blend into the larger, they bring to the latter valuable practical experience. At such times both groups reevaluate the functions they have been performing. Some functions are discarded in the merger, while others of a purely local nature are retained.

These groups are all fiercely proud of maintaining the purely African personality of their various entities. Yet they well realize, however, their dependence on outside assistance, especially in the form of capital and expertise to accomplish their plans and projects.

How these various interests are resolved will hold the key to Africa's rate of development and to the future peace and stability of the continent.

#### **White House Press Secretary Visits Germany, Netherlands, and U.S.S.R.**

The White House announced on May 1 (White House press release dated May 1) that White House Press Secretary Pierre Salinger would leave New York City May 5 for a visit to West Germany, the Netherlands, and the Soviet Union.

At Bonn the Press Secretary will participate in 3 days of United States–West German meetings on information. Also participating in these talks will be Thomas C. Sorensen, Deputy Director (Policy and Plans) of the U.S. Information Agency. These meetings will take place on May 7, 8, and 9.

On May 10 Mr. Salinger will address the *Nederlands Genootschap Voor Public Relations* (Dutch Public Relations Society) at Amsterdam.

From Amsterdam he will fly to Moscow in response to an invitation extended by Alexei Adzhubei, editor of *Izvestia*, during his visit to the United States in January 1962. In the Soviet

Union Mr. Salinger will confer with Mr. Adzhubei and other Soviet editors and Government officials in the fields of press, radio, and television on the subject of continuing information exchanges between the two countries. He plans to make a special study of the operations of Soviet newspapers and radio and television stations. He will be accompanied on his trip to the Soviet Union by Mr. Sorensen.

## **Hearings Held on Mrs. Flynn's Passport Revocation Case**

Press release 264 dated April 23

The Department of State will begin hearings on April 24 in the passport revocation case of Mrs. Elizabeth Gurley Flynn. Mrs. Flynn's passport was revoked by authority of the Secretary of State on January 22, 1962, on the ground that there was reason to believe she was a member of the Communist Party of the United States, an organization required to register with the Attorney General under the Subversive Activities Control Act of 1950.

The case is the first one to arise since the passport provisions of the Subversive Activities Control Act went into effect. The provisions became effective following the entry of judgment by the Supreme Court in the case of *Subversive Activities Control Board v. Communist Party of the United States*.

Under the provisions of section 6 of the Subversive Activities Control Act, it is now unlawful for a member of the Communist Party of the U.S.A. to apply for a passport or for the renewal of a passport or to use a passport.

The hearing will take place before a Hearing Officer and will be held in the Hearing Room of the Passport Office. The Hearing Officer will be Max Kane, a Hearing Examiner for the Federal Power Commission, who has been assigned to this case by arrangement with the Civil Service Commission.

For the protection of persons suspected of Communist Party membership, the regulations require that hearings be private. The Passport Office and the applicant will be represented by counsel, and a transcript will be made of the proceedings.

The recommended decision of the Hearing Officer will be based only on evidence presented at the hearing and will not be based on any confidential information.

The Hearing Officer will prepare findings of fact and will make a recommended decision to the Director of the Passport Office. In the event of an adverse decision, the applicant will have the right to appeal to the Board of Passport Appeals, which has been appointed by the Secretary of State.

## **Inter-American Police Academy To Open in Canal Zone**

Press release 281 dated April 30

Plans for setting up an inter-American police academy were announced on April 30 by the Department of State.

The institution will be located in the Panama Canal Zone and will accommodate up to 100 students. The students will be middle- and senior-level police officials from Latin American countries, who will receive training in modern police methods. The training will emphasize the public service functions of the police force in a modern democratic state. The inter-American police academy will have available, as consultants, experts in sociology, criminology, and other academic fields relevant to police work.

The academy will be staffed with seven full-time instructors for a standard 12-week course. Financing will be provided by the U.S. Agency for International Development. A temporary site for the academy has been selected at Fort Davis in the Canal Zone. Operations will begin in July.

## **Negotiations To Begin on Claims Against Yugoslavia**

Press release 285 dated May 3

The Governments of the United States and Yugoslavia have agreed to begin negotiations in the near future with a view to settling claims of American nationals against Yugoslavia for the taking by Yugoslavia of their property under the nationalization law of December 26, 1958, and other measures of the Yugoslav Government. The claims to be included in the negotiations are those which have arisen since July 19, 1948, the date of the last settlement between the two Governments.<sup>1</sup>

<sup>1</sup> For background and text of agreement, see BULLETIN of Aug. 1, 1948, p. 137.

The Department has limited information concerning the claims but has recently sent questionnaires to all persons who have written to it about their claims and requested full information. Persons who have not received a questionnaire should write to the Department promptly.

## Proclamation Gives Effect to Results of 1960-61 GATT Tariff Negotiations

The White House announced on April 30 that the President had issued on that day a proclamation<sup>1</sup> to give effect to the U.S. tariff concessions resulting from the 1960-61 GATT tariff negotiations which were announced on March 7.<sup>2</sup> These concessions resulted from reciprocal negotiations with the European Economic Community (EEC), Austria, Canada, Denmark, Finland, Israel, New Zealand, Norway, Pakistan, Peru, Portugal, Sweden, Switzerland, and the United Kingdom and from compensatory negotiations with the Benelux countries [Belgium, Netherlands, Luxembourg], Denmark, Germany, Italy, Japan, Sweden, and the United Kingdom.

The reciprocal agreements provide that the concessions in the U.S. schedules to them will take effect 30 days after the United States formally notifies the countries with which they were negotiated, and under the proclamation a notification of the effective date will be published in the *Federal Register*. The proclamation further provides that the compensatory concessions will become effective on July 1, 1962, unless the President notifies the Secretary of the Treasury of an earlier effective date.

It is anticipated that the necessary steps will be taken to bring into effect on July 1 the concessions in these agreements, with one or two possible exceptions. It is also anticipated that a supplementary proclamation will be issued in June in order to make effective on the same date concessions in agreements with certain other countries. In accordance with trade agreements legislation most of the reductions will be made in two stages, the second stage becoming effective after the first stage has been in effect for 1 year.

<sup>1</sup> No. 3468; for text, see 27 *Fed. Reg.* 4235 or White House press release dated Apr. 30.

<sup>2</sup> BULLETIN of Apr. 2, 1962, p. 561.

## U.S. and Hong Kong Conclude Textile Discussions

### Department Statement

Press release 268 dated April 24

A series of extensive and constructive discussions have been held by officials of the Governments of the United States and Hong Kong on mutual problems in the field of cotton textiles. The United States group was headed by W. Michael Blumenthal, Deputy Assistant Secretary of State for Economic Affairs. Representatives of the Departments of Commerce, Labor, Treasury, and Agriculture also participated in the discussions. Hong Kong was represented by H. A. Angus and D. M. Sellers, Director and Assistant Director of Commerce and Industry, respectively. Officials of the British Embassy, Washington, also participated in the meetings.

The immediate purpose of the meetings was to discuss the United States requests to Hong Kong to restrain its export to the United States of various categories of cotton textiles and the United States action of March 19<sup>1</sup> under which a ban was imposed on imports of eight categories of cotton textiles from Hong Kong. The requests for restraint and the United States ban were made pursuant to the Short-Term Cotton Textile Arrangement of July 1961.<sup>2</sup> Twenty-two categories of cotton textiles from Hong Kong are now subject to restraint as a result of the United States requests.

The representatives of the two Governments discussed the serious problems faced by the cotton textile industries of their countries. It was agreed that there was a need to establish procedures which would prevent disruption to the United States market and to the Hong Kong cotton textile industry. Accordingly, the representatives agreed upon procedures proposed by Hong Kong, under which the Hong Kong Government will introduce an export authorization system in addition to the export quota control and export licensing systems which are already in effect in Hong Kong. The United States Government has agreed to honor all export licenses issued by the Hong Kong Government pursuant to these systems, up to the level

<sup>1</sup> For background, see *Foreign Commerce Weekly* of Mar. 26, 1962, p. 531.

<sup>2</sup> For background and text of agreement, see BULLETIN of Aug. 21, 1961, p. 336.

of restraint requested at any time by the United States Government as provided under those systems.

United States representatives described to Hong Kong representatives the problems created in the United States by the sudden and sharp increases of certain exports of cotton textile products by Hong Kong in the early months of the Short-Term Arrangement. It was explained to the Hong Kong representatives that for the time being no consideration could be given to releasing for consumption in the United States those cotton textile products subject to the United States import ban of March 19. Certain small quantities of goods in Category 43, knit shirts other than T shirts, and in Category 48, raincoats, affected by the ban will be permitted to enter the United States for consumption inasmuch as earlier such shipments had not reached the level of restraint requested by the United States.

Mr. Angus drew attention to the special industrial difficulties that confront Hong Kong and the great importance of textiles to the economy of the Colony. He explained that hardship cases had developed as a result of the ban. In response, the United States representatives assured Mr. Angus that they understood this situation and that the United States would give most sympathetic consideration to such cases in accordance with the cooperative spirit of the Geneva Cotton Textile Arrangements.

## **President Decides Not To Increase Duty on Straight Pins**

White House press release dated April 28

### **WHITE HOUSE ANNOUNCEMENT**

The President announced on April 28 that in his judgment the Tariff Commission's recent report<sup>1</sup> on straight pins does not clearly indicate serious injury to the domestic straight pin industry from import competition. The President, therefore, declined to accept the recommendation of the Commission for an increase in duty on imported straight pins.

On February 28, 1962, the Tariff Commission had reported to the President the results of its

<sup>1</sup> Copies of the report may be obtained from the U.S. Tariff Commission, Washington 25, D.C.

investigation on straight pins under section 7 of the Trade Agreements Extension Act of 1951, as amended. A majority of the Commission (four members) found that straight pins are being imported into the United States in such increased quantities as to cause serious injury to the domestic industry producing like products and recommended that the duty be increased from the present 20 percent to 35 percent ad valorem. Two Commissioners dissented from this finding and concluded that the criteria for a finding of serious injury or the threat thereof have not been met.

In identical letters to Senator Harry Flood Byrd, chairman of the Senate Committee on Finance, and Representative Wilbur D. Mills, chairman of the House Committee on Ways and Means, the President noted that the trends of such significant factors as employment, production, and dollar sales volume were not, in his judgment, such as to support a finding of serious injury to the industry from imports.

### **TEXT OF LETTERS TO CONGRESSIONAL CHAIRMEN**

DEAR MR. CHAIRMAN: The Tariff Commission has furnished me with a report regarding its escape clause investigation of straight (dressmakers' or common) pins. I have carefully considered this report and obtained the advice of the Trade Policy Committee.

The data collected by the Commission show that production, average employment, manhours worked and total wages paid by the straight pin industry have fluctuated without apparent trend. Domestic production and sales in the last five years have been relatively steady, varying between 92 percent and 108 percent of the annual average for the period. The average value per pound of domestic pins increased from \$1.56 in 1957 to \$1.78 in 1961, and the value of straight pin sales by domestic producers was higher in 1961 than in any preceding year.

Imports have risen from 713,000 pounds in 1957 to 1,052,000 pounds in 1961, and in the first 11 months of 1961 accounted for 31 percent of U.S. consumption, as against 21.3 percent in 1957. However, inventories of imported pins have also increased, reaching a peak at the end of 1961 equivalent to about one-half the total volume of imports that year. The significant rise in importers' inventories may well have a restraining effect on future imports.

It is my judgment that the Commission's report does not support a finding of serious injury to the domestic industry from imports. I have, therefore, determined that the increase in duty recommended by the Commission should not be placed in effect.

Sincerely,

JOHN F. KENNEDY

**INTERNATIONAL ORGANIZATIONS AND CONFERENCES**

**Calendar of International Conferences and Meetings<sup>1</sup>**

**Adjourned During April 1962**

U.N. ECOSOC Commission on Status of Women: 16th Session . . . . .	New York . . . . .	Mar. 19-Apr. 6
U.N. ECOSOC Commission on Human Rights: 18th Session . . . . .	New York . . . . .	Mar. 19-Apr. 13
ICAO Subcommittee on the Legal Status of Aircraft: 4th Meeting . . . . .	Montreal . . . . .	Mar. 26-Apr. 13
IMCO International Conference on the Prevention of Pollution of the Sea by Oil.	London . . . . .	Mar. 26-Apr. 13
WMO Commission for Synoptic Meteorology: 3d Session . . . . .	Washington . . . . .	Mar. 26-Apr. 20
U.N. ECE Group of Experts on Steelmaking Processes . . . . .	Geneva . . . . .	Apr. 2-3
U.N. ECE Consultation of Experts on Energy in Europe . . . . .	Geneva . . . . .	Apr. 2-6
FAO Committee of Government Experts on the Uses of Designations, Definitions, and Standards for Milk and Milk Products.	Rome . . . . .	Apr. 2-6
ICEM Executive Committee: 19th Session . . . . .	Geneva . . . . .	Apr. 2-7
U.N. Committee on Question of Defining Aggression . . . . .	New York . . . . .	Apr. 2-9
UNESCO Meeting of Ministers of Education of Asian Member States . . . . .	Tokyo . . . . .	Apr. 2-11
Inter-American Nuclear Energy Commission: 4th Meeting . . . . .	México, D.F. . . . .	Apr. 3-7
U.N. Economic and Social Council: 33d Session . . . . .	New York . . . . .	Apr. 3-18
ITU CCIR Study Group I (Transmitters) and Study Group III (Fixed Service Systems).	Geneva . . . . .	Apr. 4-18
U.N. ECE Conference of European Statisticians: Working Group on Family Budget Inquiries.	Geneva . . . . .	Apr. 9-13
ICEM Council: 16th Session. . . . .	Geneva . . . . .	Apr. 9-14
NATO Medical Committee . . . . .	Paris . . . . .	Apr. 10-11
European Radio Frequency Agency . . . . .	Paris . . . . .	Apr. 10-12
UNESCO Intergovernmental Oceanographic Commission: Consultative Committee.	Paris . . . . .	Apr. 10-12
OECD Economic Policy Committee: Working Party II (Economic Growth).	Paris . . . . .	Apr. 11-12
OECD Economic and Development Review Conference . . . . .	Paris . . . . .	Apr. 13 (1 day)
OECD Working Party III (Balance of Payments)	Paris . . . . .	Apr. 16-17
OECD Committee for Scientific Research: Working Party . . . . .	Paris . . . . .	Apr. 16-18
FAO Council: 38th Session . . . . .	New York . . . . .	Apr. 16-19
FAO Desert Locust Control Committee: 7th Session . . . . .	Addis Ababa . . . . .	Apr. 16-20
PAHO Executive Committee: 46th Meeting . . . . .	Washington . . . . .	Apr. 24-28
FAO Technical Meeting on Seed Production, Control, and Distribution . . . . .	Rome . . . . .	Apr. 24-30
OECD Trade Committee . . . . .	Paris . . . . .	Apr. 26-28
NATO Petroleum Planning Committee: Working Group . . . . .	Paris . . . . .	Apr. 26-27
Tripartite Aid Negotiations for the Somali Republic . . . . .	Rome . . . . .	Apr. 26-27

**In Session as of April 30, 1962**

Conference on Discontinuance of Nuclear Weapon Tests (not meeting) . . . . .	Geneva . . . . .	Oct. 31, 1958-
5th Round of GATT Tariff Negotiations . . . . .	Geneva . . . . .	Sept. 1, 1960-
International Conference for the Settlement of the Laotian Question . . . . .	Geneva . . . . .	May 16, 1961-
U.N. General Assembly: 16th Session (recessed Feb. 23, 1962, until June 1962).	New York . . . . .	Sept. 19, 1961-
Conference of the Eighteen-Nation Committee on Disarmament . . . . .	Geneva . . . . .	Mar. 14, 1962-
U.N. Committee on Information From Non-Self-Governing Territories: 13th Session.	New York . . . . .	Apr. 23-
U.N. ECOSOC Statistical Commission: 12th Session . . . . .	New York . . . . .	Apr. 24-
U.N. ECAFE Regional Seminar on the Development of Ground Water Resources.	Bangkok . . . . .	Apr. 24-
U.N. Economic Commission for Europe: 17th Session . . . . .	Geneva . . . . .	Apr. 24-
FAO Committee for Commodity Problems: 35th Session . . . . .	Rome . . . . .	Apr. 25-
ITU CCIR Study Group V (Propagation) . . . . .	Geneva . . . . .	Apr. 25-
ITU CCIR Study Group VII (Standard Frequencies and Time Signals) . . . . .	Geneva . . . . .	Apr. 25-

<sup>1</sup> Prepared in the Office of International Conferences Apr. 30, 1962. Following is a list of abbreviations: CCIR Comité consultatif international des radio communications; ECAFE, Economic Commission for Africa 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, Intergovernmental Committee for European Migration; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; OECD, Organization for Economic Cooperation and Development; PAHO, Pan American Health Organization; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; WMO, World Meteorological Organization.

## **International Bank Issues**

### **9-Month Financial Statement**

The International Bank for Reconstruction and Development reported on May 2 that its reserves had risen by \$74.3 million in the first 9 months of the current fiscal year to a total of \$676.1 million.

The additions to reserves in the 9-month period ending March 31, 1962, are made up of net earnings of \$51.7 million, which were placed in the supplemental reserve against losses on loans and guarantees, and loan commissions of \$22.6 million, which were credited to the special reserve. On March 31 the supplemental reserve totaled \$459.8 million and the special reserve was \$216.3 million.

Gross income, exclusive of loan commissions, was \$139.4 million. Expenses totaled \$87.7 million and included \$73 million for interest on the Bank's funded debt, bond issuance, and other financial expenses.

During the period the Bank made 24 loans totaling \$663.9 million—in Argentina, Australia, Colombia, Costa Rica (2 loans), Ethiopia, Finland, Ghana, Iceland, India (5 loans), Israel, Japan, Kenya, Peru, Philippines (2 loans), South Africa (2 loans), Trinidad and Tobago, and Venezuela. This brought the total number of loans to 316 in 60 countries and raised the gross total of loans signed to \$6,454.4 million. By March 31, as a result of cancellations, repayments, and sales of loans, the portions of loans signed still retained by the Bank had been reduced to \$4,561.1 million.

Disbursements on loans were \$363.3 million, making total disbursements \$4,683 million on March 31.

The Bank sold or agreed to sell the equivalent of \$233.9 million principal amounts of loans. At March 31 the total amount of such sales was \$1,247.2 million, of which all except \$69 million was without the Bank's guarantee.

Repayments of principal received by the Bank amounted to \$78.5 million. Total principal repayments amounted to \$1,015.9 million on March 31; this included \$516.9 million repaid to the Bank and \$499 million to the purchasers of borrowers' obligations sold by the Bank.

On March 31 the outstanding funded debt of the Bank was \$2,528 million, reflecting a net increase of \$299.5 million in the past 9 months. During the period there was a gross increase in borrowings of \$457.6 million. This consisted of the following public bond issues: an Italian lire

issue in the amount of Lit 15 billion (\$24 million), a \$100 million U.S. dollar issue of which \$5.5 million was subject to delayed delivery arrangements, and a Swiss franc issue in the amount of Sw Fr 100 million (\$23.3 million); the private placement of an issue of \$100 million of U.S. dollar bonds; the drawing down of the Swiss franc borrowing of Sw Fr 100 million (\$23.3 million) of October 1961; the drawing down of US \$120 million and the balance of DM 250 million (\$62.5 million) of the German borrowing of August 1960; and the delivery of \$10 million of bonds which had been subject to delayed delivery arrangements. The funded debt was decreased by \$158.1 million as a result of the maturing of \$122.7 million of bonds, the redemption of Sw Fr 100 million (\$23.3 million), and sinking and purchase fund transactions amounting to \$12.1 million.

During the first 9 months of the fiscal year the Dominican Republic was readmitted to membership in the Bank with a capital subscription of \$8 million, and Laos (capital subscription \$10 million), Liberia (\$15 million), New Zealand (\$166.7 million), Nepal (\$10 million), and Cyprus (\$15 million) became members of the Bank. The subscribed capital of the Bank amounted to \$20,481.8 million on March 31, 1962.

### **U.S. Presents Views to World Court on Financial Obligations of U.N.**

Press release 290 dated May 4

Hearings will begin May 14, 1962, before the International Court of Justice at The Hague in the case of *Financial Obligations of the United Nations*.<sup>1</sup>

The United States will be represented before the Court by the State Department's Legal Adviser, Abram Chayes, assisted by Stephen M. Schwebel, Assistant Legal Adviser.

In a resolution approved December 20, 1961,<sup>2</sup> the United Nations General Assembly requested an advisory opinion from the Court on the question of whether the Assembly's assessments upon member states for the costs of the U.N. Emergency Force in the Middle East and the U.N. Operations in the Congo are binding under the terms of the U.N. Charter.

The refusal of a number of nations to pay their

<sup>1</sup> For background, see BULLETIN of Feb. 26, 1962, p. 311.

<sup>2</sup> U.N. doc. A/RES/1731 (XVI).

assessments on the ground that they are not binding has been one of the causes of the current financial plight of the United Nations. The Court's opinion is expected to have a significant impact upon the ability of the United Nations to finance peacekeeping activities. The issue is considered to be one of the most important ever to come before the Court.

The United States will argue that the Assembly's assessments are binding. Australia, Canada, Iran, Italy, the Netherlands, Norway, and the United Kingdom are expected to take a similar position in the hearings.

Written statements on the case have been submitted to the Court by the following Governments: Australia, Canada, Czechoslovakia, Denmark, France, Ireland, Italy, Japan, the Netherlands, Portugal, South Africa, Spain, United Kingdom, U.S.A., U.S.S.R., and Upper Volta.

The view that the assessments are not binding has been supported by Czechoslovakia, France, Portugal, South Africa, Spain, U.S.S.R., and Upper Volta.

The Court's opinion is expected before it adjourns in the summer.

## President Amends Executive Order Relating to Inter-American Bank

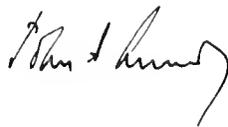
### EXECUTIVE ORDER<sup>1</sup>

AMENDING EXECUTIVE ORDER NO. 10873 TO PROVIDE FOR AN EXCEPTION TO THE INTER-AMERICAN DEVELOPMENT BANK'S IMMUNITY FROM SUIT SPECIFIED IN THE INTERNATIONAL ORGANIZATIONS IMMUNITIES ACT

By virtue of the authority vested in me by section 1 of the International Organizations Immunities Act (59 Stat. 669; 22 U.S.C. 288-288f), and as President of the United States, it is hereby ordered that Executive Order No. 10873<sup>2</sup> of April 8, 1960, be amended by substituting a semicolon for the period at the end of the last sentence and by adding the following:

*"Provided, That such designation shall not be construed to affect in any way the applicability of the provisions of Section 3, Article XI, of the Articles of Agreement of the Bank as adopted by the Congress of the United States in the Inter-American Development Bank Act (73 Stat. 299; 22 U.S.C. 283-283i)."*

THE WHITE HOUSE,  
April 27, 1962.



<sup>1</sup> No. 11019; 27 *Fed. Reg.* 4145.

<sup>2</sup> For text, see BULLETIN of May 2, 1960, p. 717.

## United States Delegations to International Conferences

### ECAFE Symposium on Petroleum Resources

The Department of State announced on May 4 (press release 289) that John M. Kelly, Assistant Secretary for Mineral Resources, Department of the Interior, would be U.S. representative to the Second Symposium on the Development of Petroleum Resources of Asia and the Far East to be held September 1-15, 1962, at Tehran, Iran, under the auspices of the U.N. Economic Commission for Asia and the Far East.

Recognizing the importance of petroleum to the developing countries of the region, ECAFE is holding the Second Symposium on the Development of Petroleum Resources of Asia and the Far East in order to make available to member governments the latest information on techniques and operations of petroleum prospecting and development. The symposium will deal with the geology of the ECAFE region, various techniques of exploration, natural gas problems, and problems relating to the economics of petroleum exploration, production, and distribution.

The first petroleum symposium held by ECAFE met at New Delhi, India, in December 1958. It was devoted to technical discussions of geology and techniques of exploration.

### 15th World Health Assembly

The Department of State announced on May 4 (press release 292) that President Kennedy on that day had appointed Dr. Luther L. Terry, Surgeon General, U.S. Public Health Service, to be chairman of the U.S. delegation to the 15th World Health Assembly of the World Health Organization (WHO), which will be held at Geneva May 8-25.

The President also appointed Richard N. Gardner, Deputy Assistant Secretary of State for International Organization Affairs, and Boisfeuillet Jones, Special Assistant to the Secretary of Health, Education, and Welfare for Health and Medical Affairs, as delegates to the Assembly. Other members of the delegation are:

#### Alternate U.S. Delegates

Howard B. Calderwood, Office of International Economic and Social Affairs, Department of State  
Malcolm H. Merrill, M.D., Director, California State Department of Public Health, Berkeley, Calif.

James Watt, M.D., Chief, Division of International Health, U.S. Public Health Service, Department of Health, Education, and Welfare

Charles L. Williams, Jr., M.D., Division of International Health, U.S. Public Health Service, Department of Health, Education, and Welfare

#### *Congressional Advisers*

John E. Fogarty, House of Representatives

Edward G. Hall, House of Representatives

#### *Advisers*

Joseph M. Bobbitt, M.D., Associate Director for Program Development, Public Health Service, Department of Health, Education, and Welfare

Elizabeth Pickett Chevalier, Los Angeles, Calif.

Lara F. Kritini, Division of International Health, Public Health Service, Department of Health, Education, and Welfare

Clifford A. Pease, Jr., M.D., Assistant Senior Health Officer, Agency for International Development

Virginia Westfall, U.S. Mission, Geneva

Norm Whaley, Vice President for Health Sciences, University of Arkansas Medical Center, Little Rock, Ark.

The WHO is a specialized agency of the United Nations with headquarters at Geneva. Its work embraces international programs on a wide variety of public health questions. The Assembly, which meets annually, will review the past year's work and approve the budget and program for the coming year. In addition to the usual policy of support to the WHO program, the United States delegation will seek to have the WHO integrate its program with the goals of the U.N. Decade of Development.

## United Nations Day, 1962

### A PROCLAMATION<sup>1</sup>

WHEREAS the United Nations' vigor and effectiveness have increased over the years; and

WHEREAS the United Nations has become the principal forum for open discussion of world affairs; and

WHEREAS the United Nations is now an effective instrument against hunger, illiteracy, disease, and despair; and

WHEREAS the United Nations is a main avenue for cooperation in the peaceful uses of outer space; and

WHEREAS the United Nations' peacekeeping potential provides a key to world disarmament; and

WHEREAS the United Nations' activities have been beneficial to the national interests of the United States; and

WHEREAS the United Nations' authority depends on the moral and financial support of the world's nations and people; and

<sup>1</sup> No. 3649; 27 *Fed. Reg.* 4267.

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, JOHN F. KENNEDY, President of the United States of America, do hereby urge the citizens of this Nation to observe Wednesday, October 24, 1962, 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 and other organizations.

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 thirtieth day of April in the year of our Lord nineteen hundred [SEAL] and sixty-two, and of the Independence of the United States of America the one hundred and eighty-sixth.

By the President:  
GEORGE W. BALL,  
*Acting Secretary of State.*



### DEPARTMENT AND FOREIGN SERVICE

## Assistant Secretary Williams Opens Consulate at Stanleyville

The Department of State announced on May 3 (press release 286) that G. Mennen Williams, Assistant Secretary for African Affairs, opened on that day an American consulate at Stanleyville, Orientale Province of the Republic of the Congo (Léopoldville). The United States already operates an embassy at Léopoldville, the nation's capital, and a consulate at Elisabethville, capital of Katanga Province. Principal officer in the consulate at Stanleyville is John W. Simms.

**TREATY INFORMATION**

**Current Actions**

**MULTILATERAL**

**Atomic Energy**

Amendment to article VI.A.3 of the Statute of the International Atomic Energy Agency (TIAS 3873). Done at Vienna October 4, 1961.<sup>1</sup>  
*Acceptance deposited:* Denmark, May 4, 1962.

**Aviation**

Protocol relating to amendment of article 50(a) of the Convention on International Civil Aviation to increase membership of the Council from 21 to 27. Approved by the ICAO Assembly at Montreal June 21, 1961.<sup>1</sup>  
*Ratifications deposited:* Czechoslovakia, March 9, 1962; Dahomey, March 30, 1962; Ireland, April 9, 1962; Laos, March 7, 1962; Mauritania, April 2, 1962; Mexico, April 9, 1962; Nigeria, March 7, 1962; Senegal, March 5, 1962; Spain, April 2, 1962; Yugoslavia, March 5, 1962.

**Finance**

Articles of agreement of the International Development Association. Done at Washington January 26, 1960. Entered into force September 24, 1960. TIAS 4607.  
*Signatures and acceptances:* Cyprus, March 2, 1962; Lebanon, April 10, 1962.

**Law of the Sea**

Convention on the territorial sea and the contiguous zone;<sup>1</sup>  
 Convention on the high seas;<sup>1</sup>  
 Convention on fishing and conservation of the living resources of the high seas.<sup>1</sup>  
 Done at Geneva April 29, 1958.  
*Notification received that it considers itself bound:* Sierra Leone, March 13, 1962.

**Safety at Sea**

International convention for the safety of life at sea, 1960. Done at London June 17, 1960.<sup>1</sup>  
*Acceptance deposited:* Ghana, March 22, 1962.

**BILATERAL**

**China**

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 exchange of notes. Signed at Taipei April 27, 1962. Entered into force April 27, 1962.

**Dominican Republic**

Agreement relating to investment guaranties. Signed at Washington May 2, 1962. Entered into force May 2, 1962.  
 Agreement relating to the establishment of a Peace Corps program in the Dominican Republic. Signed at Washington May 2, 1962. Entered into force May 2, 1962.

<sup>1</sup>Not in force.

**Guinea**

Agreement amending the agricultural commodities agreement of February 2, 1962 (TIAS 4948). Effected by exchange of notes at Washington May 3, 1962. Entered into force May 3, 1962.

**Indonesia**

Agreement extending arrangement for landing rights for United States commercial air carriers in Indonesian territory of 1959, as extended (TIAS 4287, 4523, 4820). Effected by exchange of notes at Djakarta February 27 and April 17, 1962. Entered into force April 17, 1962.

**Ireland**

Agricultural trade agreement. Signed at Washington May 3, 1962. Entered into force May 3, 1962.

**Israel**

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. Signed at Washington May 3, 1962. Entered into force May 3, 1962.

**Check List of Department of State  
 Press Releases: April 30-May 6**

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C. Releases issued prior to April 30 which appear in this issue of the BULLETIN are Nos. 253 of April 13, 264 of April 23, and 268 of April 24.

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*278	4/30	Ball: "Viet-Nam—Free World Challenge in Southeast Asia."
279	4/30	McGhee: "The Direction of United States Foreign Policy."
*280	4/30	U.S. participation in international conferences.
284	4/30	Inter-American police academy established.
282	4/30	Note to Japan on nuclear tests.
*283	5/2	Itinerary for visit of Austrian Chancellor.
284	5/3	Note to Ghana on nuclear tests.
285	5/3	Claims of U.S. nationals against Yugoslavia.
286	5/3	Consulate opened at Stanleyville (rewrite).
287	5/2	Rostow: "The Domestic Base of Foreign Policy."
*288	5/3	Cultural exchange (Guatemala).
289	5/4	Delegate to ECAFE symposium on petroleum resources (rewrite).
290	5/4	Views on U.N. financial obligations presented to ICI.
†291	5/4	Fredericks: "The Impact of the Emergence of Africa on American Foreign Policy."
292	5/4	Delegation to 15th World Health Assembly (rewrite).
*293	5/4	Itinerary for visit of President of Ivory Coast.
*294	5/4	Itinerary for visit of Prime Minister of Norway.

\*Not printed.

†Held for a later issue of the BULLETIN.

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# Bulletin

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1196 • PUBLICATION 7381

May 28, 1962

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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 Rusk Attends CENTO, NATO, and ANZUS Meetings

*Secretary Rusk left Washington on April 29 for London, where he headed the U.S. observer delegation to the 10th session of the Ministerial Council of the Central Treaty Organization, which met there April 30 and May 1. From London the Secretary went to Athens, where he was chairman of the U.S. delegation to the 29th ministerial meeting of the North Atlantic Council May 4-6, and then to Canberra, where he served as U.S. representative at a meeting of the Australia-New Zealand-United States Council May 8-9.*

*Following are texts of communiques released after each meeting, statements and news conferences by Mr. Rusk, and announcements of the principal members of the U.S. delegations.*

## CENTRAL TREATY ORGANIZATION, LONDON, APRIL 30-MAY 1

### STATEMENT BY SECRETARY RUSK, APRIL 30

Mr. Chairman, Your Excellencies, distinguished guests: Permit me to join my colleagues in thanking our hosts for their gracious welcome. Our delegation is delighted to be here in London, and we look forward to a stimulating session of the CENTO Council. I am very pleased to represent the United States at this Council for the second time and extend a warm welcome to the newer members of our group—Foreign Minister Erkin of Turkey, Foreign Minister Aram of Iran, and Pakistan's Minister for Food and Agriculture, General Shaikh.

We are once again in the midst of various international gatherings. Last month there convened the disarmament conference in Geneva.<sup>1</sup> Following this 10th session of the CENTO Council there will be, as you know, a meeting of the NATO Council in Athens. Thereafter I plan to travel to Australia to confer with our allies of the ANZUS treaty.

In all these meetings there is one general theme, a common denominator which links the peoples of the free world—to reaffirm their determination to stand together for peace and security. Through joint efforts we seek to preserve the integrity of our homelands, to maintain and enhance our cherished traditions and institutions, and to reassert the right of free men to their own independence and freedom of choice. These are the high purposes we promote and defend, and these meetings are a useful means of concerting our actions toward the attainment of our objectives.

I should also like to note the fact that the present series of nuclear tests in which the United States and the United Kingdom are engaged<sup>2</sup> is fully consonant with the collective security objectives of the free world. President Kennedy indicated, in his address on March 2,<sup>3</sup> that military security requirements would compel the United States to undertake certain atmospheric tests if the Soviet Union failed to agree to an effective test ban treaty. Since that time every avenue of ob-

<sup>1</sup> For background, see BULLETIN of Apr. 2, 1962, p. 531; Apr. 16, 1962, p. 618; Apr. 23, 1962, p. 664; and May 7, 1962, p. 747.

<sup>2</sup> See p. 888.

<sup>3</sup> BULLETIN of Mar. 19, 1962, p. 443.

taining Soviet agreement has been explored. The Soviet Union has thus far been unwilling to agree to an effective treaty banning all nuclear testing, despite many efforts by the United States and the United Kingdom to meet its view on particulars. In the circumstances the United States has had no choice but to assume its responsibility to look to the common defense and conduct a limited series of atmospheric nuclear tests.

We know, perhaps better than many others, what it means to struggle with the dilemma for which a solution has thus far eluded us. The United States must treat the testing of nuclear weapons in the same way it approaches any other aspect of defense preparations. The arms race cannot be ended unless and until all major powers agree to do this. It remains a prime objective of U.S. policy to end all nuclear weapons testing permanently and as quickly as possible. We firmly believe that negotiations on this matter must go forward, and we will do our best to see that these negotiations are continued until testing is ended.

This 10th session of our CENTO Council affords an opportunity for us to take stock of CENTO's accomplishments, to review our purposes and objectives, and to chart our course anew in the light of that assessment. I would venture to suggest that an alliance such as this is its own excuse for being and that its chief benefit to its participants is the security provided by CENTO's existence. I suggest that we keep in mind the essential fact that CENTO's existence is an asset upon which we should continue to build.

Over the years we have succeeded in establishing the credibility of our determination to resist jointly any incursions by a potential aggressor. We have clearly demonstrated our mutual interest in defense against Communist external and internal threats. We have also recognized that security involves not only military defense but also the promotion of our general welfare. In recognition of this the United States has undertaken large economic and military assistance programs in the regional member countries. While these programs are essentially bilateral in nature, they promote our multilateral objectives in providing added strength to the CENTO region.

At the recent 10th session of the CENTO Economic Committee in Washington,<sup>4</sup> it was noted

<sup>4</sup> *Ibid.*, Mar. 26, 1962, p. 522.

that the strength of CENTO consists of the strength of each of us and that our ability to cooperate in regional enterprises is thus dependent on the soundness of our domestic arrangements. To this I would only add that, in my view, CENTO's mutually cooperative efforts are something more than the sum of its parts. Through the interchange of ideas, techniques, and experience contributed by each of us toward the accomplishment of some specific goal or project have come new stimulus and capacity different in both kind and magnitude. This new force has great potential benefit for the welfare of the peoples of the CENTO area.

In sum, we of the United States delegation believe that our mutual interest in providing for our security and welfare against the continuing threat of Communist aggression is well served through CENTO. In this Council session we look forward to constructive deliberations through which these accomplishments may be continued. I bring you the greetings and best wishes of President Kennedy and of the American people. We are happy to be here among our friends and to work with each of you toward the high objectives which you have set for CENTO.

#### **FINAL COMMUNIQUE, MAY 1**

The Tenth Session of the Ministerial Council of the Central Treaty Organization was held in London on April 30 and May 1, 1962. The delegations from countries participating in this meeting were led by:

H.E. Mr. Abbas Aram, Foreign Minister of Iran

H.E. Lt. General K. M. Shaikh, Minister of Food and Agriculture, Pakistan

H.E. Mr. Feridun Cemal Erkin, Foreign Minister of Turkey

The Right Honourable The Earl of Home, Secretary of State for Foreign Affairs, United Kingdom

The Honourable Dean Rusk, Secretary of State, United States of America

The British Secretary of State for Foreign Affairs, as host, was in the chair.

The Session was inaugurated by a message of welcome from the British Prime Minister, Mr. Harold Macmillan, which was read by Lord Home.

The Council had a useful exchange of views on international developments since their last meeting. They agreed that the troubled state of the world emphasised the value of alliances like CENTO. These alliances provide a shield against immediate danger from aggression and a basis for mutual trust and confidence among the member nations.

The Ministers were agreed that the free nations should continue their efforts to achieve disarmament with adequate provision for international inspection.

Pending a disarmament agreement the CENTO countries have to rely upon their common defense against the dangers which threaten them. The Ministers have therefore considered the progress made in improving the defensive strength of the alliance, as reported to them by the Military Committee, particularly with regard to increase of coordination and the improvement of joint facilities between existing defense forces.

The Council took cognizance of the continuing progress of CENTO's economic programme. It specifically noted the completion during the past year of the high frequency telecommunications link connecting Teheran via Ankara. Inauguration of construction of a microwave link between Turkey, Iran, and Pakistan was also cited. Increased air navigational aid throughout the region, port development at Trabzon, Turkey, and further construction on both road and railroad links were also emphasised as proof of CENTO's stride forward. The Council was in agreement that continued economic development is of prime importance in strengthening the CENTO region through a combination of stability and progress.

Upon reviewing the economic work of the Organization, the Council adopted the annual report of the Economic Committee for 1961 and the report of the Tenth Session of the Economic Committee.

The Council expressed satisfaction with the institution of a CENTO cultural programme as presenting greater opportunity for intensifying the cultural ties of the peoples of the CENTO region.

The Ministers agreed on the desirability of continuing close discussions among representatives of the member nations on problems of common interest.

The Council expressed pleasure at the presence of Dr. A. A. Khalatbary, who attended his first CENTO Ministerial Council meeting since becoming Secretary General.

The Council decided that the next meeting will be held in Pakistan in early 1963.

## U.S. DELEGATION

The Department of State announced on April 27 (press release 277) that Secretary Rusk would head the U.S. observer delegation to the 10th session of the Ministerial Council of the Central Treaty Organization at London on April 30 and May 1. Raymond A. Hare, U.S. Ambassador to Turkey and U.S. Observer in the Council Deputies, served as alternate U.S. observer.

The senior advisers on the delegation were:

David K. E. Bruce, U.S. Ambassador to the United Kingdom  
William P. Bundy, Deputy Assistant Secretary of Defense for International Security Affairs  
Gen. Lyman L. Lemnitzer, Chairman of the Joint Chiefs of Staff  
Ernest K. Lindley, Special Assistant to the Secretary of State  
Robert J. Manning, Assistant Secretary of State for Public Affairs  
Lt. Gen. Robert W. Porter, Jr., U.S. Representative, Permanent Military Deputies Group, CENTO, Ankara  
Phillips Talbot, Assistant Secretary of State for Near Eastern and South Asian Affairs

The members of CENTO are Iran, Pakistan, Turkey, and the United Kingdom. The United States, while not a full member, supports the Organization and is associated with most of its activities. CENTO headquarters are at Ankara.

## NORTH ATLANTIC COUNCIL, ATHENS, MAY 4-6

### MR. RUSK'S ARRIVAL STATEMENT, MAY 2

I am very pleased to visit Greece, which has an especially warm place in the hearts of Americans because of the dedication of its people to liberty.

In Ottawa—just about 1 year ago—President Kennedy spoke<sup>5</sup> of the "irresistible tide" for freedom and *against* tyranny that began here in Greece some two and a half thousand years ago.

<sup>5</sup> For text, see *ibid.*, June 5, 1961, p. 839.

That tide of freedom, he said, is the wave of the future.

Our meeting here in the next few days is perhaps best characterized as part of the normal and established conduct of business of this alliance. But at the same time we are reminded simply by our presence here what it is we stand for, and why the tide of freedom—of which the President spoke—is in the long term indeed irresistible as long as there are those who will work and sacrifice for that cause.

For the immediate future, I wish I could hold out a prospect for relaxation, but I cannot. It is true that there may be the appearance of some slight improvement in the international scene—and even this much is welcome. But it is a long way from the appearance to the reality, and the reality is not even in sight.

And so we must get on with the important work of the alliance. That work does not consist only of the meetings of the Council of Ministers. It consists also of the year-round work of the Permanent Council, the secretariat, and the military commands to build the strength and cohesion of our alliance. In a very real sense, this work is never finished. It will be the purpose of the furnishing further guidance to the permanent timing task by appraising where we stand and by ministerial meeting to carry forward this authorities of the alliance.

Finally, I want to thank our loyal Greek allies, who have kindly offered to be our hosts and wish them health, continued progress, and prosperity.

## FINAL COMMUNIQUE, MAY 6

Press release 297 dated May 7

The regular spring Ministerial session of the NATO Council was held in Athens from May 4 to May 6, 1962. The meeting was attended by the Foreign Ministers of member countries as well as by the Defense Ministers, who had met separately on May 3.

In their review of the international situation, the Ministers discussed disarmament, and the problem of Germany and Berlin. In addition, various statements were made by the Ministers on matters of particular concern to their countries.

In reviewing developments at the Geneva conference, the Council reaffirmed that general and complete disarmament under effective international control is the best means of ensuring lasting peace and security throughout the world. They noted with satisfaction the position taken by the Western powers in Geneva in order to achieve this goal, and emphasized the importance and urgency of reaching agreement.

The Council examined the Berlin question in the light of the basic commitments of NATO in this regard. They took note of the most recent developments in the situation, including the fact that exploratory talks were taking place with the Soviet Union. They took the opportunity to reaffirm their attachment to the principles set forth in their declaration of December 16, 1958, on Berlin.<sup>6</sup>

<sup>6</sup> For text, see *ibid.*, Jan. 5, 1959, p. 4.

The Council noted the progress which has been made in the direction of closer cooperation between member countries in the development of the Alliance's defense policy. In this respect, the Ministers welcomed the confirmation by the United States that it will continue to make available for the Alliance the nuclear weapons necessary for NATO defense, concerting with its allies on basic plans and arrangements in regard to these weapons. In addition, both the United Kingdom and the United States Governments have given firm assurances that their strategic forces will continue to provide defense against threats to the Alliance beyond the capability of NATO-committed forces to deal with.

So that all member states may play their full part in consultation on nuclear defense policy, it has been decided to set up special procedures which will enable all members of the Alliance to exchange information concerning the role of nuclear weapons in NATO defense.

The purpose of NATO is defense, and it must be clear that in case of attack it will defend its members by all necessary means. The Council has reviewed the action that would be necessary on the part of member countries, collectively and individually, in the various circumstances in which the Alliance might be compelled to have recourse to its nuclear defenses.

The Council noted the progress made during the last twelve months in the defense effort of the Alliance and in particular, the quantitative and qualitative improvements brought about in the NATO-assigned or -earmarked forces of member countries. The Ministers noted with satisfaction the United States commitment of Polaris submarines to NATO.

The Council is convinced that, if the Alliance is to meet the full range of threats to its security, the balance between conventional and nuclear forces must be the subject of continuous examination. The contribution of member countries toward balanced forces for NATO defense during the coming years is to be examined within the framework of the triennial review procedure which is already under way. The Council expects to consider a report on this question at its next meeting in December.

At their separate meeting on May 3, the Defense Ministers discussed and approved a report from the armaments committee which reviewed progress made since their meeting in April 1960 in sharing the burden of research development and production of military equipment, and made a number of recommendations for improving this cooperation. While there have been certain initial difficulties, the Ministers agreed that the program of cooperative projects launched at that time had made a successful start. Further efforts should now be made to build on this foundation. To obtain speedier results from this cooperation the Ministers decided to set up a high-level group to examine the existing machinery, and to make recommendations to the Ministerial meeting in December 1962 for any improvements necessary to achieve agreement on future military requirements and a better coordination of the resources of the Alliance. Meanwhile, special efforts would be made to take final decisions on projects ripe for joint development.

The Council reviewed the development of political con-

ultation within the Alliance. It noted the steady and encouraging progress made over the past twelve months in deepening and extending the process of consultation.

The Council had before it a detailed analysis of the work of the Alliance in scientific and technical cooperation. They discussed the proposals for fostering international scientific cooperation put forward by a group of eminent scientists appointed by the Secretary General. The Ministers requested the Council in permanent session to consider these proposals further with a view to making recommendations to member Governments.

The Ministers noted that the Council in permanent session had discussed a report by the international staff on Communist bloc activities in the economic field in less-developed countries. It was clear from this report that by far the largest proportion of the aid received by these countries continued to be that contributed by the economically most advanced countries of the Free World, and that the aid extended by the Communist bloc was not only substantially smaller than the assistance contributed by the Free World, but was also closely tied to political purposes. The Ministers noted with satisfaction the efforts the Free World is making to help developing countries to raise their standards of living while fully respecting their national independence and freedom, and emphasized the importance of continuing and intensifying these efforts.

The Ministers gave special attention to the economic development requirements of Greece and Turkey. Bearing in mind the contribution of Greece and Turkey to the defense of the Alliance and their continuing efforts to accelerate their economic development in order to improve the living conditions for their peoples, the Ministers recognized the need for external assistance to these two countries. With a view to achieving the common objectives in this matter, they agreed that member governments in a position to assist Greece and Turkey should examine urgently the manner of establishing, in an appropriate forum, possibly with other countries and appropriate international organizations, consortia to coordinate the mobilization of resources needed to ensure the economic development of Greece and Turkey at a satisfactory rate. The Ministers also agreed to establish a study group to consider further the special defense problems of Greece.

The next Ministerial meeting of the North Atlantic Council is scheduled to be held in Paris in December, 1962.

#### **CBS INTERVIEW OF SECRETARY RUSK, ATHENS, MAY 6**

*Following is the text of an interview between Secretary Rusk and Robert Kleiman of the Columbia Broadcasting System at Athens on May 6.*

Press release 301 dated May 8

*Mr. Kleiman: Mr. Secretary, you have agreed here to consult our allies and concert nuclear strategy with them. What is the aim and nature*

*of this program and how much of a voice are the Europeans really going to have in this?*

*Secretary Rusk: Well, Mr. Kleiman, I think that it is becoming increasingly obvious to all of us in the alliance that the defense of the NATO countries is indivisible, that no one of us can move in isolation from or separate from the others. Therefore, when we talk about these great issues of war and peace, it is necessary for us to have the most intimate consultation.*

*Here at this meeting in NATO we have given our colleagues in this alliance a great deal of information which they would need to come to the right political and strategic judgments which governments must face. I think that we have moved a long way toward increasing solidarity and toward a greater sense of alliance responsibility for these great matters.*

*I think our colleagues in the alliance have been very responsible and very pleased to be brought into this kind of close association.*

*Q. Will the custody of these warheads and decisions on use remain American?*

*A. Under the arrangements that we have in force, American warheads remain in American custody.*

*Q. What has happened to our former plans to have a NATO-owned and NATO-operated and -controlled missile force at sea?*

*A. As you will recall, President Kennedy, on his visit to Ottawa, made some comments on that and that subject has been discussed in the North Atlantic Council of NATO.*

*We did not get into that in any detail here in Athens because it is a very complex matter that requires detailed, highly technical considerations among the governments, but we did instruct our representatives in the Permanent Council in Paris to put their minds to this right away and to carry on discussions there to see whether there is any agreement, any basis on which we should proceed. So we are ready to take a full part in those discussions.*

*Q. Now, as I understand, the five Polaris submarines that we have just committed to the NATO Command are not part of this future NATO deterrent of which people have been talking, but this remains an American national force under NATO?*

A. Those Polaris submarines are in the same position as any American forces that have been committed to NATO, whether in General [Lauris] Norstad's Command or under the SACLANT Commander in the Atlantic, or wherever, but these submarines will be coordinated in their strategy with the general NATO strategy and with the general—the non-NATO—forces of the United States. But this too was an extension—was a carrying into effect of a commitment which President Kennedy made in his Ottawa speech. And again that was very warmly received by our colleagues in NATO.

#### U.S. DELEGATION

The Department of State announced on April 25 (press release 266) that the following would be the principal members of the U.S. delegation to the 29th ministerial meeting of the North Atlantic Council to be held at Athens, May 4-6:

##### *U.S. Representatives*

Secretary of State Dean Rusk, *chairman*  
Secretary of Defense Robert S. McNamara

##### *U.S. Permanent Representative on the North Atlantic Council*

Ambassador Thomas K. Finletter

##### *Senior Advisers*

Robert R. Bowie, Consultant, Department of State  
Elbridge Durbrow, Deputy U.S. Permanent Representative on the North Atlantic Council

Foy D. Kohler, Assistant Secretary of State for European Affairs

Henry R. Labouisse, U.S. Ambassador to Greece  
Gen. Lyman L. Lemnitzer, Chairman of the Joint Chiefs of Staff

Lawrence Levy, Defense Adviser and Defense Representative, U.S. Mission to the North Atlantic Treaty Organization and European Regional Organizations, Paris  
Ernest K. Lindley, Special Assistant to the Secretary of State

Robert J. Manning, Assistant Secretary of State for Public Affairs

Paul H. Nitze, Assistant Secretary of Defense for International Security Affairs

J. Robert Schaezel, Deputy Assistant Secretary of State for Atlantic Affairs

Gerard C. Smith, Consultant, Department of State  
Arthur Sylvester, Assistant Secretary of Defense for Public Affairs

John W. Tuthill, U.S. Representative to the Organization for Economic Cooperation and Development

#### AUSTRALIA-NEW ZEALAND-UNITED STATES COUNCIL, CANBERRA, MAY 8-9

#### SECRETARY RUSK'S NEWS CONFERENCE, CANBERRA, MAY 8

*Mr. Roberts: Ladies and gentlemen, I would like to introduce Secretary of State Dean Rusk.*

*Secretary Rusk:* Thank you. Before the cameras start, let me just make a little administrative comment. We have just started our ANZUS meetings. We have gotten into just a certain number of items on our agenda. It would be more logical for me to have a press conference after we had finished, but that would not be possible.

There may be certain subjects that I'll have to pass aside, because we have not really gotten into them in our meeting. But I will do my very best.

All right, let's get started. Well, we have opened our ANZUS discussions today, and I think we have gotten off to a very good start. The dis-

ussions have been entirely candid in the sense of revealing complete information to each other about matters of common interest. They have been entirely friendly, as one would expect among the three countries represented here. I was able to make a detailed report on my recent discussions with the Soviets on Berlin, and also the course of the Geneva disarmament conference and the matter of nuclear testing. We will be continuing our talks tomorrow with a range of other questions. But perhaps I could pause at this point to take your own questions.

*Q. Can you tell us, sir, if the question of New Guinea independence was raised?*

A. That has not come up yet. It may come up tomorrow. But I will say now that we do believe that the two Governments concerned with

that question ought to resume questions of a possible peaceful settlement. We would regret very much if that matter should break out into violence, and we hope that the Bunker mediation—participation—will lead to some common basis of understanding on which negotiations can proceed.

### **The United States and the Common Market**

*Q. Mr. Rusk, was there any comment or discussion at this stage on the Common Market issue?*

A. Well, I'll be talking with the Ministers about that tomorrow. But I would like to make a statement on that, because the United States view on that has seemed to me to have been quite well known, and yet sometimes the various aspects of it do become misunderstood.

The integration of Western Europe is a development of profound historic significance and one, as you know, the United States has firmly supported. We hope that the negotiations now under way will succeed in bringing the United Kingdom into the European Economic Community, on a basis which strengthens the unity and vitality of that community and at the same time takes full account of the need to expand international trade and safeguard the legitimate interests of nonmember countries. Such a result would, in our view, strengthen greatly the entire free world.

The responsibility for working out appropriate solutions lies, first and foremost, of course, with the United Kingdom and the members of the EEC. However, the results of the negotiations will affect the interests of many countries not party to the negotiations, including Australia and the United States.

The United States fully appreciates the great importance of the Commonwealth in world affairs. However, we do not believe that the strength of the Commonwealth springs mainly from the existing preferential trade relationships. Rather, we believe that the sinew of the system is its proven capacity to adjust and in the great tradition of political freedom which it represents. A recent test has been its enlargement through the inclusion of the newly independent members from Asia and Africa. We have full confidence that the Commonwealth will continue its constructive role in world affairs.

We have a long history of opposition to trade restrictions of all sorts. But any suggestion that we are indifferent to the problems of other coun-

tries or that we seek to use the U.K.-EEC negotiations to achieve a special advantage for ourselves is utterly unfounded. We believe that it is to the interest of both the Commonwealth and the United States to see that the current negotiations between the U.K. and the Six provide access to the enlarged Common Market for the products of all nonmember countries without discrimination. However, we are also aware that existing trade practices cannot be changed overnight. We accept the fact that transitional arrangements will be required. And we ourselves will have to make some adjustments as we deal with the Common Market. Beyond this, we have a deep interest in exploring, with Australia and other major producing states, the kinds of long-term arrangements that will bring order to the marketing of key agricultural products. These arrangements should rest on the premise of reward to the most efficient producers.

The President's trade expansion program, now before our Congress,<sup>7</sup> will enable us to negotiate reductions in our tariff. These reductions would apply equally to imports from other countries under the most-favored-nation principle. However, we would expect third countries benefiting from these reductions to make their contribution to this process of tariff reduction.

The integration of Western Europe will require adjustments by all of us. Similar adjustments are constantly required by the shape and character of the economic changes in the world around us. We look beyond the difficulties that may be encountered during a period of transition to the building of an ever more prosperous world community of free nations.

That's the end of my comment on that.

*Q. Mr. Rusk, was there any comment today at all, or will there be any, on the fact that we may get nuclear weapons here in Australia?*

A. No, we have not discussed that, and that question does not arise.

*Q. Would it arise, do you think?*

A. Well, that has not arisen.

*Q. Will the terms of the pact preclude the use of nuclear weapons here in this area of the world?*

A. Does it preclude?

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<sup>7</sup> For text of President Kennedy's message to Congress on trade, see *ibid.*, Feb. 12, 1962, p. 231.

*Q. Yes.*

A. I don't see anything in the terms of the pact that would preclude it. But I would not infer from that there are any plans for their employment here.

#### **Vital Role of Australia and New Zealand**

*Q. Mr. Rusk, does the United States regard the economic well-being of Australia and New Zealand as a contribution to the peace and order in the Pacific and in Southeast Asia?*

A. I think there is no question whatever that the economic vitality of these two countries is fundamental to the peace and security of this part of the world and also is fundamental to the great struggle between free institutions and other kinds of societies. Because it is becoming, I think, increasingly clear, if one looks at that vast area from East Germany all the way across to North Vietnam, that the Communist world is not performing in just that area in which it has promised miracles—the economic area.

*Q. Then it follows that anything which harmed the economy of Australia and New Zealand would do harm to peace in the area, including perhaps Britain's entry into the Common Market, without suitable guarantees for Australia and New Zealand's traditional markets?*

A. I think anything that helps the prosperity of Australia and New Zealand would help the peace and security of the area, including the participation of all in a growing, expanding, vital free-world trading area, in which all of us can move on to new levels of prosperity.

*Q. Mr. Rusk, does the United States view the terms of the pact as covering Australia's island territories, such as West—West New Guinea?*

A. I think you can expect complete solidarity from the United States on Australia and New Zealand's political responsibilities here in the Pacific area.

*Q. Is the U.S. concerned about the Soviet arms buildup in Indonesia, Mr. Secretary?*

A. Yes. Yes, we are concerned about it.

*Q. What are you going to do about it, sir?*

A. We expect to do our best to insure that that arms buildup not be employed in any improper

way and that questions affecting Indonesia are settled in the normal course through diplomatic discussion and negotiation.

*Q. Do you feel hopeful about the outcome or the prospects of peaceful settlement?*

A. Well, I think in diplomacy one always works on the basis of a hope for a peaceful outcome, but that does not require one to be a prophet and to try to guarantee one.

*Q. Mr. Secretary, in your readjustments of trade, following the Common Market—*

A. Yes.

*Q. Would you envisage the stiffening up of your own trade with some of the countries without prejudice in Europe as one of those adjustments?*

A. I am sorry—I didn't get the first part of your question.

*Q. In applying the readjustments of your own trade pattern, to which you referred, would you consider that as embracing also adjustments of your trade with countries that may lose markets in Europe?*

A. Oh, I think that there will be adjustments working in many directions. I mean, for example, if we negotiate reduction of trade barriers, between ourselves and the Common Market, and those are applied on a most-favored-nation basis, this will undoubtedly mean that we will be buying goods and materials from countries from which we have not been buying such goods and materials. No, I think it will be opening up our market as well as theirs. But we want to see both these common markets opened up for wider free trade among the free world.

*Q. Does this mean, sir, that you might consider lifting the tariff against Australian wool and embargoes against Australian metals, such as lead, above a certain import quota?*

A. Well, I think when we get the trade powers for which we have asked the Congress, for extensive authority, that we will be able to take up quite a number of these questions and negotiate for an equitable solution.

*Q. Mr. Rusk, have you discussed any of these trade matters with the Australian Government so far, or will you be?*

A. Well, we have been for some time in touch

with the Australian Government. I will undoubtedly be talking further about it with—while I am here.

*Q. Will you?*

A. Yes.

*Q. Do you think Australia has a legitimate case in pressing for retention of Commonwealth trade preferences?*

A. The retention of—?

*Q. Preferences—trade preferences.*

A. Well, I think in my statement I indicated that as far as the United States is concerned we do not favor these preferences as such. This has been our position over many, many years, as you know. But, on the other hand, we recognize that there are practical problems which we think can be adjusted, and that we look to the possibility of adjustment through transitional arrangements of some sort. But these are all matters for the governments concerned, beginning, as far as the Common Market is concerned, for negotiation, with the United Kingdom and with other governments, in extension to those, or in connection with those talks.

Let me point out that in this business of trade it is in the nature of trade among free nations, with vigorous private enterprise, that there are always trading problems to be resolved. This is because it is in the nature of trade that there is never enough. This is how great nations have developed, and great economies, and it is how you and we and others have moved from one level of prosperity to another. The more vigorous the trading partners, the more questions of this sort there are to be resolved. And I don't believe we'll ever reach a time when governments are not talking trade matters with each other, and particularly governments of close friends, who are in intimate relations with each other.

*Q. On the score of trade, sir—*

A. Yes.

*Q. I understand tomorrow you are meeting with Mr. [John] McEwen, our own Trade Minister. Did you seek that conference, sir, or did he?*

A. I'm not completely sure as to which side took the initiative in arranging the particular appointments on my schedule. I must say I welcome that one very much.

*Q. For what reason, sir?*

A. Because I'd like to talk with him about trade. (Laughter.)

#### **East New Guinea**

*Q. Mr. Rusk, do you view the question of the self-determination to the indigenous inhabitants of East New Guinea as lively as was publicly announced in the past?*

A. Oh, I think that it is very important that the interest of the Papuans in self-determination be fully and adequately taken care of, and cared for. There is no question that this is a matter of considerable importance in the United Nations, and I think this is something that the two Governments will have to take into account in any agreement they might reach on that matter.

*Q. Mr. Secretary, if Australia lost her traditional markets in the United Kingdom and elsewhere and were forced into trading with Communist powers such as China, would you regard this as desirable?*

A. Well, I don't believe that that contingency will arise; so I don't think I want to address myself to that as a hypothetical question. We'll get to that if we ever get to that.

*Q. Mr. Rusk—*

A. Yes.

*Q. In view of your attitude on preferences, doesn't the United States have any constructive proposals for orderly world marketing of the kind of Southern Hemisphere temperate foodstuffs which will be affected? If Britain joins the Common Market treaty on her own terms, do you have any proposals which would allow those foodstuffs a quota into the Common Market as sufficient to compensate the preferences which we have there now?*

A. Well, we generally have a preference for dealing with these questions on a worldwide basis on arrangements between the producing and the consuming countries, in order to try to stabilize price and productivity factors. We will be going into a series of meetings on various basic products in the course of the coming months and will have some ideas to put forward. But obviously on a

matter of this sort it would not be for me to try to spell those out here.

*Q. Do you think Britain will join with the safeguards for Australia, offering any safeguards? Do you think that Britain will be compelled to join the Common Market, irrespective of giving guarantees?*

A. Oh, I don't think Britain will be compelled to join anything. This will just be a matter of perfectly free negotiation in which Britain will take care of her own interests, as she sees them, and interests of the various countries with whom she's in direct relation. There's no compulsion that I know of in this situation. This is an utterly free situation.

*Q. Only by events?*

A. Beg pardon?

*Q. Only by events?*

A. Well, if that is what you have in mind, we have presented to our Congress the most far-reaching legislation to give us the powers that we will need to negotiate major changes in the patterns of U.S. trade. Because we felt that if we did not do so we would fall drastically behind in a situation where trade patterns are changing.

If you mean that we are being compelled to move strongly in this direction by events, yes, we are. But we are trying to keep abreast of them by moving along with the events. But I don't know any other sense in which Britain could be said to be compelled to do anything.

### **Communist Economic Difficulties**

*Q. You said earlier that you thought that the Communist crowd had failed to perform miracles in the economic field. Do you count on this to temper their policies in the years to come, in the immediate future?*

A. I think that they have had some difficulties within the bloc which have had a bearing on their policies. But these work in both directions; for example, I am inclined to think that the failure of the East German regime to perform satisfactorily there created pressures upon Moscow and that those in turn made their contribution to the Berlin crisis. I think that the problems of allocation of resources as between, say, armaments and agricul-

ture or industry have caused some rethinking of some aspects of Soviet policy.

I am not certain of these things, but I would suspect that these are questions that have entered into their attitude toward continuing the Berlin talks, to see if there could be some solution. I think these economic factors are important, although not necessarily decisive, when you get into key political and security problems, because they can always assign priorities as they wish at any particular moment.

*Q. Mr. Secretary?*

A. Yes.

*Q. Is the United States urging greater military participation in Southeast Asia on Australia?*

A. Well, we will be talking about Southeast Asia tomorrow and what each of us can do about it and what our response to the situation there ought to be. I would not know whether I'm—what I am to urge until we find out what the situation is, what the plans are, and how we agree we ought to approach the problem.

*Q. Could you tell us what your principal assessment of the situation in Berlin is? Do you think it's easing, or do you think it's worsening?*

A. I would have to say that on certain of the key central issues such as the presence of Western forces in West Berlin and completely free access to that city, there has not been any significant move toward agreement, or toward reducing the gap between the Soviet proposals on the one side and the determination of the West to defend their vital interests.

I have the impression on the other side that the talks will continue, that both sides want them to continue, that there is a certain caution in dealing with these matters, and that we'll have at some future time to find out whether some agreement is possible.

*Q. Do you think, sir, that the position is worsening or improving in South Viet-Nam?*

A. Oh, well, I think the situation is improving in South Viet-Nam. I think the attitude of the population there has shown more confidence and more hope in recent months. I believe the armed forces there are acting with much greater effectiveness against these guerrilla bands. I think there have been improvements in the general adminis-

tration of the various programs which have been in effect there. There are still some very difficult months ahead. There will be further disappointments and losses. There will be some casualties for our people as well as the South Vietnamese, but I believe that we can look to that situation with confidence.

*Q. Sir, have you talked, or have you given any assurances that the United States intends to make a real fight of South Viet-Nam?*

A. The first part of your question again?

*Q. Has Australia sought or have you given assurances?*

A. Oh, those are questions which will be discussed tomorrow. I don't think that this will be a matter in which one or another of us in this meeting will seek or give assurances. We are acting jointly on these matters, and we will, I'm sure, act on harmony of policy and action.

#### **Nuclear Testing and Disarmament**

*Q. Mr. Secretary, do you see any hope of humanity escaping from the stalemate of nuclear experiments?*

A. For the present we seem to be deadlocked on the Soviet refusal to accept any international inspection whatever, in order to get a test ban treaty, which would permit us to stop tests on both sides immediately and permanently.

We have gone very far indeed in the past year, beginning March a year ago, and continuing our effort, up to as late as the Geneva conference, to make adjustments in our proposals to take into account what we suppose to be the Soviet position and to ease any fears which they might have on this business of espionage.

I must say I think we went the last mile. Under the arrangements which we and Britain proposed,<sup>8</sup> for example, international inspection teams would go and have a look at less than 1/2000th of Soviet territory in the course of any given year. Any inspection teams would travel on Soviet transportation, would be surrounded by as many Soviet advisers or observers as they wished to have. And I just cannot see how these arrangements could possibly involve the slightest element of espionage.

<sup>8</sup> *Ibid.*, June 5, 1961, p. 870.

Another reason for disappointment is that here was a case where we were offering complete disarmament; that is, the Soviets had said that we will inspect disarmament but not the control of arms. Now, in this matter of nuclear testing we were trying to abolish them completely, and it seemed to us that this was a measure of complete disarmament which would qualify even under their own formula. But the answer was no on that one. Now, if this attitude on inspection is maintained in the discussion of general disarmament questions, in the conventional field, for example, then I think the prospects for disarmament are rather gloomy at the moment. But we are going to continue to work at it, because just as the Soviets during the past year changed their own mind about these inspection arrangements, which have been discussed for 3 years in Geneva, we don't overlook the possibility they might change their minds again in order to move ahead. Because we do think it is important to try to get on with disarmament.

*Mr. Roberts: Gentlemen, I think we have time for one more question.*

*Q. Which would you classify currently, sir, as the danger spot in this part of the world?*

A. Oh, Viet-Nam. Viet-Nam is very dangerous, and Laos could become very dangerous if the cease-fire is broken. But Viet-Nam is where the real fever centers at the moment.

*Q. Mr. Secretary, the General Parliamentary Press Gallery would like to thank you very much for making this opportunity available to us to see you. We are very grateful to you, sir, for coming a half-hour out of a very busy day.*

A. It's been very good to see you. Thank you very much.

#### **FINAL COMMUNIQUE, MAY 9**

The ANZUS Council met on the 8th and 9th of May in Canberra. The Right Honourable K. J. Holyoake, Prime Minister and Minister for External Affairs, represented New Zealand. The Honourable Dean Rusk, Secretary of State, represented the United States, and the Honourable Sir Garfield Barwick, Minister for External Affairs, represented Australia.

The ANZUS Council was established under the 1951 security treaty between Australia, New Zealand, and the United States. The treaty aims at strengthening peace particularly in the Pacific area by mutual action in accordance with the principles of the United Nations Charter. The ANZUS Council provides a forum in which the foreign ministers of the three governments can meet in private consultation from time to time to promote the objectives of the treaty and strengthen the association among the three countries.

The Ministers took advantage of the present meeting for more than usually extensive discussions on matters of common interest. The Ministers expressed their concern at the Soviet refusal to conclude a meaningful agreement to end thermo-nuclear testing. The Ministers of Australia and New Zealand recognized that the absence of such an agreement left the United States with no alternative but to conduct the current series of tests.

The Council considered developments regarding the broad problems of general disarmament under discussions at Geneva. The representatives of Australia and New Zealand noted with approval the initiative taken by the United States in its tabling of an "Outline of Basic Provisions of a Treaty for General and Complete Disarmament in a Peaceful World."<sup>9</sup> The Council expresses its belief that this document provides a new and useful basis for the discussions now in progress.

Particular attention was directed to problems in East Asia, South East Asia and other parts of the Pacific region. The Ministers reaffirmed the desire of their three governments to work in concert with other like-minded countries to promote security and stability and a better life for the peoples of the Pacific region. The Ministers noted with satisfaction the determination of the countries of the area to preserve their independence from interference from any source. They noted in particular the resolution with which the Government of the Republic of Vietnam is defending itself against Communist infiltration and insurgency fomented, directed and supported from North Vietnam. The Ministers expressed their full support of measures to assist the Government of the Republic of Vietnam in its defence against this threat.

<sup>9</sup> For text, see *ibid.*, May 7, 1962, p. 747.

The three Ministers concurred in the desirability of the continuing efforts being undertaken toward the formation of a government of national union in Laos, as such a government would offer the best hope of preserving the peace, neutrality, independence and unity of Laos. The meeting recognized the effective contribution which the countries of the region were making both individually and through defensive alliances or other regional associations to security, development and stability. The Ministers reaffirmed the intention of their governments to continue to cooperate with the countries of the region both individually and through the various regional associations in furtherance of these objectives. The Ministers noted in particular the substantial contribution which SEATO was making in these fields and they reaffirmed the intentions of their governments to honour to the full their individual and collective obligations under the SEATO Treaty.

The meeting recalled that member governments had in article I of the ANZUS Treaty reaffirmed their undertaking under the Charter of the United Nations to settle by peaceful means any international dispute in which they might be involved and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations. The Ministers expressed their concern that despite this solemn obligation accepted by all members of the United Nations the peace of the area was menaced by threats of force.

With regard to West New Guinea the Ministers noted with approval the efforts of the Acting Secretary-General of the United Nations to promote a settlement by peaceful negotiation. They appealed to both of the parties to the dispute to give the Acting Secretary-General their maximum support and to refrain from the use or threat of force.

The meeting noted that in the economic field the developing countries of the area needed many forms of assistance in their plans to raise their standards of living and that the fulfilment of these plans was of the greatest importance in the maintenance of their independence and stability. The ANZUS partners pledged themselves to continue to assist such countries. They welcomed the assistance being given by other countries such as Japan and hoped that help would also be provided increasingly by other countries of the free world.

Secretary Rusk expressed his government's

gratification at the important contributions being made by Australia and New Zealand toward the security and economic progress of the nations in South East Asia.

The Ministers reviewed developments and future prospects in the Pacific territories of member governments in reaffirming the obligations of mutual assistance undertaken under the treaty by Australia, New Zealand and the United States. The Ministers called attention to the fact that these obligations applied in the event of armed attack not only on the metropolitan territory of any of the parties but also on any island territory under the jurisdiction of any of the three governments in the Pacific. They confirmed their intention to continue to move steadily forward with plans for the economic and social welfare of these territories and for their progressive development towards the stage at which their inhabitants should have the opportunity to choose for themselves their future form of government and their future international relationships. The Ministers reaffirmed their support of the objectives of co-operative associations such as the South Pacific Commission and their intention to maintain close and continuing consultations both among themselves and with other interested countries.

In respect of the South Pacific area, the Ministers agreed that the ANZUS Council meeting had proved extremely useful in further strengthening the close and friendly working relationships between the three countries and they agreed to take advantage of their presence at other international conferences to consult in between regular meetings of the Council.

## **U.S. DELEGATION**

The Department of State announced on April 27 (press release 275) that Secretary Rusk would serve as U.S. Representative to the Australia, New Zealand, and United States Treaty Council (ANZUS) meeting at Canberra, Australia, May 8-9. Other members of the delegation are:

### *Advisers*

Anthony B. Akers, U.S. Ambassador to New Zealand  
James D. Bell, Director, Office of Southwest Pacific Affairs, Department of State  
William Belton, Chargé d'Affaires ad interim, American Embassy, Canberra  
Walter L. Cutler, Staff Assistant to the Secretary of State

Adm. Harry D. Felt, Commander in Chief, Pacific, Honolulu

Edward C. Ingraham, Office of Southwest Pacific Affairs, Department of State

Ernest K. Lindley, Special Assistant to the Secretary of State

Paul H. Nitze, Assistant Secretary of Defense for International Security Affairs

J. Robert Schaetzel, Deputy Assistant Secretary of State for Atlantic Affairs

Edwin W. Martin, Political Adviser, Commander in Chief, Pacific, Honolulu

### *Secretary of Delegation*

Francis Cunningham, Director, Office of International Conferences, Department of State

This meeting is being held as a part of the normal consultative process among the treaty partners, as provided in article VIII of the ANZUS Treaty. The last meeting was held at Washington in October 1959.<sup>10</sup>

## **Letters of Credence**

### *Mali*

The newly appointed Ambassador of the Republic of Mali, Oumar Sow, presented his credentials to President Kennedy on May 11. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 307 dated May 11.

## **Polish Minister of Foreign Trade Visits United States**

Press release 299 dated May 8

Witold Trampeczynski, Minister of Foreign Trade of Poland, accompanied by Michal Kajzer, Department Director in the Ministry of Foreign Trade, will arrive in the United States on May 8 on the invitation of the U.S. Government under the leader program of the Bureau of Educational and Cultural Affairs, Department of State.

Minister Trampeczynski will remain in the United States 10 days, during which time he will meet with high U.S. officials in Washington. He will also visit Seattle, San Francisco, New Orleans, and New York. The Governmental Affairs Institute is assisting in completing arrangements for Minister Trampeczynski's visit.

<sup>10</sup> *Ibid.*, Nov. 16, 1959, p. 708.

## The Practice of Foreign Policy

by Aeling Secretary Ball<sup>1</sup>

I realize rather to my amazement that it has been more than 16 months since I deserted the abundant life of a private lawyer for the hazards and hardships of the New Frontier. I find it pleasant this evening to be back in a familiar environment, among affluent friends.

My greatest regret when I joined the bureaucracy was not that I must put aside the pursuits of the law and leave my bereft clients in more expert hands. It was that I could no longer participate in the exhilarating ritual practiced by all right-thinking Americans when they mull over the morning newspaper—the ritual of denouncing the incompetents in the State Department and lamenting the fact that they have sold us out once more.

But now that I have forsworn this daily catharsis and have myself become one of the “incompetents” in the State Department, I have begun to wonder just how this ritual came to be so deeply entrenched in the folkways of America.

Without attempting a profound analysis tonight, I suggest that it derives from two sources. First, it is a holdover from the time when the old frontier was in fact the new frontier, when we were a young nation still aware of our colonial past, resolutely facing westward with our backs toward Europe, looking across a great unclaimed land which appeared in more ways than one as our manifest destiny.

We were preoccupied with the tasks of taming a continent. While we approached that task with confidence—while we were sure of ourselves on our own terrain—we still felt like country cousins in

the more sophisticated society of Europe. Although we had already produced a galaxy of extraordinary diplomats—beginning with Franklin, Jefferson, and John Adams—we still had the feeling that an American in Europe was out of his depth. Mark Twain's *Innocents Abroad* was more than a book title; it reflected a national mood—the fear that America would be victimized whenever our representatives tried to deal with the cynical and experienced diplomats of Europe—a mood that vestigially persists even to this day when we have become the acknowledged leader of the free world.

### Shift in Power Balance

But there is a second reason for our mistrust of our own diplomacy beyond the fear of being a country cousin among city slickers. It is the fact that we have seen the power balance of the world shift with such bewildering rapidity in the last 15 years that the only easy explanation is that we have blundered or been sold out.

This country emerged from the Second World War in a position of predominant strength hardly equaled since the days of the Roman Empire. Almost every other industrialized nation had been shattered by enemy attack. Under the stimulus of wartime needs we had vastly expanded our productive plant. Not only was our economic strength the wonder—and in fact the reliance—of a large part of the world, but we possessed the monopoly of a weapon of destruction of unparalleled effectiveness.

We could envisage a future in which preponderant American strength might provide the guarantee for a new era of peace, a golden age in which the new technology could be harnessed not only to

<sup>1</sup> Address made before the Northwestern Law Alumni Association at Chicago, Ill., on May 9 (press release 302; as-delivered text).

the rebuilding but the reshaping of the world. And then, almost overnight, the temperature of the world dropped. The cold war came to dominate our affairs. The Iron Curtain clanked down to encircle a billion people. We lost our monopoly of the nuclear weapon that had transformed the concepts of warfare. As a consequence we Americans, who were just beginning to think of our country as world leader, suddenly became aware that for the first time since the British burned the White House in 1814 Americans were vulnerable in their own homes to the threat of possible aggression from abroad. Instead of the security that our status as world leader had seemed to promise, we suddenly found ourselves exposed as never before, with the seas that had served as a giant moat around our house suddenly dried up by the arrogant presumption of modern rocketry.

To most Americans these abrupt changes in our relative security defied explanation in ordinary terms. We went through an agonizing phase of believing that these changes could have occurred only because we had somehow been betrayed by treason in high places. We went through an unworthy period of searching for scapegoats, failing to face the realities, refusing to recognize that while we might have had a temporary monopoly of a weapon, we did not have a monopoly of brains—nor, for that matter, of will and determination.

Today we have recovered from that season of shock. We have learned to adjust ourselves to the fact that other people in the world can also master the new technology. But we have not wholly rid ourselves of the belief that our misfortunes, if not due to the treachery of our diplomats, are at least due to their inadequacy.

### **Complexities of Foreign Policy**

This lingering suspicion, it seems to me, is quite unjustified. Historians, I am confident, will decide that America's postwar conduct in world affairs was marked by a high degree of wisdom and success. To the extent that this is not generally recognized, it is, no doubt, partly the fault of the Department of State itself. We should have been more forthcoming in our explanations to the American people. But there are some characteristics of any foreign office which make its activities difficult to explain.

No responsible officer of the Department of

State can make a public statement about world affairs without being aware that he is speaking to more than one audience. Whatever he says to Americans regarding the thrust and purpose of any aspect of foreign policy will be meticulously studied in the chanceries of the world. Under such circumstances no State Department officer can say with total candor what he thinks of the policies of a friendly country or of its leaders without creating an international incident. In many cases he cannot disclose all the facts or explain all the reasons for the actions of the United States Government in its foreign relations without giving away an essential element of tactic or substance and thus destroying the effectiveness of what may be a major diplomatic move.

This enforced reticence is not, of course, the only reason why the State Department tends to get a bad press. Another reason is that, unlike other departments of the Government, we have no constituency with a special interest in our activities. Unlike the Department of Agriculture with farmers, the Department of Commerce with businessmen, the Department of Labor with workers, the Department of State has no special responsibility for the interests of any one group. Instead it is responsible for the totality of American interests and is equally responsible to all the people.

In many ways the very nature of its activities tends to make it unpopular. The representatives of the State Department must resist the demands of special interests in favor of larger overriding interests that are not always clearly apparent to those affected by an individual situation. Sometimes the Department must deal with private parties that have interests conflicting with United States policies in respect of a foreign nation or nations. In that case the Department can't win. It is bound to alienate somebody.

There have been several attempts recently in magazines and newspaper columns to explain what is wrong with the State Department. Most of these explanations seem to me to rest on too simple an analysis. The allegation is made, for example, that the Department is so preoccupied with crises that it is unable to focus on day-to-day problems. Yet the work of the Department is in many ways like an iceberg—only a fraction of its activities are visible to the public eye. The great bulk of the Department's activities consists in the quiet

conduct of the day-to-day business among nations. By and large much of our effort is spent in trying to prevent situations from developing to the point where they reach the public domain. The events recorded in newspapers reflect situations where ways and means have not been found through routine channels of diplomacy to solve conflicts or controversies that are the elements of good newspaper copy.

Another reason put forward as to what is wrong with the State Department is that it is too big. Yet, while there may be occasional evidences of overstaffing—as well as understaffing—it is still the second smallest department in the Federal Government. Nevertheless it is a big business. On an average day we send out from Washington more than 1,500 communications to the 292 posts around the world for which we are responsible. During fiscal year 1961 over 1,100 State Department officials participated in 381 international conferences at different points around the world.

Not only is the State Department a big business, but it is perhaps the most complex business in the world. Foreign policy is not a commodity that can be built to specifications or packaged and merchandised for a mass market. It is a fabric that serves many purposes, woven in a variety of forms and colors out of many quite disparate relationships that are changing every day.

An effective foreign policy must take account of competing domestic interests, the vagaries of public opinion, fluctuating economic conditions, food surpluses and shortages, the rise and fall of local rulers, religious and ideological conflicts, the power ambitions of nations, geography, demography, and the impact of technological change.

And foreign policy today is given an additional complexity by the constant need to relate our strategy to the broad-range implications of the power struggle between the East and West.

#### **East-West Struggle**

No matter how much we might wish that it were not the case, this struggle conditions much of what we do. The knowledge that this struggle, now characterized by the cold war, may flame into hot wars in remote corners of the globe and that those hot wars may escalate into thermonuclear holocausts is a kind of brooding omnipresence over all of our affairs.

Quite naturally the State Department concen-

trates a great part of its effort on assuring that such situations do not develop. We seek to do this in two ways.

First, we strive to increase the strength and cohesion of the nations of the free world. We do this not only to meet the challenge of the East but because of our desire to promote the well-being of all peoples.

Second, we attempt to anticipate and, where possible, prevent the development of situations which can result in a direct confrontation of the great powers—a confrontation that can readily lead to the escalation of force and a major war.

In the short time available tonight I shall not attempt to describe the means by which we are attempting to build a strong and cohesive free world. The more obvious means—those that require the expenditure of money—you have heard a great deal about. By substantial programs of foreign economic assistance we help the less developed nations of the world to become both economically and politically independent and thus gain the strength to resist the pressures toward Communist alinement.

The strength of the free world cannot, however, be built merely by the provision of foreign aid. Such strength depends in a very real sense on the kind of close working relations that can be developed between free nations and free men. Among the most conspicuous qualities of the free world today is the rapidly growing interdependence of its component nations.

The center of power for the free world is, quite obviously, those Atlantic nations of Europe and North America which account for nearly 90 percent of its industrial production. From the very beginning we have supported the building of a united Europe. Today the European Economic Community is a reality. Within a few months it may be expanded to include the United Kingdom. And as the nations of Europe continue to build strength and unity they can become, for the first time, an equal partner with whom we can work toward those common objectives to which we are all committed.

We are also forging close relations with the nations of our own hemisphere. We have initiated the Alliance for Progress, and together with 19 members of the Organization of American States, we are building a tighter inter-American system. That system is already a force in hemisphere affairs. We have seen it work effectively in the

steps taken to isolate the Castro regime and to make it a pariah among the free American nations.

We are strengthening our ties in the Pacific—and particularly with Japan, which has risen spectacularly to become an industrial giant in the years since the war.

And, of course, our military alliances remain major sources of strength. Secretary Rusk has just attended meetings of the Central Treaty Organization (CENTO) in London, of the North Atlantic Treaty Organization (NATO) in Athens, and today he was in Australia for a ministerial meeting of the ANZUS, the military alliance of Australia, New Zealand, and the United States.<sup>2</sup>

### **Berlin**

The building of the strength of the free world in order to deter, and if necessary to resist, aggression from the Communist bloc is a long-term undertaking. But, while we are striving to increase our defensive strength, we are seeking at the same time to avoid the development of situations which can lead to a confrontation of the great powers that can escalate into a nuclear war.

There are occasions when the interests of the free world and the Communist bloc so clearly conflict that a direct challenge cannot be avoided. Such a case is Berlin. In West Berlin the Allied powers have vital interests that we will not yield. As President Kennedy has said:<sup>3</sup>

We cannot and will not permit the Communists to drive us out of Berlin, either gradually or by force. . . . We must meet our oft-stated pledge to the free peoples of West Berlin—and maintain our rights and their safety, even in the face of force—in order to maintain the confidence of other free peoples in our word and our resolve. The strength of the alliance on which our security depends is dependent in turn on our willingness to meet our commitments to them.

We have made it crystal clear that, so long as the Soviet Union insists upon taking actions that may interfere in any way with the security of our vital interests in Berlin, they will be on a collision course. We have given this point unmistakable emphasis by increasing the defensive strength of the West.

But while we have been firm we have not been inflexible. In a series of conversations conducted in Washington, Moscow, and Geneva, we have

<sup>2</sup> See p. 859.

<sup>3</sup> BULLETIN of Aug. 14, 1961, p. 267.

endeavored to probe for those small areas of agreement that might furnish the basis for a *modus vivendi*.

Tonight the Berlin problem remains unsettled. Yet the Soviet Union cannot have a scintilla of doubt about the Western position. We think that they, in fact, no longer do have any doubt and that they recognize the potential dangers of the situation.

Our position was summarized by President Kennedy when he said:<sup>4</sup>

We are committed to no rigid formula. We see no perfect solution. We recognize that troops and tanks can, for a time, keep a nation divided against its will, however unwise that policy may seem to us. But we believe a peaceful agreement is possible which protects the freedom of West Berlin and Allied presence and access, while recognizing the historic and legitimate interests of others in assuring European security.

### **Viet-Nam**

The danger of great-power confrontation is not limited to areas such as Berlin, where the Communist bloc has directly challenged vital Allied interests. The danger may also arise from local aggressions around the periphery of the Communist world. We saw the heartbreaking consequences of such an aggression in Korea. Today, in Viet-Nam, we are providing training and logistical support to the South Vietnamese in their struggle to resist a systematic effort of the Communist regime in northern Viet-Nam to take over their country by subversion, infiltration, and terror.

### **Peacemaking Role**

The Communists do not restrict their ambitions to nations on the periphery of the bloc; they fish in troubled waters wherever they may find them. As a matter of prudence, therefore, the United States, as the leader of the Western alliance, must constantly exercise its influence or good offices to bring about the peaceful resolution of controversies between other free-world nations that could provide a basis for Communist meddling.

The pursuit of this objective occupies a great deal of time of the Department of State. In fact I sometimes think that we spend almost as much time trying to settle problems among our friends as trying to resolve our differences with those who would destroy us.

<sup>4</sup> *Ibid.*, Oct. 16, 1961, p. 619.

Little is said publicly about this special American role of peacemaker. It is slow, patient work—and not spectacular. At any given time there are perhaps 8 to 10 trouble spots around the world where the Department of State is concerned with trying to bring together two friendly nations engaged in a bitter local dispute. Examples recently in the news are the dispute between the Netherlands and Indonesia over West New Guinea, the border dispute between Afghanistan and Pakistan, the perennial running argument over Kashmir between India and Pakistan, disputes between Korea and Japan, and quarrels between Israel and the Arab world.

Our role as peacemaker is of vital importance to the peace of the world. It is not a job that we have sought; it is a responsibility thrust on us by our position of leadership. It is not a task for which we expect—and we certainly rarely receive—the gratitude of either side. It is, in fact, a task that often tries our patience and forbearance more than almost any other.

#### **The U.N. as a Neutral Force**

There are, of course, occasions when, in spite of our efforts, conflicts between our friends cannot be avoided. In that event a dangerous great-power confrontation may still be prevented by the injection of some neutral force such as the United Nations.

This technique has been utilized in Palestine, Korea, and most recently in the Congo. In the Gaza Strip today there are over 5,000 troops of the United Nations keeping the peace between Israel and her Arab neighbors. In the Congo there are over 16,000 in the local U.N. force.

The U.N. intervened in the Congo at the request of the Central Government in Léopoldville and with full United States support. It arrived in the nick of time. The Soviet Union was already moving in, and the United States could never have stood by while the Communists set up shop in the heart of Africa. Filling a vacuum that would otherwise have been filled by the great powers, the United Nations has effectively prevented a great-power confrontation that could well have turned the Congo into another Korea. Today, by patience and effort, the U.N. is helping to bring about the conditions under which an integrated Congo Republic may, with luck, work its way toward stability and peace.

#### **Strength and Unity of Free World**

Much of the criticism leveled against the State Department appears to assume that the free world is standing still or growing weaker while the Communist world is making solid advances. This, I suppose, is what is meant by such curious slogans as a “no win” policy. This is hardly an accurate picture of recent history. The eventful decade and a half since the Second World War has not been a period of disaster for America. During the whole of this time our country has steadily increased its strength, while the free world has risen from the ashes to become increasingly vital and vigorous. Never have the great democratic powers of the West been more powerful than today—and, in spite of newspaper headlines, never have they been more united.

What has most marked this period has been an unparalleled sense of movement and transformation. To an extent unprecedented in history vast changes have been compressed into an extraordinarily short timespan. What have been the major developments of this turbulent period? The imposition of the Iron Curtain and the technological progress of the Soviet Union are only part of the story. In the free world, in which the other two-thirds of the people live, events have occurred of great meaning and promise. The major colonial systems have largely disappeared, to be replaced by a whole geography book of new states—42 since the end of the Second World War. The European powers, no longer occupied with colonial administration, have turned their energies to the great enterprise of uniting Europe. Today they are stronger and richer than ever—and with the bright prospect of ever-increasing strength as the structure of the new Europe is perfected.

#### **The Business of Diplomacy**

The object of sound foreign policy in a world of change is not to halt the vast historical forces that are shaping the future as some of the extreme conservatives would have us do. King Canute after all demonstrated more energy than statesmanship when he tried to sweep back the ocean with a broom. The sensible objective for foreign policy is to seek to channel and direct those vast historic forces toward constructive ends. This, I think, we in America have done with success. We have not sought to stop the drive of colonial peoples toward independence and self-respect; we

have rather tried to help them move toward a constructive end—the creation of truly independent states. From the very beginning of the movement toward a united Europe we have given it our firm support. Today, as we see the emerging reality of a Europe that can speak with one voice on an ever-broadening range of issues, we can look forward hopefully to a partnership of equals that can share the great common tasks of free men in the mid-20th century.

We are already performing many of those tasks together. Together, for example, we have mounted a common defense through the NATO alliance. More recently, through the Organization for Economic Cooperation and Development (the OECD) and its auxiliary committees, we are beginning to mount a coordinated assault on the grinding poverty that haunts much of the earth's population, newly possessed of the possibility of freedom and the hope of a decent standard of living.

As the end result of all these efforts—the building of a united Europe, the beginning institutions of an Atlantic partnership, and the joint responsibility of that partnership for the strengthening of the less developed countries—we have a basis tonight for cautious optimism. If we can work with sufficient patience and good sense and if we are mature enough to recognize that the great convulsive forces of the world today are something more complicated than a child's game which one wins or loses, we have, I think, a brighter chance than at any time since the war to achieve the conditions of a secure peace.

For while the free world is changing there are also signs of change and movement within the Communist bloc—changes that are resulting in part, no doubt, from the free world's success in building its own economic strength. Perhaps it is not too much to hope that the very technology that threatens the whole Northern Hemisphere with the danger of incineration may in the long run prove a key to peace. This paradox is not as bizarre as it sounds. The vaulting pace of that technology is imposing obsolescence at an accelerating rate on existing systems of armament, while the fantastic increase in the cost of each new generation of weapons is consuming an ever-greedy share of the economic resources of the Sino-Soviet bloc. Is it not likely, therefore, that at some point the Communist power will be forced to make the hard choice between insistent demands for a better standard of living and the spiraling costs of a

continuing arms race? And is it not possible that at such a time this conflict of pressures may be resolved in such a manner as to make possible new progress toward stability and even disarmament?

If we Americans, therefore, have the forbearance and the maturity, the will and the courage, to refuse to be deflected from our principal objective of building a strong free world, we not only can survive but we can look forward to a future far brighter than any we have been entitled to expect before. The next few years, of course, will be full of hazards. We shall need strong nerves, stout hearts, and a hospitable attitude toward new ideas if we are to adjust to the shape and form of a world that is changing more rapidly than any of us realize.

In determining the shape and form of that world, diplomacy—which is another way of saying the practice of foreign policy—will have a significant role to play. For that world will be no stronger than the relations that bind nations and peoples together. It is the prime business of the State Department—of those gifted “incompetents” whom you celebrate every morning at breakfast—to make sure that those relations are in good order, that America knows her role of leadership and plays it well, and that we employ not only our material resources but our vested capital of respect and good will in the patient pursuit of free-world strength and unity that are the essential elements of a lasting peace.

## **President Kennedy and Norwegian Prime Minister Hold Talks**

*Einar Gerhardsen, Prime Minister of Norway, and Mrs. Gerhardsen visited the United States May 8-18 as the guests of President and Mrs. Kennedy. Following is the text of a joint communique issued by President Kennedy and Prime Minister Gerhardsen on May 11 at the end of their talks held May 9-11.*

White House press release dated May 11

The Prime Minister of Norway and Mrs. Einar Gerhardsen are in the United States as the guests of President and Mrs. Kennedy. Following their visit in Washington, they will continue on to Florida and New York. The President and the Prime Minister met twice for substantive discussions during the visit and exchanged views on current inter-

national developments. The Norwegian visitors were entertained at a White House luncheon on May 9, and on May 10 they gave a reception at Blair House in honor of President and Mrs. Kennedy.

President Kennedy paid tribute to the many common ties and democratic ideals Norway and the United States share. He referred to Norway's vital role in Northern Europe, expressing appreciation for Norwegian contributions to the Atlantic Community in general. Noting Norway's recent decision to apply for negotiations with a view to full membership in the Common Market, the President stated his belief that a small but dynamic nation can play an important role in the European integration movement. He recalled that Norway has received international recognition for its solid work in the United Nations.

Prime Minister Gerhardsen expressed his appreciation for the bonds of friendship and alliance which have long characterized relations between Norway and the United States. He asserted that Norwegian foreign policy stresses strong support of the United Nations, membership in NATO, and Nordic cooperation.

The President and the Prime Minister agreed it was essential for both countries to back the United Nations as firmly as ever, and reaffirmed their determination to give unstinting support to the NATO Alliance. It is imperative, they recognized, for the West to maintain a position of strength and to stand fast in face of outside provocations or pressures. This is a prerequisite for a peaceful solution of conflicts through negotiations. They also reviewed the dynamic political and economic developments in Europe and the problems which arise for other countries in their relationship with the Common Market. The President and the Prime Minister emphasized the importance of extending aid to the developing nations, and discussed American, and growing Norwegian and joint Scandinavian efforts in this field. There was a valuable exchange of views of shipping matters affecting both countries. The principals agreed that current exchanges of students, teachers, leaders in various fields, and cultural, sport and artistic presentations should be fostered.

President Kennedy and Prime Minister Gerhardsen expressed their fervent hopes that peace

and justice would prevail in the world. To this end they felt that all nations, large and small, and all responsible individuals, national leaders and ordinary citizens, should work together.

## **President Greet Brazil War Veterans on Anniversary of VE-Day**

*Following is the text of a message from President Kennedy to officials of Associação dos Ex-Combatentes do Brasil on the occasion of the anniversary of VE-Day.*

White House press release dated May 8

MAY 7, 1962

Twenty years ago Brazil and the United States took up arms together to fight a common enemy of democracy. Our great wartime leaders, Franklin Roosevelt and Getulio Vargas, also laid the foundations for Brazilian-American cooperation in the economic and technical fields. This May 8th anniversary, commemorating our final victory in Europe in 1945, finds us engaged in another kind of war on many different battle fronts. Today the common enemy is poverty, malnutrition, disease, and illiteracy. Under the Alliance for Progress we propose to attack these problems and to move forward to final victory, just as we did together in the war years, united by Man's highest aspirations for peace and prosperity with freedom.

Our common history, experience, and ideals unite us. The names of Mascarenhas de Moraes and Mark Clark, Zenobio da Costa and Willis Crittenger immortalize our wartime cooperation and the democratic principles that moved us on to triumph in World War II. Let us rededicate ourselves on this V-E Day anniversary to the ideals of Brazilian-American solidarity and friendship. May I take this occasion to salute the gallant Associação dos Ex-Combatentes do Brasil, and pay tribute to the brave servicemen of the F.E.B. and the armed forces of Brazil, who gave their lives to the cause of freedom. All honor to you who proudly proclaim the slogan "A Cobra esta Fumando".

JOHN F. KENNEDY

## The Impact of the Emergence of Africa on American Foreign Policy

*by J. Wayne Fredericks*

*Acting Assistant Secretary for African Affairs*<sup>1</sup>

It is a great pleasure for me to be able to take part in the annual forum dinner of this Y.M.C.A. It is also a welcome opportunity to speak about the efforts of your Department of State to establish and maintain friendly and constructive relations between our nation and the new nations of the continent of Africa.

I would like to talk this evening about the impact of Africa on the foreign policy of the United States. Perhaps it would be useful, first of all, to think of the approach of the United States Government to the world community as comparable to the approach of the Y.M.C.A. to its community. I am thinking particularly of the initiative which the "Y" has assumed, first in identifying the urgent needs of changing urban communities and second in mobilizing the resources of the community to meet these needs. The Y.M.C.A. has recognized that drifting individuals can be a burden on the whole community and that by strengthening individuals the whole community can be strengthened; the United States has recognized also that drifting nations can threaten the stability of the whole community of nations and that by strengthening the independence of these nations the whole community is strengthened.

Like a vigorous Y.M.C.A. a vigorous America has special responsibilities in the changing world community. I am thinking especially of the role of the United States in a world where the traditional colonial systems of European powers, which are at the same time our firm allies in the struggle

against Russian imperialism, are being rapidly eliminated. Colonialism is ending under the impact of the principle of self-determination of which our Declaration of Independence is one expression. Through application of this principle, more than 1 billion people have joined the ranks of the free in Asia and Africa in the few years since the end of World War II.

In these same years our understanding of Africa's peoples has grown strikingly also. At the end of World War II Africa remained for the most part a continent whose affairs were managed from European capitals. Americans who went there were either missionaries or big-game hunters whose reports of conditions there were received by most as awesome and mysterious tales of high adventure. This was certainly the view of many of us who were thrown, clothed in full battle gear, onto the shores of North Africa during the war. Even when directly exposed to these areas, too often our reactions were unceremoniously to prescribe improvements intended to remake the lives of the unfortunate inhabitants along familiar American lines. To see these peoples as individuals with cultures of significance and to recognize their aspirations—so like our own in the days of our own struggle for independence—has been a postwar development. It represents a new American point of view on Africa.

The period since the war has been one of uninterrupted political change characterized principally by the trials of independence of half the globe. But the changes of this period have not been only political. These new nations are today in a very real sense our next-door neighbors. The revolutions in transportation and communications

<sup>1</sup>Address made before the Young Men's Christian Association of the Oranges and Maplewood at Orange, N.J., on May 4 (press release 291).

and science have drawn the nations of this world together. Today we tend to accept as self-evident the truth that a threat to peace anywhere on the globe is a threat to our own peace.

In this rapidly evolving scene the American people grasp these new relationships, and our foreign policy, as it is being developed to meet the new demands of a new era, reflects American understanding of a world vastly different from prewar days. The objectives of our foreign policy are, first, to maintain the security of the United States in order that its people may develop and prosper under its democratic institutions in peace and freedom and, second, to work for the development of an international community conducive to the maintenance of world order and hospitable to the institutions of freedom.

Now, in order to assess the impact of Africa on our foreign policy, it is necessary to understand first of all what Africa is and then what Africa seeks—in what direction her energies work.

To state what Africa is, it is necessary to state that that vast continent contains many Africas. It is a continent with wide variations in climate, geography, culture, language, and economic life. To grasp its size, consider that it is three times the size of the 50 United States and that the distance across its widest portion is about twice the distance from Orange to San Francisco.

Africa includes arid desert, humid tropical forests, and temperate plateau regions. With about 230 million people, it is not densely populated. Asia, Europe, and North America all have larger total populations. Furthermore, the national populations of Africa's countries vary widely—from almost 40 million in Nigeria to only ½ million in Gabon. Its peoples include those of Arab-Berber stock who inhabit the North African coastal area and Negroid and Nilotic peoples of Africa south of the Sahara, as well as peoples of European ancestry who make their homes in significant numbers in the nations bordering the Mediterranean and in the temperate eastern and southern plateaus. The diversity represented by use of almost 1,000 different languages and dialects, which hinder free communication among the tribes of the newly emerged nations, is not completely offset by the use of European languages, primarily English and French, because of the low level of education.

The economic bases of these varied African lands are primarily mining and agriculture. Sig-

nificant industrial development is so far limited to South Africa. In minerals Africa supplies most of the world's diamonds and large amounts of gold, copper, cobalt, uranium, and manganese, to name a few. Africa also exports major quantities of such agricultural commodities as peanuts, cocoa, coffee, wine, palm products, and sisal.

#### **What Africa Seeks**

With all this diversity, with all the difficulty of communication, what is it that binds these peoples together in order that one may reasonably speak of an African impact on American foreign policy? It is Africa's aspirations which give a focus to her energies and provide an impact on the world as a whole and on United States foreign policy.

First and foremost, the peoples of Africa seek political independence. This desire grows out of the realization that the individual in Africa has a natural right to the same liberty as the individual citizen of the Western World.

The African seeks also the economic and social progress which he sees the industrial societies have achieved. Africa's leaders are spurred by the rising demands of their peoples for more and better education and a higher standard of living. Unfortunately the history of colonialism causes the African to associate what we call capitalism with the colonial policies more characteristic of the 19th century. But the African's desire for independence means that he is not an easy prey for Communist domination, though some African nations in their desire for progress accept economic and technical help from the Communist nations.

In furtherance of their aspirations, African leaders are seeking greater solidarity and economic cooperation in the form of associations of states.<sup>2</sup> Some of these are subregional in scope, with others intended to embrace the whole continent. Several of the new nations are too small or too little developed to support themselves, and economic associations with their neighbors are the practical solution. At present these groups provide a forum to improve mutual understanding, to air differences, and to avoid conflicts. Although it is still too soon to predict their success, they hold great prospect for the development of much-needed economic cooperation and for the creation of a sys-

<sup>2</sup> For background, see BULLETIN of May 21, 1962, p. 841.

tem of intra-African relations leading to the achievement of African aspirations in an atmosphere free of international turmoil and rivalry.

At present there are four major African regional groupings: (1) the African and Malagasy Union of 11 French-speaking West African states plus Madagascar, (2) the Casablanca group—Morocco, Guinea, Ghana, Mali, and the United Arab Republic (the Provisional Algerian Government has met with this group), (3) the East African Common Services Organization, which serves Kenya, Uganda, and Tanganyika and may eventually incorporate neighboring states, and finally (4) a group of 20 nations which earlier this year at Lagos, Nigeria, adopted a draft charter for an intra-African organization somewhat along the lines of the Organization of American States.

All these developments which reinforce Africa's independence drive rest on the fundamental human hopes for dignity and equality—hopes which have been clearly stated by their leaders. The Africans want to manage their own affairs, to make their own decisions, and to improve the standard of living of their peoples. Awareness of the technological achievements of the modern world intensifies the African's desire to apply these benefits to his own society.

These goals of the new African nations are entirely reasonable. They are the goals which were set for our own young nation, and they are the goals we set today for the community of free nations.

The United States has sought to make clear to African leaders the sympathy of this nation for Africa's goals. And our support has been of importance to them and to our NATO allies, which have for the most part applied the principle of self-determination in their African territories since World War II. Their efforts have met with difficulties and have been marked by varying rates of success. Their success to date is measured by the impressive transfer of power to 25 African nations since 1951. And all of these save the former Belgian Congo have attained independence with little or no bloodshed and in reasonable stability.

#### **Problems of Still-Dependent Territories**

But progress still to be made is measured by Africans in terms of the territories still under colonial rule or other form of dependency. Dif-

ficulties lie ahead, particularly in areas where white populations of foreign origin have settled most thickly and invested most heavily. It is in these areas that government by the white majority has been the rule. Nevertheless it is in these areas that certain leaders of the European and African communities are working to establish new political formulas which will assure fair representation to the overwhelming African majority and which will yet protect in a fair manner the European and Asian minorities which seek to make their homes in Africa. Welcome progress has recently been made in Algeria with the achievement of a cease-fire by President de Gaulle after more than 7 years of fighting. The French and the Algerians today are cooperating in the preparation of an Algerian vote on the country's political future. They are working together to end the desperate and wanton killing by members of the Secret Army Organization, whose extremist members seek to avoid the inevitable and whose actions the American people and Government deplore.

In East Africa the British Government, with the foresight gained through years of preparing dependent territories for self-government and independence, is working out with the colonial and protectorate governments and the African political leaders the democratic constitutions under which independence can be achieved by Uganda, Kenya, and Zanzibar. Negotiations for the political evolution of the Federation of Rhodesia and Nyasaland and its component territories are also being pressed. Last week the first national election was held in Uganda and a new African government formed as the outgrowth of constitutional talks held in London last year. Uganda is scheduled to become independent on October 9 this year. Talks on Kenya's constitution were held in London last month and produced an interim coalition government of the two major African political parties. Constitutional proposals are to be worked out in detail in the coming months. Finally, the constitutional talks on the future of the fabled island of Zanzibar, which also took place in London last month, did not reach any constitutional agreements and have adjourned.

In the Federation of Rhodesia and Nyasaland, responsible self-government has already been established in Nyasaland. Elections have been scheduled for October 1962 in Northern and Southern Rhodesia to elect legislatures under new

constitutions, each showing an advance in political rights for the underrepresented black populations. The Constitution of the Federation as a whole has also been the object of recent study, which may be taken up again in the light of progress in the three territories, and of pressure from African leadership for the end of this political structure which they claim has slowed the enfranchisement of the blacks.

Political change is less evident in the African territories of Portugal, whose African province Angola was rocked by violent rebellion in February 1961. The matter was brought before the United Nations, which took the view that Portugal has not accorded the inhabitants of Angola adequate opportunities for social, economic, and political advancement. The resolution,<sup>3</sup> which the United States supported, called for appropriate reforms, established a U.N. committee of inquiry, and asked Portugal to acknowledge the principle of self-determination for Angola.

The United States has long enjoyed friendly relations with Portugal, and our votes in the United Nations on Angola should not be regarded as hostile to Portuguese interests. If we have not agreed with Portugal on certain issues, this does not mean that we intend to destroy in any way the spirit of constructive friendship. We have sought to clarify our views with the Portuguese Government and to define the issues which we believe are bound up in this question.

At the end of August 1961 the Portuguese Government announced a series of reforms affecting its African territories. The reforms provided for a system of self-government at the village and town level and the elimination of a separate status for "unassimilated" natives. There have been indications that additional reforms are in progress, particularly in the important fields of education and labor. Following a survey and report by the International Labor Organization on labor conditions in the Portuguese overseas territories, the Portuguese Government announced a new and progressive labor code which could go far toward removing an important cause of unrest.

Political progress is also less evident in the Republic of South Africa, where the policy of *apartheid* is still enforced. We understand the difficulties of working out harmonious relations between races because we ourselves have long

sought to achieve this goal. While we have not achieved full success, we have made dramatic progress and have supported the overwhelming view of the United Nations membership, which seeks an end to segregation and discrimination as a policy of government. As Britain's Prime Minister Macmillan remarked in a speech given in South Africa, "The wind of change is blowing through [Africa], and whether we like it or not, this growth of national consciousness is a political fact. We must all accept it as a fact, and our national policies must take account of it."

### **Economic and Technical Assistance**

Clearly Africa's revolution has challenged the United States to live up to its own ideals of political liberty. But it has also challenged us to play a constructive role in the transition to independence.

Africa's urgent need for economic and social development has also had an impact on the foreign policy of the United States. It has challenged us, as it has challenged all the developed nations, to strengthen the independence of these new nations through economic and technical assistance. If we were to neglect this challenge and fail to strengthen the institutions of these nations, their leaders would be dangerously dependent on help from nations which offer regimented means of attaining national development. This urgent need, together with that of Asia and Latin America, has hastened the reorganization of American aid machinery. President Kennedy has established the Agency for International Development with a new and sound approach to national economic development.

The establishment of the Peace Corps by President Kennedy has offered a reservoir of technical skills on which they may draw in the difficult period immediately ahead before Africans are trained in numbers sufficient to carry on alone. Here, as in our other aid programs, the United States has sought to support not only the vital initial development of Africa's power, communications, and material resources but the human resources also. Of importance have been our contributions to the development of all phases of education with particular emphasis on the secondary school systems. The need is not only to educate larger numbers eligible for college but to train the still greater numbers urgently required

<sup>3</sup> U.N. doc. A/RES/1603 (XV).

in the trades and semiprofessional skills which are the foundation of modern economies.

There is strong evidence that fruitful cooperation and a continuing partnership between most of the new African governments and the former colonial powers will be an important factor in Africa's future. At the present time, in fact, European countries are well ahead of the United States in providing economic and technical assistance to African nations, possibly amounting to well over a billion dollars yearly.

During the next fiscal year the United States proposes to make substantial increases in its economic aid to Africa, but it will still fall below the level of that provided by Europe. In our presentation to the Congress, we are proposing that between \$350 and \$430 million be made available in economic aid to Africa in fiscal year 1963, depending on the projects that are worked out and on its ability to use aid effectively. This compares with approximately \$250 million for the current fiscal year and an actual \$204 million in fiscal year 1961, exclusive of substantial amounts of surplus agricultural commodities and development loans from the Export-Import Bank.

Of no less impact on United States foreign policy has been the special emphasis Africans give their participation in the United Nations. The African sees the United Nations as a vitally necessary international forum and considers membership an element of national sovereignty. He considers it such because of the equal opportunity it affords each member to state his case before a world audience. He sees it as an instrument for mobilizing world opinion and for settling differences. Furthermore, the United Nations stands between small nations and big-power rivalries. In seeking to avoid cold-war entanglements, the African looks to the U.N. as a source of economic assistance.

Perhaps the most important product of African membership in the United Nations is the added strength it gives the forces which seek a democratic world organization. In this the African nations are firmly aligned with the United States. Except for this issue, the Africans cannot be reasonably accused of voting as a bloc. Certainly there is no truth to the allegation that the 50 plus African and Asian members vote irresponsibly with the Soviets and against the United States. In the recent General Assembly, for example, this group voted against irresponsible and extreme

Soviet proposals on colonialism and the Congo. The African and Asian vote, in other words, rejected measures put forward by the Soviets which were intended to appeal to Africans and Asians. The overall impact of African U.N. policy, then, has been to reinforce a basic United States foreign policy objective of a responsible world organization.

Finally I would like to mention one impact of the emergence of Africa which has special significance for our nation. I refer to its impact on racial prejudice in our own society. The rise of Negro nations under able leaders to places of equality on the world political scene reminds us that we have not yet succeeded in according this equality to Americans of African descent. It gives impetus to the current initiative of the new generation of American Negroes in asserting their individual rights. Unfortunately the question of segregation in the United States has a significant effect on the thinking of the colored peoples of half the globe. Racial discrimination frequently inflicts a most regrettable, durable, and personal affront to visitors from abroad which may be carried over into the realm of foreign relations.

To my mind the emergence of Africa is to be welcomed as a challenge to move our nation more speedily toward the practice of "liberty and justice for all." It is to be welcomed also for its impact on our foreign policy. For Africa's emergence has challenged us to live up to our own declared ideals, both at home and abroad. I believe that we are responding with new energy and ingenuity to this challenge. We are applying our unique wealth and talent to assist Africa's peoples to move with us toward these same ideals.

## **President Finds Import Quota on Tung Oil and Nuts No Longer Needed**

White House press release dated May 1

The President on May 1 acted on the Tariff Commission's report to determine whether the circumstances requiring the imposition of import quotas on tung oil and tung nuts still exist.<sup>1</sup> The President did not concur in the Commission's finding that the removal of the quota would result in the importation of tung oil under such conditions and in such quantities as to interfere ma-

<sup>1</sup> For text of Proclamation 3471, see 27 *Fcd. Reg.* 4271.

terially with the price-support program of the Department of Agriculture with respect to tung nuts. The Commission had reported to the President on December 4, 1961, concerning its investigation pursuant to section 22(d) of the Agricultural Adjustment Act, as amended. The President's decision reflects the changed conditions in the tung oil market which have developed in recent months.

Conditions of short supply of tung oil have developed in both the United States and foreign markets which have caused prices of domestic tung oil to rise above the support price during recent months. The domestic carryover stocks of tung oil are at the lowest level since 1946, the Commodity Credit Corporation now has no surplus stocks on hand, and during February a severe freeze throughout our tung-growing areas severely damaged the current crop. The foreign supply has been reduced by frost damage in Argentina, and at the same time the demand for tung oil in Western Europe is at a high level. Since U.S. prices have been above the support price since January, the Commodity Credit Corporation is not expected to acquire any oil as a result of price-support operations. Under these conditions the President found that the import quota was no longer needed.

## Are Imports Necessary?

*by Philip H. Trezise*<sup>1</sup>

It is appropriate in this port city, at a time when Seattle is holding a magnificent international exposition in which 27 countries are participating, to discuss our country's foreign trade. For this occasion I would propose to center my remarks on one phase of the subject, namely, imports. This is perhaps the more controversial side of the foreign trade coin, which is the more reason for considering it.

### Exports vs. Imports

The Trade Expansion Act of 1962,<sup>2</sup> which is now proceeding through the Congress, is one of the most important of the foreign policy measures to be considered this year. The act, in essence, would give the President authority to bargain with other countries for mutual reduction in tariffs. It is intended to bring about an increase in the

volume of free-world commerce.

We can expect that in this process our commodity exports will grow faster than our imports. It is important that this should happen, for as a country we depend on a surplus of earnings from exports of goods to help pay for expenditures we must make abroad. We have had over a whole decade a rather persistent deficit in our total balance of payments and associated with it a substantial outflow of gold. This must be corrected. One of the chief means to correct it is to develop a larger export surplus.

There are strong reasons for being confident that an expansion of world trade will in fact enlarge our surplus of exports over imports. Year in and year out, for the whole postwar period, we have run a substantial export margin in our merchandise trade. Our exports during the 1950's grew faster than imports and faster than our national economy as a whole. When the European nations in 1958 removed many of their special restrictions on trade, our exports responded very promptly and very sharply to the expanded market opportunities that were thus made available. The record does not suggest that we have lost our competitive power. On the contrary, we seem still to be capable of selling in foreign markets, wherever they are open to us, our farm products, our raw materials and semiprocessed goods, and our manufactures.

Nevertheless we should understand clearly that the Trade Expansion Act, like the trade agreements legislation that preceded it, is an authorization to enter into mutual bargaining on tariffs. We expect to negotiate other countries' tariff levels down by offering reductions in our own duties. In seeking markets for our exports, we must open our market more widely for imports. An increase in imports is an integral and inescapable part of the process of expanding world trade.

Now it is probably fair to say that throughout the whole trading world exports are considered normally to be good and desirable and contributory to national well-being. Imports, on the other hand, are generally looked at with some distaste. If they are not considered to be positively bad,

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<sup>1</sup> Address made before the Seattle Committee on Foreign Relations at Seattle, Wash., on May 7 (press release 295). Mr. Trezise is Deputy Assistant Secretary for Economic Affairs.

<sup>2</sup> For text of President Kennedy's trade message to Congress, see BULLETIN of Feb. 12, 1962, p. 231.

then they are viewed as a kind of necessary evil which must be accepted in the same way as we accept other unavoidable but unpleasant events. These attitudes are not confined to Americans. They exist in all countries.

There is another way of looking at the matter, of course. Exports can be thought of as not good in themselves but as a means to enable us to buy things from abroad that we need or that we wish to have. In this sense exports are the sacrifices we make in order to get things we could not otherwise have. The end objective of trade is to import commodities that make our economy work better, that contribute to a richer life for our people, and that help to assure our national security. Let us see how this proposition applies to the United States.

### **Imports in Our Everyday Life**

Imports play a far more pervasive part in our daily lives than we usually realize.

In the course of the day 1 of every 13 Americans in private employment will be engaged in an occupation directly dependent upon foreign trade, that is, on exports and imports. One of 53 will be engaged in transporting, or handling, or first-stage processing of imports.

Nearly every adult American begins his day with a breakfast drink—coffee, tea, or cocoa—based on a commodity that we do not produce at all. Coffee itself is our largest single import. We spend on it a billion dollars a year or so. It is not an item we can produce, except perhaps under hot-house conditions and at unacceptable cost.

The American breakfast probably will be prepared in utensils made of aluminum or steel. The raw material for aluminum production, bauxite ore, comes in overwhelming measure from imports. Our steel industry buys nearly all of its manganese abroad. With the diminution of our high-grade iron ore reserves, our steel mills use more and more iron ore from Labrador, Venezuela, Peru, Chile, Brazil, and elsewhere. In 1960, 32 percent of our iron ore consumption consisted of imports.

The odds are roughly 7 to 3 that the newspaper that the American citizen reads at breakfast will be made of imported newsprint. In 1961 we spent almost \$700 million for this single commodity. Consider how this imported commodity helps to make us among the most widely read and best informed peoples in the world. It is a nice question as to whether our continental democracy could

have functioned in this complex and dangerous century if we had not been able to provide the news cheaply and quickly and fully to our people.

If our typical American smokes a cigarette with his breakfast coffee, its flavor will be a blending of American and imported tobaccos. Tobacco is one of our major export commodities, but we also import \$80 to \$90 million of Greek and Turkish tobacco for its special characteristics. Our cigarettes of course do not need to be blended with foreign tobaccos. We could adjust to an unblended cigarette, which I understand would have much the taste of the British product. Whether our smokers would approve is another matter.

There is a considerable likelihood that our Americans will hear the late news on a transistor radio that may have been imported from Japan or that the chinaware on his breakfast table will have come from Japan or Western Europe. He need not be dependent on imports for these everyday consumer items. But the availability of foreign goods widens his range of choice and, in many cases, stretches his income over a wider number of purchases.

He will doubtless drive to work in an automobile which will incorporate such imported raw materials as manganese, bauxite, chromium, natural rubber, and many others. The clock in his automobile or the watch on his wrist may be imports or have imported parts.

Most Americans' meals are flavored with spices from abroad. We get all of our black pepper, all of our cloves, and all of our vanilla beans by way of imports. We buy hundreds of other food items in world markets. These range from bananas to mustard seed, from sugar to saffron. Our purchases of foods from abroad, inclusive of coffee, come to more than \$3 billion per year. We no doubt could exist without these items. But our diets would be less interesting, our dinner tables more austere, and our grocery bills more burdensome.

All of the eopra and coconut oil that go into our soaps comes as imports. Our houses have window or door frames of aluminum, or tiles of imported ceramics. More than 25 percent of our apparel wool is imported and all of our carpet wool. We have linen and silk fabrics only because of imports. If we buy clothing or toys or handicrafts, the variety of choice available to us will be in part the result of our import trade.

Many Americans find intellectual sustenance in

foreign books and periodicals. They take pleasure in imported music and works of art. Whisky from Scotland, wines and perfumes from the Continent, fine cutlery from Scandinavia make their contribution to the pattern of goods available to the American consumer.

The items I have mentioned are not on the whole matters of bedrock necessity. Our national life could go on without them. Our people would be clothed, fed, and housed without them. But to remove these things from our consumption pattern would be to take many of the elements that make our standard of living the highest in history. We would be poorer in a material sense, and we would also lose some of the variety that lends zest to modern life. Moreover, we would have given up a part of our freedom. The American consumer would have to deal with a market artificially restricted and limited, lacking many of the things he ordinarily would expect to choose among.

#### **Imports and Basic Economic Activity**

If we turn aside from the ultimate consumer and consider the operation of our basic industrial economy, we find a wide measure of dependence on a variety of imported raw materials. We import all of our supplies of tin ore, all of our industrial diamonds, 98 percent of our cobalt, 97 percent of our platinum, 97 percent of the manganese ore for our steel industry, 94 percent of our asbestos, 93 percent of our chromium, 89 percent of our nickel, 84 percent of bauxite for aluminum, 45 percent of uranium concentrates, 34 percent of our copper, 32 percent of our iron ore. We import all of our supplies of natural rubber, jute, mahogany, cork, and silk.

There are more exotic imports on the list. Nearly all of our beryllium and antimony and most of our fluor spar and columbium come from abroad. These are not mere curiosities, however. Among the imported materials that go into our missile program are: castor oil, chrome, cobalt, columbium, tantalum, tin, and tungsten. Our telephone system, which is as basic to our economy as any element can be, requires beryllium, chrome, cobalt.

When we take the case for these industrial raw materials, the need for imports is not often challenged. In most instances substitutes by definition are not of adequate quality or are too costly for

use under existing conditions. Still we probably could if we chose expand production of marginal- or low-grade domestic supplies or develop synthetic substitutes. Our continental domain is a vast one, and our science and technology is capable of marvels of invention and adaptation, as we saw in World War II.

The reason that we continue to depend on imports for raw materials is at bottom the same as in the case of consumer goods. Imports bring us better quality or more suitable or cheaper supplies than we can get at home. Without imports our industrial plant would operate less efficiently and our costs and prices would rise. Since our capacity to defend ourselves and to play our part in maintaining the peace rests in the last analysis on our industrial well-being, imports are in the direct line of our national security.

#### **Competitive Challenge of Imports**

Imports play still another role in our national life. They broaden the competitive challenge to our industry, and they stimulate the give-and-take of innovation that has made our era so extraordinarily rich in the range of goods available to the consumer. The story of the American compact automobile is well known. As the small European car made inroads into our market, Detroit provided the effective response of a free enterprise system: a competitive product which has to a considerable extent recaptured the smaller car market.

Similar if less notable examples occur all the time. Imports are a part of the competitive system which we, and rightly, consider indispensable to our economic health. The beneficiary is the American consumer, who has access to cheaper or better commodities because he is free to buy imported products.

#### **Imports and the National Goal**

For the future the volume of our imports probably is destined to continue to rise, more slowly than our commodity exports but steadily nonetheless. As American incomes and population increase and as our domestic resources of readily available raw materials decline, the demand for imports necessarily will grow. If we are able to lead the free world to reduce further obstacles to international trade, our market along with all others will be progressively opened wider to imports.

The United States no more than any other na-

tion would be prepared to eliminate all tariffs or to reduce tariffs without safeguards for domestic producers. It is recognized in the draft Trade Expansion Act that increased imports following on tariff reductions can give rise to adjustment problems. Actually the reduction that would be possible under the bill would be for the most part staged over a 5-year period, a provision which assures against any sudden rush of imports. The draft bill would provide for assistance or special tariff relief in cases where domestic industries or parts of industries might nevertheless be adversely affected by tariff cuts. There are other standard safeguards in the draft act.

We are not, therefore, on the verge of a situation in which imports will make up a greatly increased part of our national supply of goods. We can look forward to a gradual expansion of imports of all kinds. This process will not make us poorer, and it will not aggravate our domestic problems. On the contrary, it will contribute to the national well-being, and it will enhance the richness and vigor of our national life.

## Secretary of Interior To Administer Trust Territory of Pacific Islands

### AN EXECUTIVE ORDER<sup>1</sup>

#### ADMINISTRATION OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS BY THE SECRETARY OF THE INTERIOR

WHEREAS the Trust Territory of the Pacific Islands was placed under the trusteeship system established in the Charter of the United Nations by means of a trusteeship agreement approved by the Security Council of the United Nations on April 2, 1947, and by the United States Government on July 18, 1947, after due constitutional process (hereafter referred to as the trusteeship agreement); and

WHEREAS the United States of America was designated under the terms of the trusteeship agreement as the administering authority of the Trust Territory referred to above (hereinafter referred to as the trust territory); and

WHEREAS the United States has heretofore assumed obligations for the civil administration of the trust territory and has carried out such civil administration under the provisions of Executive Orders Nos. 9875<sup>2</sup> of July 18, 1947, 10265<sup>3</sup> of June 29, 1951, 10408<sup>4</sup> of November 10, 1952, and 10470<sup>5</sup> of July 17, 1953; and

<sup>1</sup>No. 11021; 27 *Fed. Reg.* 4409.

<sup>2</sup>BULLETIN of July 27, 1947, p. 178.

<sup>3</sup>*Ibid.*, July 16, 1951, p. 106.

<sup>4</sup>*Ibid.*, Jan. 12, 1953, p. 47.

<sup>5</sup>*Ibid.*, Aug. 3, 1953, p. 157.

WHEREAS thereunder the Secretary of the Navy is now responsible for the civil administration of the Northern Mariana Islands except the Island of Rota and the Secretary of the Interior is responsible for the civil administration of all of the remainder of the trust territory; and

WHEREAS it appears that the purposes of the trusteeship agreement can best be effectuated at this time by placing in the Secretary of the Interior responsibility for the civil administration of all of the trust territory;

NOW, THEREFORE, by virtue of the authority vested in me by the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681) and as President of the United States, it is ordered as follows:

SECTION 1. *Responsibility of Secretary of the Interior.* The responsibility for the administration of civil government in all of the trust territory, and all executive, legislative, and judicial authority necessary for that administration, are hereby vested in the Secretary of the Interior. Subject to such policies as the President may from time to time prescribe, and in harmony with applicable law, and, where advantageous, in collaboration with other departments and agencies of the Government, the Secretary of the Interior shall take such actions as may be necessary and appropriate to carry out the obligations assumed by the United States as the administering authority of the trust territory under the terms of the trusteeship agreement and under the Charter of the United Nations: *Provided however*, That the authority to specify parts or all of the trust territory as closed for security reasons and to determine the extent to which Articles 87 and 88 of the Charter of the United Nations shall be applicable to such closed areas, in accordance with Article 13 of the trusteeship agreement, shall be exercised by the President: *And provided further*, That the Secretary of the Interior shall keep the Secretary of State currently informed of activities in the trust territory affecting the foreign policy of the United States and shall consult with the Secretary of State on questions of policy concerning the trust territory which relate to the foreign policy of the United States, and that all relations between the departments and agencies of the Government and appropriate organs of the United Nations with respect to the trust territory shall be conducted through the Secretary of State.

SEC. 2. *Redelegation of authority.* The executive, legislative, and judicial authority provided for in section 1 of this order may be exercised through such officers or employees of the Department of the Interior, or through such other persons under the jurisdiction of the Secretary of the Interior, as the Secretary may designate, and shall be exercised in such manner as the Secretary, or any person or persons acting under the authority of the Secretary, may direct or authorize.

SEC. 3. *Cooperation with Department of the Interior.* The executive departments and agencies of the Government shall cooperate with the Department of the Interior in the effectuation of the provisions of this order.

SEC. 4. *Prior orders.* To the extent not heretofore superseded or otherwise rendered inapplicable, the following are hereby superseded:

(1) Executive Order No. 10265 of June 29, 1951.

(2) Executive Order No. 10408 of November 10, 1952.

(3) Executive Order No. 10470 of July 17, 1953.

SEC. 5. *Saving provisions.* (a) Existing laws, regulations, orders, appointments, or other acts promulgated, made, or taken by the Secretary of the Interior or his delegates under the authority of Executive Order No. 10265, as amended and in effect immediately prior to the effective date of this order, shall remain in effect until they are superseded in pursuance of the provisions of this order.

(b) Nothing contained in this order shall be construed as modifying the rights or obligations of the United States under the provisions of the trusteeship agreement or as

affecting or modifying the responsibility of the Secretary of State to interpret the rights and obligations of the United States arising out of that agreement.

SEC. 6. *Effective date.* The provisions of this order shall become effective on July 1, 1962.



THE WHITE HOUSE,

May 7, 1962.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### U.S. Repeats Desire for Conclusive Agreement on Nuclear Testing

*Statement by Arthur H. Dean*<sup>1</sup>

This is a day the United States had hoped would not have to come about. The resumption of nuclear weapons tests in the atmosphere has been undertaken by my Government with the utmost regret and the deepest reluctance.<sup>2</sup> The security requirements which underlie this decision have been made clear by the President of the United States.<sup>3</sup>

We are certain that the representatives at this conference do not need to be told of the unsparing efforts we have made to achieve a safeguarded test ban agreement that would put a stop forever to the deadly competition in the testing of nuclear weapons.

This has been prevented by the adamant position of the Soviet Union, which has, successively, broken the 3-year informal truce on nuclear weapons testing, rejected the fruits of three and a half years of most painstaking negotiation, reversing its own position in the process, and has in unequivocal terms repeated its unwillingness to

accept the very principle of international verification.

In taking this position the Soviet Union has claimed it must do so to protect itself against Western "espionage." We have carefully explained why we believe this charge is without foundation,<sup>4</sup> and we have repeatedly asked the Soviet Union to specify precisely the basis for its fears so that we may try to find ways to eliminate any legitimate objections the Soviet Union may have. It has thus far failed to do so.

The Soviet Union has claimed that the international control system which had been carefully worked out was no longer necessary because of new technical developments. Yet they remain silent in the face of our repeated requests to produce any new technical data or evidence available to them.

The United States believes that we must press on in this conference in our efforts to achieve a nuclear test agreement with safeguards. When such an agreement is signed, tests can be ended in confidence. We believe that the joint memorandum of the eight new members of this committee should be explored on an urgent basis in order to determine what possibilities for agreement it presents.

Short of such an agreement, however, the

<sup>1</sup>Made before the Conference of the 18-Nation Committee on Disarmament at Geneva on Apr. 26. Ambassador Dean is U.S. Representative at the conference.

<sup>2</sup>For background, see BULLETIN of May 14, 1962, p. 795.

<sup>3</sup>*Ibid.*, Mar. 19, 1962, p. 143.

<sup>4</sup>For a statement by Secretary Rusk before the 18-Nation Disarmament Committee on Mar. 23, see *ibid.*, Apr. 9, 1962, p. 571.

United States cannot accept a situation wherein it voluntarily refrains from testing and which leaves the Soviet Union free to do as it did in September of 1961, when it betrayed the hopes and expectations of mankind by launching a massive secretly prepared series of nuclear tests.<sup>5</sup> The last year has taught us with great clarity that such a situation is not compatible with the national security requirements of the United States, and we do not propose to gamble with our security.

The United States delayed resuming nuclear tests in the atmosphere for many months after the Soviet Union broke the moratorium last autumn. We continued to hope that an agreement could be reached which would take nuclear weapons testing out of the arms race. We were willing to forgo a further series of tests despite the military gains made by the Soviet Union in its own series. This has not been possible, and, therefore, the United States must treat the testing of nuclear weapons in the same way it approaches any other aspect of defense preparations.

It remains a prime objective of United States policy to end all nuclear weapons testing permanently and as quickly as possible. We are fully aware that the security conferred on us by the arms race is a most precarious one, and we must spare no effort of will or imagination in our search for an alternative. We firmly believe that negotiations on this matter must go forward, and we will use our best efforts to see that these negotiations are continued until an agreement has been reached which will give all countries a true assurance that nuclear tests, in all environments, have in fact ended and which will not leave as dupes or victims those who are prepared to show good will and good faith.

## Current U. N. Documents: A Selected Bibliography

*Mimographed or processed documents (such as those listed below) may be consulted at depository libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y.*

### Economic and Social Council

Report on work being done in the field of nonagricultural resources. E/3578. February 7, 1962. 29 pp.

- Statistical Commission. Systems of industrial statistics of five highly industrialized countries. E/CN.3/285. February 8, 1962. 102 pp.
- Question of a declaration on international economic co-operation. E/3579. February 8, 1962. 12 pp.
- New sources of energy and energy development. E/3577. February 9, 1962. 149 pp.
- Statistical Commission. Survey of national accounting practices. E/CN.3/291. February 12, 1962. 32 pp.
- Statistical Commission. Progress report on 1960 world population and housing census programs. E/CN.3/295. February 15, 1962. 34 pp.
- Revision of the agreement between the United Nations and UNESCO. E/3588. February 19, 1962. 7 pp.
- Statistical Commission. Some recent problems and developments in industrial statistics. E/CN.3/287. February 20, 1962. 39 pp.
- Social Commission. Problems of planning for balanced economic and social development. E/CN.5/365. February 23, 1962. 17 pp.
- Progress report on concerted action in the field of industrialization. E/3574. February 28, 1962. 11 pp.
- Economic and social consequences of disarmament. E/3593 and Corr. 1. February 28, 1962. 95 pp.
- Second biennial report of the U.N. Water Resources Development Center. E/3587. March 5, 1962. 78 pp.
- United Nations Children's Fund. E/3591. March 8, 1962. 23 pp.
- Social Commission. Report of the *ad hoc* group of experts on housing and urban development. E/CN.5/367. March 16, 1962. 174 pp.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

#### Atomic Energy

- Amendment to Article VI.A.3 of the Statute of the International Atomic Energy Agency (TIAS 3873). Done at Vienna October 4, 1961.<sup>1</sup>
- Acceptances deposited:* India, May 10, 1962; Israel and Venezuela, May 7, 1962; Korea and Lebanon, May 4, 1962; United States, April 10, 1962.
- Ratified by the President:* April 10, 1962.

#### Aviation

- Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.
- Adherence deposited:* Congo (Brazzaville), April 26, 1962.

#### Finance

- Articles of agreement of the International Development Association. Done at Washington January 26, 1960. Entered into force September 24, 1960. TIAS 4697.
- Signature and acceptance:* El Salvador, April 23, 1962.

<sup>5</sup> For background, see *ibid.*, Sept. 18, 1961, p. 475.

<sup>1</sup> Not in force.

## Oil Pollution

International convention for the prevention of pollution of the sea by oil, with annexes. Done at London May 12, 1954. Entered into force July 26, 1958; for the United States December 8, 1961.

*Acceptance deposited:* Liberia (with reservations), March 28, 1962.

## Postal

Universal postal convention with final protocol, annex, regulations of execution and provisions regarding air-mail with final protocol. Done at Ottawa October 3, 1957. Entered into force April 1, 1959. TIAS 4202.

*Adherence deposited:* Liechtenstein, April 13, 1962.

## Telecommunications

International telecommunication convention with six annexes. Done at Geneva December 21, 1959. Entered into force January 1, 1961; for the United States October 23, 1961. TIAS 4892.

*Ratifications deposited:* Canada, March 26, 1962;<sup>2</sup> Rumania, March 19, 1962.<sup>3</sup>

*Accessions deposited:* Ecuador and Mauritania, April 18, 1962.

## Whaling

International whaling convention and schedule of whaling regulations. Signed at Washington December 2, 1946. Entered into force November 10, 1948. TIAS 1849.

*Adherence deposited:* Netherlands, May 4, 1962.

## BILATERAL

### Canada

Agreement for the construction by the United States in Canadian territory of three additional pumping stations on the Haines-Fairbanks Pipeline. Effected by exchange of notes at Ottawa April 19, 1962. Entered into force April 19, 1962.

### Ceylon

Agreement amending and extending the agreement of May 12 and 14, 1951, as amended (TIAS 2259 and 4436), relating to the facilities of Radio Ceylon. Effected by exchange of notes at Colombo April 30, 1962. Entered into force April 30, 1962.

### Food and Agriculture Organization

Agreement between the United States and the Food and Agriculture Organization of the United Nations (FAO) concerning the Peace Corps. Effected by exchange of notes at Rome March 23 and 29, 1962. Entered into force March 29, 1962.

### Greece

Agreement relating to the loan of additional vessels to Greece. Effected by exchange of notes at Athens April 4 and 14, 1962. Entered into force April 14, 1962.

<sup>2</sup> With reservation contained in final protocol.

<sup>3</sup> With declaration contained in final protocol.

## Guinea

Agreement relating to investment guaranties. Effected by exchange of notes at Washington May 9, 1962. Entered into force May 9, 1962.

## 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 exchange of notes. Signed at New Delhi May 1, 1962. Entered into force May 1, 1962.

## Mexico

Agreement further amending the agreement of August 10 and September 26, 1951, as amended (TIAS 2366 and 2654), relating to the allocation of television channels along the U.S.-Mexican border. Effected by exchange of notes at México September 8 and 24, 1959. Entered into force September 24, 1959.

## Netherlands

Agreement relating to the use of Zanderij Airport in Surinam by United States aircraft. Effected by exchange of notes at Paramaribo April 24, 1962. Entered into force April 24, 1962.

## Uruguay

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 exchanges of notes. Signed at Montevideo April 27, 1962. Entered into force April 27, 1962.

## Yugoslavia

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 73 Stat. 610; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Belgrade April 21, 1962. Entered into force April 21, 1962.

Agreement amending the agricultural commodities agreement of December 28, 1961 (TIAS 4923). Effected by exchange of notes at Belgrade April 21, 1962. Entered into force April 21, 1962.

## DEPARTMENT AND FOREIGN SERVICE

### Designations

William H. Brubeck as Special Assistant to the Secretary of State and Executive Secretary of the Department, effective May 14. (For biographic details, see Department of State press release 265 dated April 24.)

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299	5/8	Visit of Polish Foreign Trade Minister.
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*303	5/9	Cultural exchange (Japan).
†304	5/10	<i>Foreign Relations</i> volume, Europe, 1942.
*305	5/10	Bowles: ADA Roosevelt Day dinner (excerpts).
*306	5/11	Itinerary for visit of President of Ivory Coast.
307	5/11	Mali credentials (rewrite).
†308	5/12	Ball: "American Business Abroad."

\*Not printed.  
†Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

# Bulletin

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# America's Destiny in the Building of a World Community

*Address by Secretary Rusk<sup>1</sup>*

It is a great personal pleasure for me to be at the University of Tennessee for your symposium to mark the 20th anniversary of your department of political science. As you may know, I was by profession a teacher of political science—though some of my colleagues may consider me something of a fugitive who has fallen from grace. When I left a department of political science to join the Army it was with every intention of returning. That was 22 years ago! Some day I shall yet get back.

The service your own department of political science has rendered during this period deserves the thanks of the Nation as well as all Tennesseans. It has fulfilled its role by helping to prepare thousands of students to become more understanding and effective citizens in an increasingly complex world. Its graduate program is training teachers needed in classrooms throughout the Nation. It has gone beyond these traditional services; through its bureau of public administration and municipal technical advisory service, it provides a wide range of skilled professional help to State, county, and city governments.

The department has added to these invaluable domestic services a pioneering service abroad as the first American institution to provide technical assistance in public administration to Latin American governments as part of the U.S. foreign aid program. Training in public administration is a fundamental need in many developing nations;

the work done by this university in Panama and Bolivia helps to show the way for the expanded effort to come as part of the Alliance for Progress.

The theme of your symposium is "Government and World Crisis." You have heard distinguished addresses on the meaning of our democratic government, the role which the United Nations may play in economic development, and the hopes for the Alliance for Progress. Perhaps I can contribute something by discussing the great revolutionary forces which are at work in our era, the crises which they generate, and the central goal which we seek to achieve—a world community of free and independent nations living at peace.

This theme is particularly appropriate at this place and time because two Southern statesmen did more than most to shape our modern concept of such a world community. I think especially of Cordell Hull of Tennessee and George Marshall of Virginia.

That great Tennessean in a long life of magnificent service personally initiated many of the fundamental policies which now guide the course of our country and the world toward the creation of the community of free nations. He was the great proponent of the good-neighbor policy with Latin America. He was the apostle of freer and expanding trade. He was the father of the United Nations and the architect of the structure of non-partisan support for it and for the fundamentals of our foreign policy. He was, with George Marshall, a deserving recipient of the Nobel Prize for Peace.

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<sup>1</sup>Made at the third annual symposium on "Government and World Crisis" at the University of Tennessee, Knoxville, Tenn., on May 17 (press release 319).

## The Age of Revolution

We live in an era when tremendous, often conflicting, forces are pressing for change. Among these is the force of scientific knowledge, expanding in a progression of endless and breathtaking momentum. We are learning at one and the same time the secrets of the more abundant life and of a more immediate destruction. For the first time in human history there is the possibility that the world can provide adequate resources to feed, house, and educate its people and to maintain their health and welfare. Yet this same science has brought about a radical change in the destructive potential of military weapons—with the power of offensive nuclear weapons for the present far outstripping the defensive.

Against this background of scientific change there are at work three other forces of revolutionary power whose interplay determines that we live in an era of recurring crisis.

The first and oldest of these is the revolution of freedom. It is our own revolution. It is, I believe, without question the strongest political force in the world today.

Its concept is magnificently simple. It was stated by Thomas Jefferson with an eloquence which will never die:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, *deriving their just powers from the consent of the governed*. That whenever any Form of Government becomes destructive of those ends, it is the Right of the People to alter or abolish it, and to institute a new Government, laying its foundations on such principles and organizing its powers *in such form, as to them shall seem most likely to effect their Safety and Happiness*.

These words declare the fundamental basis of the community of free nations. It is our belief that governments derive their just powers from the consent of the governed, that it is the right of each people, in establishing their government, to do so *in such form as to them* seems most likely to effect their safety and happiness.

Although Jefferson's language was in the mainstream of centuries of Western thought, aspiration, and experience, it has meaning in every quarter of the globe—on both sides of the Iron Curtain—and it converges with canons developed independently out of the history and culture of

non-Western societies. We should never let ourselves believe that the thrust for human freedom is a peculiar creation and concern of the West.

The revolution of freedom confronts the second great force at work today—the counterrevolution of coercion. Its purpose is to destroy freedom. It does not concede the existence of unalienable rights. Its government is not based upon the consent of the governed but upon the will and force of the governing. It does not concede the right of each people to choose their own form of government but is determined to impose a monolithic form, based on a historical dogma enshrined as doctrine.

The leaders of international communism are not content to rely on their faith in the inevitability of its victory. They know that what they want must be achieved against the will of the majority and that tight conspiratorial organization must substitute for popular support if they are to win.

In 40 years they have expanded their power from a small revolutionary party in Russia to control by force of all or parts of 18 nations with some 1 billion people, a third of the world's population.

I have emphasized "to control by force" for it is significant that not a single nation has installed the rule of communism by the free choice of its own people. In not one case have the masters of international communism allowed the people of any nation under their dominion to choose whether they wish to "institute a new Government . . . in such form, as *to them* shall seem most likely to effect their Safety and Happiness."

This is a matter which the peoples of scores of former colonies, given their freedom of choice by the Western nations, must have pondered, for not one of them has passed behind the curtain.

The third great revolution is the revolution of progress. It has long affected the Western World. The industrial revolution, when tempered by social reforms, has brought with it the sharp and increasing rise in Western standards of living; it is a revolution which now attracts the people of the developing nations of Asia, Africa, and Latin America. The intensity of the desire for progress felt by the people of these nations springs from the poverty and misery of their lives. Their average per capita output is only about one-twentieth of ours. A third or fewer may be literate. Their

average life expectancy is perhaps one-half our own. These peoples are determined to have economic progress for themselves and their children. They are also determined to have rapid social progress: opportunities for education, for health, for homes, for employment, and for a more equitable share of the products of their labor. And they know that the dignity and status of their nations on the world scene depend ultimately on their capacity to absorb effectively into their societies the fruits of modern science and technology.

The converging forces of the desires for material progress, social justice, and modern nationhood are compelling. Yet the peoples involved do not in many cases yet have the technical and managerial skills or the capital to create the progress to which they understandably aspire. But they will not be denied. They are, therefore, turning to the more highly developed nations for help. The future of the world and our own peace and prosperity will almost certainly depend on the character of our response.

#### **An Era of Crises**

I have referred to these revolutionary forces because I believe recognition of them helps us to understand more fully the era of crises in which we live.

These crises are not unrelated. They are the result of the internal stresses and the collisions of the revolutionary forces I have described. With one or two exceptions such as Berlin, the crises of the past decade have arisen in the newly independent or newly developing areas of the world. And the great majority are the result of the efforts of international communism to seize and direct the revolutions of independence and of progress in those nations. The Communists did not create the revolutionary forces at work in the less developed areas; but they aim to exploit them to the full. They aim to isolate, neutralize, subvert, and take over the less developed nations as opportunity and their own ingenuity permit. There is a time, they say, for every fruit to fall from the tree.

#### **Toward the Community of Free Nations**

These then are the great revolutionary forces and the fundamental crisis of our time. What is our policy to be? It must be to get on with our

main task—to move forward to build, protect, and extend a community of free nations. In this task we will find common ground with allied, neutral, and uncommitted nations alike. In this task also we will be true to our own heritage, to the most profound motivations of our history as a people.

Thomas Jefferson's declaration of the rights of all free peoples in 1776 was echoed by Woodrow Wilson, who said to the Nation in 1917:

. . . the right is more precious than peace, and we shall fight for the things which we have always carried nearest our hearts—for democracy, for the right of those who submit to authority to have a voice in their own Governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free.

A generation later this fundamental declaration was reechoed by Cordell Hull in the Charter of the United Nations. It called for a community of independent nations, each free to create its own form of government but all committed to work together for progress in peace. It looked toward the strengthening of human rights, the solution of economic and social problems by cooperative effort, the rule of law above the rule of force, and, by the limitation and reduction of arms, the freeing of mankind from its most costly burden. Our nation gladly accepted these principles with the support of an overwhelming majority of our people and a near unanimous vote of our Senate.

The declarations of Jefferson, of Wilson, and of Hull are among the stars by which we chart our course. As President Kennedy said in his message on the state of the Union:<sup>2</sup>

. . . our basic goal remains the same: a peaceful world community of free and independent states, free to choose their own future . . . so long as it does not threaten the freedom of others. . . . We can welcome diversity—the Communists cannot. For we offer a world of choice—they offer a world of coercion. And . . . freedom, not coercion, is the wave of the future.

The President thus calls upon us to resume our leadership in the revolution of freedom and to join with it our leadership in the revolution of economic and social progress.

This is a noble task, worthy of our people. It is the task of uniting the nations into one great family of man. It is the dream of the ages toward

<sup>2</sup> For text, see BULLETIN of Jan. 29, 1962, p. 159.

which, with energy and devotion, we may make true progress in our lifetimes.

How shall we work toward this goal?

To move forward toward this large objective we are pursuing six basic policies.

#### **Maintaining U.S. Strength and Determination**

First, we must maintain the strength and determination of our own nation. "America, the hope of the world" was never an idle phrase. It is an image that every American generation must recreate by its own efforts and performance. It is an image which others will not confer upon us, except it be earned.

The world of coercion engages in a ceaseless drumfire of propaganda to convince the peoples of the newly developing nations that communism is the road to progress. The most effective response is to show those peoples what free peoples have achieved and are achieving in freedom and to work and learn with them how, in their societies, progress and freedom can go forward together.

The advances we have made here in the South, in my own lifetime since I was a boy on a Georgia farm, provide a most impressive example of the progress which can be made in freedom.

Only three decades ago, just before the Tennessee Valley Authority was created, our Southland had many of the characteristics of an underdeveloped area. In the deep depression year of 1933 the average per capita income here in the valley region was \$168, or 45 percent of the national average. Now it is \$1,490—up to 65 percent of the national average and still growing. In 1933 only three farms in a hundred had electricity—and for most of them this meant only electric lights. Now 98 percent of the farms have electric service with all this means in terms of light, the convenience and sanitation of running water, refrigeration and its benefit to the family and the commercial storage of food, and farm shops and equipment with their aid to farm production—and I cannot forget some of the burdens which electricity has lifted from our women. In 1933 in malarious areas, one-third of the population was infected, with the consequent effects of misery and impaired ability to farm and work. Now, I understand, it has been over 10 years since a single case of malaria of local origin has been found in the Tennessee Valley.

In this same period there has been a basic revolution in agriculture. The region has moved to a highly diversified agriculture. There has been a steady increase in acreage devoted to hay and pasture and the production of livestock and livestock products. Seedlings initially supplied by the TVA and now by the States—planted by the farmers to replace the thinned-out and rundown forests and to protect the waterheads—are now the source of a great and growing forest industry. There is a certain poignancy in the fact that unemployed CCC [Civilian Conservation Corps] boys in the thirties planted seedlings which today are producing new jobs. At the same time, employment in industry has risen from less than 190,000 to over 440,000.

This unfinished process carries lessons of great value to the leaders of scores of nations striving to guide the economic growth of their peoples. It is no wonder that some 3,000 visitors from foreign nations come to your Tennessee Valley region each year to see this process at work.

What they see is a fine example of the American system in action. The people of all our States, acting through the Federal Government, made this investment in the Tennessee Valley Authority to attack the basic problems of the area, particularly water, land, and forests. This was done under our Federal system in a way designed to encourage and strengthen the local governmental institutions and private enterprise in the area. The purpose was to enable them to have an increasing capacity to stand on their own feet and to contribute to the education, health, and social progress of their own people and, through rising incomes and taxable revenues, to contribute strength to the whole nation and, indeed, to the free world.

We who have day-to-day responsibility in foreign policy count your performance in the Tennessee Valley a major national asset on the world scene.

And what has been done here is only illustrative of the Nation. The increase in the national product of our country in these past 30 years is greater than the entire national product of the Soviet Union today.

We cannot, and I know we will not, rest where we now stand. It is imperative that we increase our present rate of growth, that we increase our productivity and our competitive position; for our

world position rests on our ability to maintain a large surplus in our balance of payments to finance our expenses abroad in the defense of freedom.

### **Maintaining Western Military Strength**

The second main policy we follow is to maintain our own military strength and that of allied and friendly nations abroad. As tragically wasteful as it is in manpower and resources, a defensive shield is necessary if we are to have freedom of action to move toward the community of free nations. No nation now free could long remain free if the military power and will of free nations, both allied and uncommitted, were not available to deter and counter aggression. On our own part we must maintain great and varied forces, capable of responding to a variety of challenges. We must have not only an effective and flexible nuclear striking force but also conventional forces of great power and mobility and a capability for helping other free nations defend themselves against guerrilla and other subversive attacks. For the Communist assaults against the free nations will continue to be carefully calculated to probe points of weakness—points remote from the centers of free-world power where local conditions hold open the opportunity of advantage to be gained by limited, often surreptitious, force.

We must not let ourselves be frozen in our choices so that, when these remote and varied attacks take place against a member of the free community, we are limited either to submission or to resort to forces of unlimited and uncontrollable destruction.

The defense of the free world should not, however, depend only upon our strength and our will. It must also depend upon the strength and the will of the nations whose freedom is directly threatened. It is essential, therefore, that the nations along the frontiers of freedom have forces trained, equipped, and available on their own home soil at points where aggression—direct or concealed—may come.

Our foreign military assistance program is the principal means by which we help sustain our worldwide collective security systems and the strength and will of free nations. It is an essential part of our total U.S. defense. We should never underestimate the value of this program. The Chairman of the Joint Chiefs of Staff has de-

clared that no amount of money spent on our own forces could give the United States a comparable asset of trained, well-equipped forces, familiar with the terrain and in a suitable position for immediate resistance to local aggression. I would add that, without the confidence which the people of nation after nation have developed from the presence of their own forces to which we have given arms and training, the existing structure of free and independent nations might well have crumbled long ago.

### **Consolidating Ties of Industrialized Nations**

Third, we should press forward with our efforts to strengthen and consolidate the bonds between the already more highly industrialized nations, such as our allies of Western Europe, Canada, and Japan.

In Europe, after the war, we have already taken one of the most daring steps in all history—the Marshall plan. The Marshall plan achieved its goal. It not only made possible the revival of a free and vigorous economy in Europe; it laid the foundation for evident and decisive progress toward realization of a centuries-old dream, a united Europe.

In 1957 six nations of Europe—France, Italy, Germany, Belgium, the Netherlands, and Luxembourg—joined together in the Treaty of Rome, creating the European Economic Community. This was a solemn act of great political significance. Although we hear most of the customs union, which is rapidly taking shape under it, the Community has far larger political implications. The main force behind the creation of the Community was the desire to lay the groundwork for a unified Europe.

The treaty provides for the creation of an executive, a parliamentary body, and a court of justice. It provides also for a wide range of common action covering all aspects of economic integration, including the free movement not only of goods but of labor, capital, and services.

I stress these larger political implications of the European Community because as it continues to progress, and if the negotiations initiated by Great Britain to join the Community succeed, there will be created on the other side of the Atlantic a great community of states which will embrace a population of about a quarter of a billion

people whose gross national products on the basis of the latest figures would approximate \$350 billion—a unit larger in population and resources than the Soviet Union.

This new great center of power and commerce and we ourselves will remain deeply interdependent. If their strength is combined through close economic relations, there will be a consolidation of the strength of the great industrial powers of the free world which cannot be matched within the predictable future. We must see to it that trade shall not become a source of difference and discord between us but a cement to bind our policies more closely together.

This is the purpose of the trade expansion legislation which President Kennedy has proposed to the Congress.<sup>3</sup> It is founded upon the same concepts which Cordell Hull declared as the great spokesman of reciprocal trade. Its enactment will provide the opportunity for the President to work out with the Common Market trading arrangements which will serve to consolidate the strength of our two great industrial complexes. It will afford market opportunities for American exporters of a kind unequaled in our history as a trading nation. It will open up to American producers mass markets of a kind hitherto known only in the United States.

On the other hand, if we fail to take advantage of this great political and economic opportunity, that failure can be disastrous. For we have to sell our products over the barrier of a common external tariff while the producers of the same goods within any of the Common Market countries will be able to sell in the entire Common Market without the equalizing tariffs which in many cases now exist. At the same time, we will have put in motion divisive processes which can lead to dangerous weakening of the free world's strength.

We look to cooperation with a united Europe not only in trade but in the other tasks essential to building and defending a free community. These tasks cannot be discharged by the United States alone or by Europe alone. We need a strong partner in a close partnership with us. The strong partner will be an integrated Europe. The close partnership will be an increasingly cohesive Atlantic community, within whose framework we and Europe can work closely together.

<sup>3</sup> For text of President Kennedy's message to Congress, see *ibid.*, Feb. 12, 1962, p. 231.

While we look to Europe for new strength, we cannot forget that we are a Pacific as well as an Atlantic power. In the Pacific are old and trusted friends—the Philippines, Australia, New Zealand, and the people of free China. In the postwar world new ties have been woven with the peoples of Korea and Southeast Asia. And in Japan we have a close and vital partner which, after a period of substantial American aid, has achieved a dramatic economic revival and growth and which has joined with other industrialized nations of the Northern Hemisphere to aid the less developed areas of the world.

#### **Long-Term Partnership With Developing Nations**

The fourth component of our policy is a long-term partnership with the developing nations of Latin America, of Africa, and Asia to assist them in their plans to carry forward the revolution of economic and social progress. This is a great task and an historic opportunity. It is also immensely complex; and it will take time.

These nations are at different stages along the road to self-sustaining growth. Each has its own special problems. But through them all there runs a determination that their nation shall have a place of dignity on the world scene and that they and their children shall have lives of greater opportunity. They know these large national and human objectives require that they modernize their economies and learn how to grow. It is our purpose to aid them in this massive and intricate historical process.

Many things are required, but this above all is true: Our loans and technicians can only help them to the extent that they can use such help. They must set their targets in terms of their aspirations; they must devise their plans and projects; they must mobilize the administrators, foremen, workers to move the earth and build the structures required for a modern economy. At every step of the way we can help—but only marginally. No amount of American aid can substitute for self-help.

That is why we are shifting our aid program to a long-term development basis where our assistance will flow to those nations who demonstrate a capacity and a will to organize their own resources.

The job will be long—longer than the Marshall plan. Our working horizon should be the Decade of Development. By the end of a decade the job

will not be done, but the bulk of the peoples in the underdeveloped areas should be well along the road to self-sustained growth. This is the purpose of our programs of foreign aid, of the Alliance for Progress, and of the Peace Corps.

It is against this background of thought over a long period of time that the Congress last year gave the administration authority to enter into long-term aid programs and commitments—an essential feature if our resources are to be effectively used.

I would call to your attention one specific aspect of the development task: the role of education. In our own country we did not wait to become rich before we built our educational system. We created it, and our trained people were then better able to create our wealth. The more we learn about economic growth—in developed as well as underdeveloped societies—the greater the role of education appears to be.

You here at the University of Tennessee are particularly aware of this link. You and 68 other land-grant institutions—along with the entire Nation—are celebrating this year the 100th anniversary of the land-grant college system. It is almost impossible to exaggerate the effect which this system, originated in legislation offered by Senator Morrill and signed into law by President Lincoln in 1862, has had upon the economic and social progress of our country. It focused the educational system directly on the tasks of a developing nation; for we were at a stage then not very different from that of many nations we are aiding in various parts of the world.

The farm research and extension education conducted by our land-grant institutions has transformed American agriculture. When the program was inaugurated in 1862, 55 percent of our population was engaged in agriculture and one farm worker could produce only enough food for four to five other persons. Today only 8 percent work on our farms, and each worker is able to produce enough food for himself and some 26 other persons. We have been able to achieve in this peaceful agricultural revolution what the Communist system has not yet been able even to approach, with all the misery of their collectivist experiments.

Many lessons of development cannot be transplanted from one nation to another, but the achievements of the land-grant system and of our agricultural extension system carry a lesson of

universal significance to the less developed nations.

In our aid to these newly developing nations we believe that we should be joined by all the industrialized nations of the free world. Some of those whom we have aided in the past are now thriving. We can take a large measure of satisfaction that the flow of assistance from our NATO allies and Japan is substantially increasing. They are now providing in the neighborhood of \$2.3 billion per year. For some of them the portion of their gross national product which they contribute to this purpose is comparable to our own.

We believe also that the developing nations have and should use the opportunity to help each other. As they learn the lesson of development they may share their knowledge with others traveling the same road.

And finally we are determined that our aid program should be administered as efficiently as possible. The Agency for International Development (AID) in the Department of State in Washington has been reshaped and staffed with vigorous leaders determined to make each aid dollar obtain the greatest possible benefits.

President Kennedy has asked the Congress for the funds needed to carry forward our aid program for the coming fiscal year.<sup>4</sup> These funds are essential to maintain economic stability and the gathering momentum for development. The funds he has requested for these economic purposes, together with the necessary military assistance, total \$4,878 million, or less than 1 percent of the gross national product of our country. They are less than 5 percent of what the President is requesting for new obligational authority in his budget for the coming fiscal year, yet they are in the most literal sense vital to our security as a nation and to the future prosperity of our people. Without them we cannot carry forward the struggle for the independence of the underdeveloped areas and for progress in freedom.

This fundamental policy of aid to the developing nations is strongly bipartisan in its origins and rests on a firm basis of support by the leaders of both parties. Former President Eisenhower said of our aid program:<sup>5</sup>

We cannot safely confine Government programs to our own domestic progress and our own military power. We

<sup>4</sup> For text of the President's message to Congress, see *ibid.*, Apr. 2, 1962, p. 550.

<sup>5</sup> *Ibid.*, Mar. 30, 1959, p. 427.

could be the wealthiest and the most mighty Nation and still lose the battle of the world if we do not help our world neighbors protect their freedom and advance their social and economic progress. It is not the goal of the American people that the United States should be the richest Nation in the graveyard of history.

### **Toward a Free-World Partnership of Equals**

The fifth element in our basic policy is a new concentration on the task of building a widening partnership between ourselves, the other nations of the Northern Hemisphere, and the new nations to the south. The purpose here is to help draw the new nations into a true free-world partnership among equals, thus to strengthen even further the links which bind the free community together. We seek to fulfill this purpose through many organizations which join free nations of the north and south in the common defensive and constructive tasks.

In our own hemisphere its basis is well established in the Alliance for Progress and the Organization of American States. For the Far East we see the Colombo Plan organization and the United Nations ECAFE [Economic Commission for Asia and the Far East] in the economic field; we see SEATO [Southeast Asia Treaty Organization] and ANZUS [Australia-New Zealand-United States] in the defense field. In the Middle East, countries with a common concern in the defense of this vital area have come together in CENTO [Central Treaty Organization]. In Africa we look to a variety of regional and subregional organizations whose activities may transcend the presently Balkanized structure of this emerging continent.<sup>6</sup> And in many of these areas the British Commonwealth and the French Community join former colonies and metropolises on a new basis of mutual respect and dignity.

The same principle of common effort for common ends is reflected in a number of specialized agencies in which the problems facing the free community are effectively addressed. The International Bank and its affiliate, the International Development Association, is taking an effective lead in bringing free nations together in aid to less developed areas. The International Monetary Fund helps these areas through fiscal crises

and helps to insure that the free community makes the most effective use of its total financial reserves. The General Agreement on Tariffs and Trade (GATT) is a useful forum for worldwide trade negotiation, in which the United States will continue to press for a reduction in artificial barriers to commerce.

Over and above these specialized agencies is the organization that Cordell Hull did so much to create: the United Nations. Its labors open new vistas of progress and greater stability for all mankind. We shall continue to sustain those labors with utmost determination. We will seek to strengthen the ways in which the U.N. contributes to economic development within the context of the United Nations Decade of Development. We will also make a particular effort to strengthen its peacekeeping machinery, including standby arrangements for the dispatch of U.N. observers or patrol forces to troubled areas.

In all these varied ways—and many that I have not mentioned—we seek to strengthen the organizational arrangements that bind the peoples of the Northern and Southern Hemispheres together in the free community. In these and many other ways the ties between the citizens of these new and old nations are becoming closer as they work together—under public auspices and in many private relationships—to fulfill the whole wide range of other ordinary human activities.

The task of working closely with many peoples to build an evolving community of nations is a relatively new experience in our national history. Yet of all nations ours is perhaps the one best adapted by its own national heritage for this task. We as a nation have received, absorbed in our national life, and lived peacefully with more people from more nations coming to our shores to seek freedom and opportunity than has any other nation of the world. I have no doubt that it lies within our power to apply to the world community the lesson of this unique national experience.

### **Position Toward Communist-Dominated Countries**

The sixth major element in our effort to build this community relates to our posture toward the countries under Communist rule, which have excluded themselves from its peaceful labors. We want to hold the community of nations open to all men and to seek to draw them into it, if they will

<sup>6</sup> For background, see *ibid.*, May 21, 1962, p. 841.

abandon their efforts to disrupt it in favor of constructive cooperation.

We have no illusions about the present intentions of the leaders of the Communist bloc and their dedication to the ultimate destruction of the independence of nations and of the freedom of individuals as we understand them. They tell us this plainly, and we see it in practice year after year.

Yet the great ideals of human freedom and of national independence are not confined to the peoples of the nations now free. We know that they are alive in the men, women, and children in nations now part of the international Communist system. We have seen that East Germany had to build a wall to prevent its lifeblood of technicians, workers, farmers, and ordinary people from flowing away to freedom into West Berlin. Yet we know that those people of East Germany, now behind barbed wire, still cherish their old cultural values, their aspirations, and their hope of freedom.

The entire Communist bloc is now caught up in a slow-moving crisis. Power is being diffused from the center, for the desire of men for national independence is universal—and no respecter of the Iron Curtain. The results of this massive and glacial movement cannot be expected soon. But human liberty within nations and independence among nations is based on the diffusion of power.

We cannot tell when or by what means the peoples and the nations still held under Communist domination may move toward freedom. Yet we must always leave the lamp of freedom lighted for them. We recognize them as brothers in the human race, and we look to the day when they may join us in common existence in the community of free men.

Meanwhile, when we are able to find common interests which the free world and the Communist bloc share we must be prepared to talk and negotiate about ways of acting together to fulfill those interests—even if they are narrow. By this slow process we may move toward a dampening of such crises as Berlin, a continuation of our exchange programs with the U.S.S.R., and new ventures of common advantage, as in Antarctica, public health, and outer space.

It is on this basis also that we are pressing the Soviet leaders to talk seriously about the problems of disarmament. Last year the President asked

for the establishment within the executive branch of a new Arms Control and Disarmament Agency.<sup>7</sup> Its purpose is to concentrate under one head experts to develop practical and effective plans to bring under control the weapons which threaten the very destruction of mankind.

At the disarmament conference now going on in Geneva we have tabled the most comprehensive proposal ever prepared for the reduction and control of armaments under proper safeguards.<sup>8</sup> This is unquestionably a proposal of the greatest magnitude, and we do not expect its acceptance without the most thoughtful examination by the Soviet leaders. At the same time, we believe that their reaction to it, after an appropriate time for study, will provide the clearest possible guide to the sincerity of their announced desire for reduction of armaments.

We also believe that the free world and the Soviets have a common interest in preventing the extension of the arms race into space and for the use of space for peaceful purposes. President Kennedy has therefore made serious proposals to Mr. Khrushchev that our nations work together on specified projects in meteorology, communications, and other peaceful uses of outer space.<sup>9</sup> The Soviet response to this proposal has been direct and encouraging. Negotiations are now in process, and we can hope that there is a real possibility of achieving a cooperative effort in this dramatic new sphere in which the two nations have shown such scientific skill and heroism.

We are also pressing for limited measures to reduce two key dangers resulting from an uncontrolled arms race. We are seeking such measures as a ban on nuclear testing<sup>10</sup> and the cessation of production of fissionable materials for weapons purposes in order to reduce the risk of nuclear proliferation. And we have proposed such steps as advance notification of military movements and exchange of observation posts—along with establishment of an international commission in which the U.S. and U.S.S.R. could discuss still further

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<sup>7</sup> For text of President Kennedy's message to Congress transmitting draft legislation, see *ibid.*, July 17, 1961, p. 99.

<sup>8</sup> For text, see *ibid.*, May 7, 1962, p. 747.

<sup>9</sup> For an exchange of letters between President Kennedy and Mr. Khrushchev, see *ibid.*, Mar. 12, 1962, p. 411, and Apr. 2, 1962, p. 536.

<sup>10</sup> For background, see *ibid.*, May 28, 1962, p. 888.

measures to reduce the risk of war by accident and miscalculation.

These matters will not move easily. Clearly we do not have such a good chance of success that we can afford to relax our efforts in other directions. But our effort to build a community of free nations would be incomplete if it did not include some steady patient efforts to reduce the hostile confrontation between that community and those who have declared themselves for another kind of world.

### **Our Destiny Is Still Before Us**

These are our goals. I believe they are our destiny.

The basis for my confidence is nowhere better stated than in the final passage of Cordell Hull's memoirs, which are the essence of my message to you this evening:

"I conclude these Memoirs with the abiding faith that our destiny as a nation is still before us, not behind us. We have reached maturity, but at the same time we are a youthful nation in vigor and resource, and one of the oldest of the nations in the unbroken span of our form of government. The skill, the energy, the strength of purpose, and the natural wealth that made the United States great are still with us, augmented and heightened. If we are willing from time to time to stop and appreciate our past, appraise our present and prepare for our future, I am convinced that the horizons of achievement still stretch before us like the unending Plains. And no achievement can be higher than that of working in harmony with other nations so that the lash of war may be lifted from our backs and a peace of lasting friendship descend upon us."

### **Letters of Credence**

#### *Dominican Republic*

The newly appointed Ambassador of the Dominican Republic, Andres Freites Barreras, presented his credentials to President Kennedy on May 18. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 322 dated May 18.

## **President Sends Troops to Thailand, U.S. Policy Toward Laos Unchanged**

*On May 15 President Kennedy at the invitation of the Royal Thai Government ordered U.S. troops into Thailand because of attacks in Laos by Communist forces. Following are statements issued by President Kennedy and the Royal Thai Government on May 15; the text of a letter from Ambassador Charles W. Yost, Deputy U.S. Representative to the United Nations, to the U.N. Secretary-General informing him of the U.S. action; and a statement made by William Worth, Deputy Secretary General of the Southeast Asia Treaty Organization, at the conclusion of the meeting of SEATO Council representatives on May 16.*

### **STATEMENT BY PRESIDENT KENNEDY, MAY 15**

White House press release dated May 15

Following joint consideration by the Governments of the United States and Thailand of the situation in Southeast Asia, the Royal Thai Government has invited, and I have today ordered, additional elements of the United States military forces, both ground and air, to proceed to Thailand and to remain there until further orders. These forces are to help insure the territorial integrity of this peaceful country.

The dispatch of United States forces to Thailand was considered desirable because of recent attacks in Laos by Communist forces and the subsequent movement of Communist military units toward the border of Thailand.

A threat to Thailand is of grave concern to the United States. I have, therefore, ordered certain additional American military forces into Thailand in order that we may be in a position to fulfill speedily our obligations under the Manila Pact of 1954,<sup>1</sup> a defense agreement which was approved overwhelmingly by the U.S. Senate and to which the Secretary of State and Foreign Minister of Thailand referred in their joint statement of March 6, 1962.<sup>2</sup> We are in consultation with SEATO governments on the situation.

I emphasize that this is a defensive act on the part of the United States and wholly consistent with the United Nations Charter, which specifi-

<sup>1</sup> For text, see BULLETIN of Sept. 20, 1954, p. 393.

<sup>2</sup> For text, see *ibid.*, Mar. 26, 1962, p. 498.

cally recognizes that nations have an inherent right to take collective measures for self-defense. In the spirit of that charter I have directed that the Secretary-General of the United Nations be informed of the actions that we are taking.

There is no change in our policy toward Laos, which continues to be the reestablishment of an effective cease-fire and prompt negotiations for a government of national union.

#### **THAI STATEMENT, MAY 15**

The recent events in the Kingdom of Laos have now developed into an increasingly critical and dangerous situation. The pro-Communist Pathet Lao, with the support of several Communist countries, has engaged itself in premeditated actions by the seizure of Muong Sing and Nam Tha in deliberate and flagrant violation of the cease-fire agreement. Moreover, the pro-Communist elements have pushed their forces in the southwestern direction toward that Thai border. Such incursions can only mean that the pro-Communist elements not only seek to gain power over and to control the Kingdom of Laos, but also desire to expand further their domination and influence without limit. These circumstances constitute a threat to the Kingdom of Thailand and the safety of the Thai people.

In the face of this threat, His Majesty's Government and governments of friendly nations which are concerned over the security and safety of Thailand consider it necessary to adopt measures to prevent the danger from spreading into this country.

In consideration of the provisions of the joint statement of March 6, 1962, issued by the United States Secretary of State and the Minister of Foreign Affairs [Thanat Khoman], in which the following important provision is included: "The Secretary of State reaffirmed that the United States regards the preservation of the independence and integrity of Thailand as vital to the national interest of the United States and to world peace. He expressed the firm intention of the United States to aid Thailand, its ally and historic friend, in resisting Communist aggression and subversion", and pursuant to the obligations under the SEATO treaty, the United States Government and His Majesty's Government have agreed that some units of the United States forces be stationed

in Thailand for the purpose of cooperating with the Thai Armed Forces in defending and preserving the peace and security of the Kingdom of Thailand against the threat of the pro-Communist troops which are presently approaching the Thai territory.

It is hereby announced to the people of Thailand with the request that they cooperate fully with the Government in the firm determination to protect and maintain the freedom, integrity, independence and sovereignty of the Thai nation.

#### **LETTER TO U.N. SECRETARY-GENERAL, MAY 15**

U.S./U.N. press release 3994 dated May 16

MAY 15, 1962

DEAR MR. SECRETARY GENERAL: I wish to inform you that in response to a request of the Government of Thailand, the President of the United States has ordered additional elements of United States military forces to Thailand.

You will recall that, in his address on September 25, 1961<sup>3</sup> to the General Assembly, the President brought to the attention of the General Assembly two threats to the peace which caused concern to the United States. The first concerned Southeast Asia and the second Germany and Berlin.

Consistent with the policy of the United States to keep the United Nations fully informed as to events affecting the maintenance of international peace and security in Southeast Asia, I am informing you of the President's decision. This decision was considered necessary because of recent attacks in Laos by communist forces and subsequent movements of communist military units toward the border of Thailand. The forces of the United States are to help ensure the territorial integrity of Thailand which now faces a threat of communist aggression.

Sincerely yours,

CHARLES W. YOST

#### **SEATO STATEMENT, MAY 16**

The Council representatives met this morning and reviewed the situation in the treaty area. They heard statements from U.S. and Thai representatives of moves which have already begun for deployment of additional U.S. forces to help

<sup>3</sup> For text, see *ibid.*, Oct. 16, 1961, p. 619.

insure the territorial integrity of Thailand. The Council representatives welcomed the detailed information provided. They noted that continuing consultations were in progress among SEATO nations for the purpose of considering further possible moves by other member countries.

They further noted that movement of U.S. forces into the Kingdom of Thailand was entirely precautionary and defensive in character but that it also served as a warning that any Communist aggression would be resisted.

The movement of U.S. forces to cooperate with and to reinforce Royal Thai Armed Forces is wholly consistent with the United Nations Charter, and the Council representatives noted that the Secretary-General of the United Nations has been informed of the action taken.

All SEATO member governments have on many occasions publicly stated their desire for a united independent Laos, with a truly neutral government, and for the reestablishment of an effective cease-fire.

## Trade and the Atlantic Partnership

*Following is the text of remarks made by President Kennedy before the Conference on Trade Policy at Washington, D.C., on May 17, together with keynote remarks made by Secretary Rusk before the opening session of the conference on the same day.*

### REMARKS BY PRESIDENT KENNEDY

White House press release dated May 17; as-delivered text

The trade of a nation expresses in a very concrete way its aims and its aspirations. When the people of Boston in 1773 threw cargoes of tea into the harbor, the American Revolution was in effect underway, symbolized by this revolution against a tariff—a tariff which meant taxation without representation. When our nation turned, in the 19th century, to its own protective tariffs as an aid to industrial development, they symbolized a policy of noninvolvement and of isolation, of detachment, from the affairs of the world. When protectionism, in spite of the efforts of President Hoover, reached its zenith in the Smoot-Hawley tariff, it reflected a national lack of confidence and growth. And then, in 1931, under the leadership of Cordell Hull, the United States started on the long road back both from protectionism and isolationism.

As the reciprocal trade program was renewed and refined through 11 acts of Congress, under the successive leaderships of President Roosevelt,

President Truman, President Eisenhower, it became more and more an expression of America's free-world leadership—a symbol of America's aim to encourage free nations to grow together, through trade and travel, through a common defense, through aiding the development of poorer nations, and through an increasing exchange of capital and culture.

And now the time has come for a new chapter in American trade policy—a chapter that symbolizes our new great aspirations: for greater growth at home, greater progress around the world, and above all, the emergence of a greater Atlantic partnership.<sup>1</sup>

### Concept of Atlantic Partnership

In recent days some doubts have been heard about the reality of this concept of Atlantic partnership. Fears have been expressed on this side of the Atlantic that the United States may be excluded from the councils and the markets of Europe. And fears have been expressed on the other side of the Atlantic that the United States may some day abandon its commitment to European security.

But I want to emphasize tonight, to all the peoples of the Western alliance, that I strongly believe that such fears are folly. The United States

<sup>1</sup> For text of President Kennedy's message to Congress on trade, see BULLETIN of Feb. 12, 1962, p. 231.

cannot withdraw from Europe, unless and until Europe should wish us gone. We cannot distinguish its defenses from our own. We cannot diminish our contributions to Western security or abdicate the responsibilities of power. And it is a fact of history that responsibility and influence—in all areas, political, military, and economic—ultimately rise and fall together. No nation can long bear the heaviest burdens of responsibility without sharing in the progress and decisions, just as no nation can assert for long its influence without accepting its share of these burdens. And our policies in Europe today are founded on one deep conviction: that the threat to Western Europe and freedom is basically indivisible, as is the Western deterrent to that threat.

The United States, therefore, is committed to the defense of Europe, by history as well as by choice. We have no wish to join, much less to dominate, the European Community. We have no intention of interfering in its internal affairs. But neither do we hope or plan to please all of our European allies, who do not always agree with each other, on every topic of discussion—or to base those decisions which affect the longrun state of the common security on the short-term state of our popularity in the various capitals of Europe.

Let us remember that we are working with allies, with equals—and both our allies and ourselves have a responsibility to speak frankly as well as constructively on all issues affecting the West. If the alliance were to stand still, if we were to pursue a policy of merely patching over the *status quo* with the lowest common denominator of generalities, no doubt all disagreements could be avoided or postponed. But dissent does not mean disunity—and disagreement can surely be healthy, so long as we avoid, on both sides of the Atlantic, any ill-tempered or ill-conceived remarks which may encourage those who hope to divide and conquer.

We cannot and do not take any European ally for granted—and I hope no one in Europe would take us for granted either. Our willingness to bear our full share of Western defenses is deeply felt, but it is not automatic. American public opinion has turned away from isolation, but its faith must not be shattered. Our commitment, let it be remembered, is to a common, united defense, in which every member of the Western community plays a full and responsible role, to the limit of his capability and in reliance on the strength of

others; and it is that commitment which will be fulfilled. As long as the United States is staking its own national security on the defense of Europe, contributing today 425,000 men at an annual cost—in the balance of payments, and therefore in dollars, and therefore potentially in gold—of \$1,600 million to Europe, and calling up 160,000 men—at a budgetary cost of \$3,500 million since last July—in a far greater effort than that of any other country in response to last summer's crisis, we will continue to participate in the great decisions affecting war and peace in that area. A coherent policy cannot call for both our military presence and our diplomatic absence.

I am confident that Atlantic unity represents the true course of history—that Europe and the United States have not joined forces for more than a decade to be divided now by limited visions and suspicions. The direction of our destiny is toward community and confidence, and the United States is determined to fulfill that destiny.

Far from resenting the rise of a united Europe, this country welcomes it—a new Europe of equals instead of rivals—a new Europe, born of common ideals, instead of the old Europe, torn by national and personal animosities. We look forward to its increased role, as a full and equal partner, in both the burdens and the opportunities of aid, trade, finance, diplomacy, and defense. We look forward to the strengthening of world peace that would result from a European Community in which no member could either dominate or endanger the others. And surely, may I add, each member would find in the fabric of European unity and Atlantic partnership an opportunity for achievement of grandeur, and for a voice in its own destiny, far greater than it would find in the more traditional and vulnerable fabrics of disunity and mutual distrust.

The debate now raging in Europe echoes on a grand scale the debates which took place in this country between 1783 and 1789. Small states are sometimes fearful of big ones. Big states are suspicious for historical reasons of one another. Some statesmen cling to traditional forms—others clamor for new ones. And every eye is on the hostile powers who are never far away. All this reminds us of our own organic deliberations.

But whatever the final resolution of today's debates, Western unity is not an end in itself. Collective security and deterrence are not enough. The time and the opportunity that they afford us

are not worth the risk and the effort they require if we do not use them for constructive ends. If there is to be a new Atlantic partnership, it must be a partnership of strong, not weak, economies—of growing, not declining, societies. And the great attraction of trade expansion for the United States is not only its contribution to a grand design of Atlantic partnership but its practical benefits to our own economy as well.

For today we wish to step up our growth—and trade expansion, by increasing exports as well as imports and providing new outlets and new jobs, will help expand that growth.

### **Practical Benefits of Trade Expansion**

We wish to avoid inflation—and trade expansion, by inspiring American business to modernize for competition abroad and by introducing new import competition here, will help to prevent that inflation.

We wish to improve our balance of payments—and trade expansion, by increasing our export surplus, will enable us to correct this deficit without imposing new restrictions or reneging on our security pledges.

We wish to increase investment at home—and trade expansion, by putting American businessmen on an equal footing with their European counterparts in terms of access to the Common Market, will help make it unnecessary for our industries to build new plants behind the Common Market wall instead of here at home.

We wish to increase the American standard of living—and trade expansion, by enlarging the supply of goods from abroad and stretching the consumer's dollar further, will help every American family.

There are many more gains that could be mentioned. Trade expansion will help spur plant modernization; it will turn the attention of the Government and industry to how to make our plants more competitive and how to put them on a basis of equality with those goods that are being imported; it will help provide outlets for our farm surpluses and even help reduce existing budget costs—by lessening the costs of imported raw materials, for example, for our national defense and ultimately the cost of foreign aid to those nations now denied the opportunity to earn foreign exchange for their own development.

We have prospered mightily during this period

of the reciprocal trade program. Our exports, a meager \$2 billion a year during the 3 years before the enactment of the first Trade Agreements Act in 1934, have increased tenfold to some \$20 billion. Every American is richer because of this great effort.

And yet, until recently—and this remains one of our most serious problems today in the Congress—most Americans were largely unaware of the benefits of foreign trade. Many can “see” an import, but very few could “see” an export. While both labor and management in other nations—such as Britain and Japan—recognize that they must trade or die, we have for a long time remained, in both labor and management, largely unconcerned.

Today I believe all this is changing, but it's not, obviously, changing fast enough. American businessmen are determined to share in the phenomenal growth of the Common Market, but we want every American businessman to be looking all around the world for a place in which he can participate successfully in private investment. The Japanese economy as well is growing at the spectacular rate of 8 percent a year or more. Over the past 5 years Americans have sold in Japan \$1½ billion more than we have bought from Japan.

### **Trade Adjustment Assistance**

In short, this trade expansion program can benefit us all. I don't say that there won't be some changes in our economy which will require adjustment. But we will be producing more of what we produce best, and others will be producing more of what they produce best. There will be new employment in our growth industries—and this will come mostly in our high-wage industries, which are our most competitive abroad—and less new employment in some others. But these shifts go on every week in our lives, in this country, as the result of domestic competition. At the very most, the number of workers who will have to change jobs as a result of this new trade policy will not in a whole year equal the number of workers who have to change jobs every 3 weeks because of competitive changes here at home. And yet for these workers we are planning special assistance.

There may be a few cases—a very few cases—where individual companies or groups of workers will face genuine hardships in trying to adjust to

this changing world and market and lack the resources to do so. Our bill seeks to take out an insurance policy for these cases called trade adjustment assistance, which has worked so well in the Common Market. It is a constructive, business-like program of loans and allowances tailored to help firms and workers get back into the competitive stream through increasing or changing productivity. Instead of the dole of tariff protection, we are substituting an investment in better production.

In addition we have made special arrangements for such industries as textiles and oil. And finally, we are retaining an escape clause for those emergencies where an entire industry requires the temporary relief of tariff protection as the result of abrupt changes in trading patterns.

But let us not miss the real point: let us not focus ourselves so much on these insurance policies that we forget the great new positive opportunities opened to us in trade. To falter now or become afraid of economic challenges in this country which has been second to none in all of our history in our ability to compete, or become impatient in the face of difficult and delicate diplomatic problems, or make it impossible for those Americans who represent us in these negotiations to effectively speak for this country because of provisions written into bills which make it impossible for them—even though they bear the responsibility, they do not bear the authority if these powers are too circumscribed—so that we will end with an illusion of a tool to serve us, but not a reality. Unless we can concentrate our attention on what is an historic opportunity, we could well undo all the great achievements of this nation in building this great Atlantic community.

There is an old Chinese saying that each generation builds a road for the next. The road has been well built for us, and I believe it incumbent upon us, in our generation, this year of 1962, to build our road for the next generation. And I believe that this bill is it.

#### **REMARKS BY SECRETARY RUSK**

Press release 317 dated May 16

I consider it a great privilege to be the opening speaker at this gathering of the Conference on Trade Policy. I know you by your works. You and the organizations you represent have done much—over a span of many years—to guide this

nation on a course toward expanding economies and flourishing trade throughout the world. Through many renewals of the Trade Agreements Act you have fought valiantly on behalf of your organizations and your country.

I pay my respects to this distinguished service to the national interest. Over the years, you have been told that each new battle was the most critical, the most significant. Each time it was true; each time more true than the last. With deep conviction I tell you that this year the trade issue has new dimensions that give it unique urgency.

The Trade Expansion Act of 1962 is a new initiative, a new program to replace measures that have become outpaced by the march of world events. Its provisions take cognizance of the special problems and needs of this nation as it advances to meet the promises and the complex problems of the sixties.

#### **Growing Recognition of Interdependence**

Implicit in the provisions of this act is the recognition by the United States of the growing interdependence of the nations of the free world. United by the sovereignty of freedom, this family of nations is not only menaced by Communist ambition; it is challenged to prove its basic thesis that government by free choice can best answer man's demand for social and economic progress.

National security alone compels interdependence. Domestic goals—among them economic growth and higher living standards—increasingly call for cooperative measures among countries of the free world. Fiscal and monetary problems in today's world defy unilateral solution.

Nowhere is the recognition of interdependence more evident than in Europe today. The Common Market, the Coal and Steel Community, and EURATOM [European Atomic Energy Community] are the first institutions of the rapidly developing economic integration of Western Europe. Powerful forces are moving the European Community toward political integration as well.

Survival and growth have forced the nations of Europe to forget their historic antagonisms and unite. Through the pooling of resources and efforts, a mighty new entity is growing out of the chaos left by national rivalries and world war.

We became heavily engaged in the rebuilding of Europe the moment the American people fully

recognized our common destiny with Europe in the postwar world, and we have strongly supported the move toward unity. NATO has emerged as the military arm of our partnership with Europe. We and the Canadians have joined with 18 European nations in the Organization for Economic Cooperation and Development, an organization created to bring into closer agreement the economic and financial policies of the Atlantic community and, with Japan, to mobilize the energies and resources of the industrial free world in assisting the developing countries.

The Atlantic community is a going concern: Western Europe is prospering with a growth rate greater than ours; economic and social development in the underdeveloped countries is moving forward through concerted American and European efforts; the internal Communist threat in Europe has been largely dissipated. Strong NATO forces deter military adventurers. Partnership is working.

Last year the United States launched another great project in partnership in another area—the Alliance for Progress. A mutual concern for the security of the Western Hemisphere coupled with the urgent need for economic and social advancement among our Latin neighbors prompted the creation of a development program of great dimension. Again the recognition of interdependence has resulted in a joint commitment to mutual assistance.

On a global scale the United Nations is working to control centrifugal world forces through programs attacking the scourges of poverty, illiteracy, and disease, as well as through providing machinery for the settlement of at least some of the corrosive problems among its members.

It is in this context of the growing recognition of interdependence and the emergence of international institutions for cooperation that we must consider the question of expanded free-world trade.

I must stress that we are in a period of transition, of fluidity. But we can move in some confidence that the new patterns of integration in Europe, of development in Latin America, of independent nation-states in Africa and Asia, will progress along lines that will be congenial to our foreign policy objectives. We seek a close partnership with the industrial democracies, an alliance sharing the burdens and responsibilities of build-

ing and defending the free world. We seek to forge strong bonds with the developed nations and the developing nations, bonds that depend on assistance, cooperation, and free choice.

Support for the less developed nations in their efforts to move toward self-sustaining growth and independence must include not only direct economic assistance but also a determination to provide markets for their products, so that they may earn the foreign exchange necessary to generate their own dynamism for development.

### **Challenges to Free-World Trade**

Against our design for a world of free choice, the Sino-Soviet bloc has mounted an offensive—using trade and aid as a weapon—to bring these less developed nations into the Communist orbit. “We threaten capitalism,” Premier Khrushchev has said, “by peaceful economic competition.” In fact, in this period of revolutionary change and attendant instability, Communist coercion threatens to subvert the fundamental concept of a world community of free and independent peoples.

There are other dangers. Patterns of international trade will either bring the free world into closer harmony, or they will produce increasing discord. The formation of a protectionist European trade bloc, giving preferential treatment to associated states but discriminating against the United States, Japan, and Latin America, would be disastrously divisive of the free world. European leadership, sharing our awareness of this fact, has pointed the market movement in the direction of liberal trade. The present Common Market countries showed themselves, in the round of GATT negotiations concluded last winter, prepared to bargain down their exterior trade barriers and to eliminate other barriers to trade with the outside world. The Common Market has set its external tariff rates at a level that is comparable to our own.

The time has come for the United States to indicate the nature of its response. We are challenged to lead in the negotiation of relationships with the Common Market area that will expand trade throughout all of the free world on a non-discriminatory basis.

The President, in the Trade Expansion Act of 1962, has asked for the tools needed to negotiate. We must make concessions to get concessions. That the President get the powers he has re-

quested is essential to free-world strength and unity, and thus the national security of the United States.

Needless to say, the trade bill alone will not expand trade. Much depends on our ability to use the authority effectively. As much depends on the initiative of American producers.

On the first requirement, that we negotiate effectively, I have no fears. Trade concessions will be made on a truly reciprocal basis, leading to expansion of trade to the mutual benefit of the parties concerned. Our trade negotiators act under a mandate to serve the national interest and protect the economic strength of the Nation as a whole.

American negotiators have shown themselves time and time again to be good Yankee traders. The continued—in fact, tenfold—expansion of United States trade since 1934 proves their effectiveness. The lowering of tariffs is not their only objective; given effective bargaining power, they will continue to attack the many other types of restrictions that restrain trade. However, the effectiveness of our negotiators is dependent on their having the requisite bargaining power.

I might add, parenthetically, that a vigorous export promotion program, here and abroad, is being carried out by the State and Commerce Departments. The commercial officers of our Foreign Service will play a major role in increasing American business activity abroad through providing foreign market information and developing new trade opportunities.

Given the authority contained in this bill, the United States Government can and will secure agreements opening the possibility of substantially increased American exports. It will then be largely up to our producers and salesmen to capitalize on the opportunities. This new trading world will be intensely competitive. But competing is what we do best in this country.

The countries with which we strike trade bargains can be expected to exploit every new possibility to expand their exports to this country. Exploitation of the advantages offered us will challenge the aggressive spirit, initiative, and imagination that are the foundation of this nation's progress and power. We will be committed

to a massive demonstration of the workability and applicability of free enterprise. What is needed is the effort. We have the capability; indeed, I am convinced that we have the competitive advantage.

The Trade Expansion Act of 1962 will give the President the authority to assure the United States continued leadership in the formative years of a great alliance of free nations. We are not given the choice of sustaining the *status quo*. Either we accept leadership or lay down our mantle and retreat to a perilous isolation. To meet the challenge demands total commitment on the part of the American people and total engagement of America's resources.

## **President Reaffirms U.S. Friendship for People of Philippines**

*Statement by President Kennedy*

White House press release dated May 15

It is with deep regret that I learned of the decision of President Diosdado Macapagal of the Philippines to postpone his visit to the United States next month. I understand that President Macapagal's decision resulted from his country's disappointment over the failure of the Congress on May 9 to enact the Philippine War Damage Bill.

A new bill<sup>1</sup> designed to fulfill this obligation has now been introduced in Congress with bipartisan sponsorship. The congressional leadership has assured me that it will again give its full support for the legislation, and I am hopeful that the new bill will pass. I am hopeful, too, that this disappointment will not be allowed to alter the harmonious relations between our countries and our profound and lasting friendship.

I sincerely hope that the many expressions of good will and sympathy by our people and our press will be accepted by the people of the Philippines as the true measure of our friendship and understanding. We continue to look forward with pleasure and anticipation to welcoming President Macapagal to the United States in the near future.

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<sup>1</sup> H.R. 11721.

## American Business Abroad

*by Under Secretary Ball*<sup>1</sup>

I should like tonight to see if the dialog between government and business cannot be conducted without the clichés with which it is so often marked—and sometimes distorted. I propose to speak to you with candor because candor is the only form of conversation appropriate between friends and I think that it is important that there be full understanding on both sides.

American business is a major component of the total national interest of the United States. A mere assertion of this undeniable fact seems to me sufficient comment on the argument as to whether the present government is “probusiness” or “antibusiness.” That is a singularly sterile formulation. Any administration not prepared to give due support to such a major national interest as American business would be irresponsible.

The question, it seems to me, should be posed quite differently. How can the Federal Government promote and advance the interests of American business in a manner consistent with the promotion and advancement of other significant components of the United States national interest?

This question becomes particularly complex when directed toward American business abroad—by which I mean to include all phases of business activity outside the territorial limits of the United States in which American individuals and corporations are involved.

The question can be answered intelligently only if we are quite clear as to the larger purposes of our policy toward other nations. The main objective of that policy can be simply stated. It is to assure that the United States and its citizens

shall have freedom, security, and well-being in a world menaced by a bloc of antagonistic nations commanding weapons capable of incinerating the whole Northern Hemisphere.

In order for us to achieve that objective the whole free world must be strong. That means not only that the major member nations of the free world must be able to mobilize collective strength but that individual member nations, large or small, must secure the basis for independence through economic and political stability and progress.

### **A World of Change and Turbulence**

The attainment of that goal is not easy, but we do not live in an easy world. We live in a world of change and turbulence, swept by the tides of great historic forces. It would be folly on our part to attempt to ignore or halt the movement of those forces, as certain organized and vocal elements in our society would have us do. King Canute's efforts to keep back the ocean with a broom disclosed commendable energy but very little sense of the nature of the forces with which he was contending.

A mark of statesmanship—of good government policy, whether domestic or foreign—is to recognize the potentially benign forces in the world and to try to channel and direct them toward constructive ends. It is for this reason that the United States has not tried to halt but to guide the great convulsive movements that have shaken the world during the last few years—the movements, for example, that have brought about the shattering of the great colonial systems or that are bringing about a new unity in Europe.

I shall confine my remarks tonight to the first

<sup>1</sup>Address made before the Business Council at Hot Springs, Va., on May 12 (press release 308; as-delivered text).

of these movements—the drive to end colonialism—and to the implications of that drive for American business overseas.

### **Supporting Aspirations of New Nations**

In the worldwide process of decolonialism that has occurred since the war, the United States has, as a matter of policy, supported the aspirations of the colonial peoples for economic and political independence. We could hardly have done otherwise and have still kept faith with our own traditions, for our nation, after all, sprang from a handful of colonies that revolted against the highhanded efforts of a colonial government to serve the selfish business interests of the homeland. But we have had an additional reason to give our support to this convulsive movement; we have seen it as a force that, if frustrated, would generate chaos but if intelligently channeled and directed could lead to highly constructive ends.

Today the world is nearing the end of the colonial chapter. Since the Second World War 42 new countries have come into being. Most have been born weak; some have been born prematurely; all face a long youth and adolescence before they can attain an adequate measure of economic and political strength. Our task of helping them through this formative period will remain unfinished business for many years to come.

### **Respecting the Sovereignty of Developing Nations**

Our determination to support and assist the nations struggling for independence and a self-respecting place in the sun has required some revisions in traditional policies—and particularly policies relating to the nature of the support which the government in former years provided to Americans doing business in less developed countries.

“Gunboat diplomacy”—which sometimes characterized our attitude toward certain of the less developed countries during the latter part of the 19th and the early 20th centuries—reflected the prevailing spirit of the times. It was a manifestation of the colonial psychology that then dominated the relations between the big, rich nations and areas less highly endowed or developed. In such a world environment American business could operate with considerable freedom without paying heed to charges of economic imperialism. If it got into serious trouble it could rely with reasonable assurance on direct United States in-

tervention. But within the framework of ideas that dominate the free world today, such conduct would be an anachronism. The United States Government cannot disregard the sovereignty of the less developed nations without contravening its own policy of helping those nations to become independent and self-respecting.

This is a matter of great sensitivity. The Communists are constantly alert to capitalize on the deeply felt revulsion of the less developed nations not only against colonial policy as an abstraction but against any acts reminiscent of gunboat diplomacy. They raise the specter of economic imperialism to defeat our policies whenever we give them a chance.

Quite obviously the dynamism of these new movements has complicated the problem of doing business in many areas of the world. And I would be less than candid if I did not acknowledge that the elimination of direct intervention as a prop and support for American business abroad has increased the risks for American entrepreneurs. Critics have contended that the present-day positions of the United States Government are inconsistent, that we are pursuing contradictory courses. We encourage business to invest in less developed areas; at the same time we pursue a self-denying ordinance with regard to intervention to protect such investments.

I think it is enough to point out, in reply, that both policies are consistent with the larger purposes of our foreign relations and are not as mutually contradictory as they may appear. American firms serve the national interest by investing in less developed countries and thus hastening their economic development; and investment in such countries today is supported by new forms of security consistent with the direction of our modern foreign policy. Direct intervention, on the other hand, would defeat the very national interest served by such investment overseas.

### **New Forms of Security for Overseas Investments**

What are these new forms of security?

The first is the substantial public investment that the United States is making in bringing about the growth and stability of the economies of the less developed nations.

No business can be secure over the long pull in a climate of turbulence and trouble. No matter

how often the funnels of the American fleet might loom over the horizon, permanent security would depend ultimately upon the existence of stable local governments that could resist penetration and subversion, upon stable societies that were not a breeding ground for communism, and upon stable economies that were not vulnerable to disastrous inflation and wild, cyclical disturbances.

Our foreign assistance programs are, of course, an investment in trying to insure stable conditions of this kind. They are an essential prerequisite to the development of private enterprise, not only because they provide the capital needed for basic facilities but also because they assist the training of local personnel in the arts of public administration, finance, and business management.

Foreign assistance, in the nature of things, does not remove all of the economic and political risks of doing business in countries just starting down the long road toward economic growth. In fact, in its early stages under certain circumstances it may increase those risks because of the social and political consequences of economic change.

Our Government recognizes these problems and now offers the means of protection against many of these risks through a system of investment guaranties. Initially these guaranties were written to cover only the risks of expropriation, inconvertibility of currencies, and war. At the outset of the Kennedy administration we began to experiment with an all-risk guaranty. Such a guaranty can cover a negotiated percentage of the more subtle political risks on new investments. This guaranty is now included in our foreign-aid legislation on a limited basis.

I do not think that we have exhausted the possibility of improving not only the scope but the administration of these guaranties. No one has had long experience with this form of investment protection, and we are inclined to view it quite pragmatically. If we are to go farther along this road, if we are to extend the system of investment guaranties particularly toward the coverage of an increased spectrum of risks, we shall need the active interest and support of business—as well as the ideas you can distill from your own accumulating experience.

#### **Controlling Principles for the Investor**

The degree of political hazard to which an investment may be subject in a less developed country cannot be computed in a vacuum; it will depend

to a considerable extent on the policies pursued by the investor. I do not intend tonight to try to tell you gentlemen how to manage your affairs, but there are, I would suppose, a few controlling principles that have been pretty thoroughly tested by experience.

First, a company investing in a less developed country can reduce political vulnerability by arranging for a substantial component of local interest having a stake in the success of the enterprise. The most obvious way is to provide for participation by local partners. In the event that substantial local capital is unavailable the enterprise can still be established, under any of a number of techniques, on such a basis as to make possible the gradual creation of a local investment interest.

Second, the base of local support can also be expanded by employing as many local citizens as possible both in the labor force and in management. In most instances this, of course, will involve systematic programs for management training.

Third, the character and relative magnitude of the investment will affect the violence of the political forces it attracts. An enterprise, for example, that dominates an entire industry or industrial sector is especially likely to incite xenophobic reactions that may grow in intensity as the nation moves farther down the road toward self-sustaining growth, acquires a heightened sense of self-confidence, and becomes increasingly resentful that its self-respect is compromised by a dependence on foreign capital. Obviously this will depend to some extent upon the nature of the enterprise. Experience has shown that sensitivity is likely to be greater in the case of enterprises designed to exploit those natural resources that are regarded as part of a country's heritage—or enterprises that have some symbolic significance as the mark of industrial power and maturity.

#### **U.S. Policy on Expropriation**

Local political interference with investments in less developed countries may take a variety of forms. The most forthright and dramatic form is, of course, outright expropriation.

The United States has long recognized that any country has the right to expropriate property, including that of Americans, *provided* it offers just compensation. This means, of course, that the compensation must be reasonably adequate and

that payment must be reasonably prompt.

The right to expropriate property is implicit in sovereignty—as our own Constitution recognizes. Every government must be able to take private property when it deems it necessary to the conduct of its business. Under American law we call it the power of eminent domain.

This does not, of course, mean that we regard expropriation as a good thing. In most cases it is clearly not a useful policy, particularly for less developed countries. Such countries characteristically are starved for capital, and the taking over of existing properties is a foolish way for them to employ their limited resources.

Expropriation frequently involves the diversion of resources needed for the development of nations we are assisting. In many cases it means the transfer of property from competent private hands to governments that lack the managerial skill to provide efficient administration. By tending to spoil the climate for private investment it may deprive a developing nation of the inflow of needed capital that might otherwise be available. As a matter of government policy we feel obligated to make known to the less developed nations our views on the disadvantages inherent in expropriation.

We express the same view toward forms of governmental interference with American business that may be more sophisticated but are no less lethal.

Let me be quite precise at this point. We do not wish to discourage developing countries from adopting such measures as requirements for fair labor standards, systems of social security, progressive taxation, and the regulation of utilities. These are all familiar features of the American economic scene, and we cannot disown them when they appear in an unfamiliar environment. In fact, within limits appropriate to their economic strength, we are anxious to see the developing nations adopt sound and progressive tax and labor laws and other measures designed to assure an increased sense of social justice and a broader base of participation in the fruits of economic progress.

But when such measures are, in fact or in form, applied so as to discriminate against, and harass, foreign business enterprise, they can amount to what has been often called “creeping expropriation.” When this occurs, the United States Government is prepared to make its views known to the

governments involved in no uncertain terms. It does in fact frequently do so, and when it does—perhaps more often than you think—it gets results.

If, in the face of American advice, a government proceeds with expropriation, I can assure you that the full diplomatic resources of the U.S. Government will be made available to see that fair treatment is accorded to the American business involved. This means that our embassies will use their full influence to make sure that the American company has an opportunity to present its case fully to the appropriate agency of the foreign government and that the foreign government is aware of the American Government’s interest and support. An embassy can generally make a reliable judgment as to whether procedures for relief available to the American national through the local courts are adequate and will assure him due process of law. But—depending upon the circumstances of the particular case—it may not be able to make an informed judgment as to whether any particular amount of compensation is adequate.

Obviously, the embassies of the United States cannot be expected to make a strong presentation in cases where an American national may not himself have clean hands, where he may have been guilty of policies which are manifestly inconsistent with legitimate requirements of the host country. But any American national who has comported himself according to the laws of that country will, I can assure you, receive the full and vigorous assistance of the State Department and our embassies abroad.

#### **Coercion Would Be Self-Defeating**

Expropriation, government ownership, the temptation of new countries to prefer experiments in socialism to free enterprise, and the subjection of foreign investment to intensive regulation—all these tendencies raise major issues for our foreign policy. Americans have a firm—often an evangelical—conviction in the virtues and achievements of the kind of responsible free capitalism that we have evolved in this country. But to what extent should we try to shape other nations in our own image? What steps, for example, should the United States Government take to protect American interests where it sees tendencies developing that are departures from our own economic philosophy?

Speaking from their own point of view, the

Communists, of course, can answer this question as a matter of conditioned reflex. They are prepared to bring about a Communist world by subversion if possible, by force if necessary. As President Kennedy reported after his conversation with Premier Khrushchev in Vienna:<sup>2</sup>

He [Khrushchev] was certain that the tide there was moving his way, that the revolution of rising peoples would eventually be a Communist revolution, and that the so-called "wars of liberation," supported by the Kremlin, would replace the old methods of direct aggression and invasion.

But the fact that the Communists blatantly proclaim their intention to impose their own economic system on less developed countries does not mean that we should do so also; in fact, for us to use coercive methods would, by constituting a negation of our own basic principles, be self-defeating.

After all, what we find most attractive about the economic system that has evolved in America is that it preserves a substantial element of free choice for the individual in the conduct of his economic life. It is thus consistent with the political principles on which we have organized our Government. Yet our very emphasis on the right to choose, it seems to me, precludes us from seeking to coerce any country into adopting an economic system of our choosing against its own free will.

For this reason the State Department has consistently opposed legislative proposals for automatic retaliation, by the denial of aid, for example, against economic policies abroad that are inconsistent with our own notions of free enterprise. Such policies smack too much of gunboat diplomacy to be useful in today's more complicated world.

#### **Embassies Promote American Business Interests**

Business, of course, may be expected to exercise reasonable prudence in anticipating trouble. It should often be more sensitive, better informed, and more sophisticated with regard to local political trends and pressures. When I was in private life as a lawyer advising American business in connection with investments overseas I was occasionally appalled by the ignorant self-assurance of representatives of American companies who committed substantial capital in foreign countries

without any intelligent inquiry as to the political environment in which they would be doing business or the personalities who dominated the local political scene. In many cases they involved themselves in business affairs with dubious local citizens, promoters, and operators on the fringes of respectability, whose unreliability could have been ascertained by a minimum of inquiry. I was struck then—and my amazement has been compounded since I have been in the Government—by the bland assumption of many American businessmen that if they can tell an honest man when they see him in Waco, Texas, they can identify a responsible citizen with the same assurance in Graustark even though he speaks an unfamiliar language, springs from a wholly different social milieu, and has been trained to a different code of business or professional behavior.

I do not suggest that these remarks are applicable to you gentlemen who are the heads of our largest enterprises, for as a rule American big business has usually shown judgment and political astuteness in its overseas activities. Nevertheless, I would be reasonably certain that the representatives of even some of the companies that you gentlemen head frequently tend to ignore a substantial resource of advice and local information that is yours by right. I refer to our embassies and consular offices.

I have been amazed for many years to note how often American enterprises make substantial investments in foreign countries without any consultation whatever with the American embassies. Not very long ago I encountered a principal official of a major American company which had maintained a substantial operation in a foreign country for 10 years. Although he had had the principal responsibility for its operations, he had never once set foot in the embassy.

I shall not attempt at this time to account for this curious pattern of conduct. I have no doubt that there have been cases where our embassies have taken an indifferent or even disdainful attitude toward American businessmen. Businessmen and professional diplomats in the past have had difficulty finding a common language, and there has been prejudice in both directions.

I report this phenomenon to you tonight, therefore, merely with the suggestion that the initiative is yours more than ours and that your representatives overseas can be in touch with our embassies

<sup>2</sup> BULLETIN of June 26, 1961, p. 991.

much more easily than our embassies can be in touch with your representatives. And I want to indicate beyond any question that it is the policy of the Department of State that embassies abroad have, as one of their obligations, the promotion and advancement of the legitimate interests of American business abroad. If you find any instances where you feel this obligation is being disregarded we should like to know about it.

### **Safeguarding the Overall National Interest**

The problem of conducting either foreign policy or business operations has become increasingly complicated as the world has grown more complex. New attitudes regarding the relations of men and nations have set in motion vast forces. These forces require the reexamination of many of the policies and procedures that have classically been employed by businessmen in their overseas operations. They also demand a constant reconsideration of the governmental measures needed to safeguard the overall United States national interest.

On the whole I think that American business has behaved with responsibility and wisdom in its operations abroad during a period that has not been an easy one. Most business enterprises have conducted themselves in a manner to do credit to American economic principles. Where well-managed American enterprises have provided concrete demonstrations of the achievements possible through a free economic system, the local governments have often responded beyond expectations. The behavior of business abroad has, in fact, been the most effective answer to the ideological caricatures of American capitalism that have had such wide dissemination in many of the less developed countries.

The proof has been made manifest when developing countries have published their second and third economic plans; they have—more often than not—given an increasing role to private business, both domestic and foreign, over the role assigned in the initial drafts.

I cannot, in good conscience, suggest to you tonight that I think your problems in doing business abroad will grow any simpler. We must, I think, look forward to a world where the only certainty is change—change that will take place more rapidly than any of us think. If American business is to continue to play an effective role in this changing

world it must continue to maintain its flexibility and an almost infinite capacity for adjustment to new situations.

It is more than ever important during this time of change that both business and government be aware of the increasing interrelationship between foreign policy and the policies of American companies in their overseas activities. Certainly that is the spirit with which the State Department and other Departments of the Government are approaching the problem. If we are each constantly aware of this interrelationship I know we can continue to be helpful to one another.

### **Friendship and Cooperation in Africa Strengthened by Personal Contacts**

*Statement by G. Mennen Williams  
Assistant Secretary for African Affairs*<sup>1</sup>

One of President Kennedy's first directives to me upon my appointment as Assistant Secretary of State for African Affairs was to familiarize myself as quickly as possible with the people, the leaders, and the countries of Africa. With the completion of this fourth trip, I have now visited a total of 41 countries on that continent.

Our recent 1-month tour took Mrs. Williams, my colleagues, and me to six countries I had not previously visited and also allowed us to stop briefly in six others included in my first trip made a little more than a year ago.

In each of these 12 countries our group was received in an exceedingly warm and friendly manner. Government officials—both national and local—political leaders, educators, technical specialists, labor leaders, missionaries, and people in many other walks of life went out of their way to make our trip both informative and pleasant. During extensive field visits and in comprehensive conferences, we received the benefit of full and frank discussions to give us a broad appreciation of the problems and aspirations of these countries and their peoples.

The outstanding impressions I bring back from this trip include these five:

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<sup>1</sup>Made on May 14 upon arrival at Washington, D.C., from a month's visit to Africa (press release 310); for an announcement of Mr. Williams' trip, see BULLETIN of Apr. 30, 1962, p. 722.

1. Increasingly the leaders and the people of many African countries wish to strengthen ties of friendship and cooperation with the United States. This was evident not only among chiefs of state and national officials but among provincial and local officials, opposition parties, and minority and youth groups. In informal personal contacts with people in urban and rural areas alike, we found many indications of great interest in the United States and in further mutually beneficial African-American relationships. I was impressed with the number of countries eager to receive American private investment.

2. Leaders of African nations are preoccupied with overriding and interrelated problems of economic development, education, transportation, and communications. These leaders are working hard to use their limited resources in overcoming these problems, but some outside assistance is required by them in these efforts. These African lands count upon continued or new assistance from older, more developed nations, particularly the United States. Our task is to devise increasingly effective programs with other free countries and through the United Nations, and to encourage more extensive contributions from private businesses and organizations that will help these new nations become strong and viable.

3. Intensive Communist efforts to penetrate Africa have resulted in a net minus rather than a net plus. Although these efforts have extended the Communist presence in some areas, I think it can be said that they have had some serious reversals and that the overall result of their work is relatively disappointing to them. This is not to say that the United States' interest in Africa is guided by cold-war considerations. Our interest in Africa is in the development of that great continent in peace and prosperity, in accordance with the aspirations of the African peoples. But whenever Communist threats to such peaceful growth are detected, we cannot disregard them. We would hope, however, that the cold war can be minimized in Africa, and we will do all in our power to prevent its spread there.

4. Youth is emerging as an increasingly important force in African development. During this last African tour I talked with students and other young Africans in many countries and learned of their intense desire for economic and social progress in their homelands and for worldwide acceptance of African peoples and nations on a basis of dignity and equality. African youth is impatient and eager to find possible shortcuts to the realization of desires. This is a real challenge to African governments, and they are beginning to give more attention to ways and means of utilizing the full potential of the younger generation in the task of nation-building. We should give a high priority to helping them in these efforts.

5. There is a marked increase in intra-African cooperation.<sup>2</sup> There is, for example, evidence of growing relationships between French-speaking and English-speaking nations. Leaders in both groups are studying each other's official languages to be better able to meet and personally discuss common problems.

On this trip I had an opportunity to study the African and Malagasy Union (UAM), a 12-nation, French-speaking regional organization. We visited five of these UAM member countries—Cameroon, Central African Republic, Congo (Brazzaville), Dahomey, and Upper Volta. I met with this year's UAM Chairman, President Ahidjo of Cameroon. I also visited with UAM Secretary General Tevoedjre at Cotonou, Dahomey, with the Secretary General of the Organization for African and Malagasy Economic Cooperation at Yaoundé, Cameroon, and with Secretary General Balima of the UAM defense organization at Ouagadougou, Upper Volta.

These are only a few of the more important items that will be covered in my report to Secretary Rusk, but I believe they indicate that many doors to friendship and cooperation in Africa have been opened to the United States through personal contacts.

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<sup>2</sup> For an address by Assistant Secretary Williams on African regional groupings, see BULLETIN of May 21, 1962, p. 841.

## The United States and Mexico—Partners in a Common Task

*Remarks by Secretary Rusk<sup>1</sup>*

President Kennedy will later in the morning extend to our distinguished guests his warm personal greeting and the best wishes of the American people. It is a great privilege for me to bring to you the greetings of other members of his administration. We are very happy indeed to have you with us.

I remember about a year ago my friends in the United States Congress came back from Guadalajara with a certain note of dismay in their voices, because they said, "How can we ever repay or match the extraordinarily warm hospitality which we have just received from our Mexican colleagues?" We hope very much that you will enjoy your stay here and go back feeling that the visit was not only worth while but enjoyable.

You have a very busy agenda. It is filled with important and practical problems. This is necessarily so, and it will always be so between our two countries, because we are great neighbors with a long, common frontier.

We are great trading partners, trading with each other on the scale of \$2 billion a year. We are great visitors with each other. More than 600,000 of us in North America visit our friends in Mexico every year. We are happy to see that more and more of you are coming to see us, more than 200,000 a year at the present rate. We want more of you to come to see us because the United States is going into the tourist business at the present time.

But, as great trading partners and neighbors, we shall always have practical problems to resolve. This is in the nature of being neighbors,

and it is in the nature of trade, because one of the glories of trade is that no amount is ever enough. It is in the nature of trade that we try to expand, to grow, to develop our people, and it is on this basis that your country and ours have moved from one level of well-being to another.

That does not mean that these difficult trading problems should involve our basic friendship.

I have since wondered what the role of friendship is as we discuss these matters with one or another of our close friends, with our neighbors like Mexico and Canada, like our great trading partners across an ocean. It would be easy, but wrong, for us to say to each other in these conversations, "You must agree with us because we are friends." We each could do that. Of course we are friends. Or to say to each other, "You must agree with us because we are sensitive." Of course we both are sensitive, and we have vital national interests.

What we should do is continually to work at finding reasonable and practical solutions to these practical problems and, having found them, then to reject the unreasonable, the impractical, the excessive point of view on the grounds that we are basic friends and must find that common denominator of mutual interest and good will.

### **A Foundation of Mutual Respect**

I think also that it is important for us on both sides to seek out those elements which contribute to mutual respect, because friendship requires a solid foundation of mutual respect. You, on the Mexican side, will have to find your own points of view as far as we are concerned, and one of the purposes of visits of this sort is to permit you to find not only the things that you do like about

<sup>1</sup>Made at the second meeting of the Mexico-United States Interparliamentary Group at Washington, D.C., on May 14.

us but the things that you do not like about us, so that your understanding of us can be more accurate and therefore more solidly rooted.

There are many elements in our respect for Mexico, and each has his own—each individual has his own.

As far as I am concerned, it stems from this extraordinary combination of stability and progress which one sees in Mexico at the present time, a stability which is deeply rooted in the character of your great people but a progress which shows that you are on the move in your economic, your social development. Most of the world knows about this great national university and the breathtaking vision which it presents to every visitor, but perhaps not even all Mexicans know how important other institutions throughout the country have become in these last 20 years.

I am thinking of such institutions, for example, as the Institute of Cardiology in Mexico City, the Children's Hospital, the Technical Institute at Monterrey, the Graduate School of Agriculture at Chapingo, the Colegio de México in Mexico City, institutions which are well established and well known throughout this hemisphere and which play a key role in the leadership which Mexico is taking throughout the hemisphere in this matter of general economic and social progress, because Mexico receives each year hundreds of young people from all over the hemisphere, including our own country, for training and for research in these and other great institutions which have come up in Mexico in the most recent past.

It is important to us in this country to know that in the very recent past more than 90 percent of your wheat is now being planted in superior varieties and that more than 50 percent of your corn is being planted in superior varieties, that your extension services have spread out over the country to do an extraordinary job of development in the countryside, and that you are moving toward the development of your tropical areas with imagination and great foresight for the future.

These elements of progress not only will do a great service for the people of Mexico, but they will also do a great service for the people of this hemisphere if Mexico assumes and continues to develop that role of leadership which is waiting for it and which it is now taking up in such matters in this hemisphere.

The Alliance for Progress has a great deal to

offer, but it also has a great deal to borrow from the Mexican experience, and we are delighted to have a chance to talk over that experience during your meeting.

I think also we must strive in our mutual relationship to find ways to understand the problems which each of us as a nation faces, so that we do not take each other for granted, so that we do not take only a partial view of each other's problems.

### **The Defense of Freedom**

I will have to confess to you that at the present time one of the great preoccupations of the United States and of President Kennedy has to do with the peace of the world, which ramifies far beyond this hemisphere. We are trying to bring about the most revolutionary force that is waiting for man at the present time, and that is the revolutionary force of a simple decision which we think could be made in Moscow to live at peace with the rest of the world.

No other simple fact could transform the life of man more than a simple determination to live at peace in accordance with the Charter of the United Nations.

It is no accident, gentlemen, that today the defense budget of the United States is four times what it was in 1946. It is no accident that the North American people, who would much prefer to stay at home, have a million troops outside the United States, ashore and afloat, in defense of freedom—troops in every continent.

Why?

Go back to 1945 and just study the agenda of the United Nations for the last 16 years to discover the events which imposed upon us and the free world the harsh necessity of defending freedom.

Now we are trying at every point to effect a breakthrough on this problem, and I would like to express to you my great appreciation for the wisdom and the talent which your Foreign Minister Mr. [Manuel J.] Tello, brought to the Geneva conference on disarmament while he and I were there together and the very important role which your colleague, Mr. [Luis] Padilla Nervo, is playing in the disarmament field, because in this country we feel very strongly that we must find some way—some way to turn down this arms race beginning with nuclear testing and moving on to general disarmament.

No one has regretted the necessity for the de

cision to resume nuclear testing more than has President Kennedy, but no one accepts the responsibility more gladly for defending the vital security interests of the free world. But we should like to bring this business to an end today—today and permanently. But we cannot bring it to an end unless we have reasonable assurance that it has, in fact, ended, because on this point we are dealing with the life and death of nations.

Now, at Geneva we made additional proposals to the Soviet Union which involved, for example, an international inspection team looking at less than 1/2000th of the territory of the Soviet Union in any given year. That surely is a minimum contribution to be asked from the other side to bring this burdensome race to an end and begin to turn this matter downward.

We are glad to see that Mr. Padilla Nervo is taking the lead in keeping the Geneva conference at its task, trying to find some basis to achieve some practical, physical, actual steps in disarmament in an effort to bring this situation into some sort of a framework and to bring ourselves a few steps nearer peace.

But this is a determined effort on the part of the United States, and we have to bear this burden because it just happens to be a fact that the power and weight of the new world has to be thrown into the affairs of the old world if this hemisphere is to have a chance to survive in peace and freedom.

You will find us not only intellectually, politically, and economically committed to the Alliance for Progress, but you will find the American people deeply committed by affection to the purposes of the Alliance for Progress, because we have our own underdeveloped parts of the country and many of us grew up as children in parts of the country which we would now call underdeveloped.

We have seen what can occur rapidly through the magical combination of education, research, extension, technology, work, dedication, and we get a great thrill when we see these forces at work in Mexico and we see the progress which is being made there in so many directions to improve the economic and social life of your people.

And in that great task, as in the task of trying to make a peace—in that great task you will find us genuine partners, dedicated partners, working together for the great purposes which we share in common.

It is a great privilege for me to be here this

morning. I wish that I could interlope on some of your discussions. You have a most interesting agenda.

I hope that when we leave, we shall leave with a sense of stronger ties between us, clearer understanding of each other's problems, and more open avenues for closer and more intimate collaboration in the future as we go our respective ways.

Thank you very much for coming.

## Cooperation Among Women of the Free World

*Remarks by Mrs. Katie Louchheim*<sup>1</sup>

It is a great privilege and pleasure to be with you in this gracious center of the largest graduate school for women in the Nation—indeed, in the world—of which you are distinguished alumnae. It is a special pleasure to me to speak to this audience, because my job is to encourage cooperation among the women of the free world. This is something to which the Radcliffe graduate school makes a major contribution. It opens welcoming doors to able young women scholars from all over the world. Your fellow alumnae from many lands have gone home to enrich their own countries with what they have learned here. That elm in the Graduate Quadrangle garden, planted in memory of Christine Buisman of the Netherlands, is a reminder that the United States too has been enriched by their presence among us, and sometimes in very concrete ways.

To all of us who are forever preaching the enlistment of women's talents in the cause of progress, Dr. Bunting's<sup>2</sup> inspired creation of the Radcliffe Institute for Independent Study is good news indeed. We applaud this imaginative and flexible plan which makes possible what has sometimes seemed impossible—for a woman to be a wife and mother and to realize her professional gifts at the same time.

Sometimes you have to travel a long way not to find new truths but to rediscover old ones. Re-

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<sup>1</sup>Made before the graduate chapter of the Radcliffe College Alumnae Association at Cambridge, Mass., on May 7 (press release 298). Mrs. Louchheim is Deputy Assistant Secretary for Women's Activities, Bureau of Public Affairs.

<sup>2</sup>Mrs. Mary I. Bunting, president of Radcliffe College.

cent trips which I have made to the Middle East, India, and the Far East accomplished just that. I would like to share with you my rediscovery of three fundamental truths.

The first is that we here in the United States are judged by our deeds. How we live, work, compete, meet our problems is no longer just our concern. Everywhere, all over the world, there are eyes and ears listening, watching, observing, evaluating, making judgments. Our ability to translate the democratic ideal into reality, our willingness to assume our responsibility as citizens in a free society, is of paramount importance. How we women serve our communities and our nation is known everywhere.

The second truth is that the American woman volunteer is unique. And in this generalization I include the professional woman who gives her time free, as I know you do. At every meeting, in every deliberation, ambassadors, officers of AID [Agency for International Development] and USIA [U.S. Information Agency], women leaders of the countries I visited, agreed that the talents and know-how of American women are part of our blueprint for a better world. Women everywhere know about you. Our foreign visitors come here expressly to study your institutions, how you transform the face of your communities, how you deal with school problems through your PTA's, or float a bond issue, or manage a fund drive.

When President Kennedy created the post I hold, he recognized the growing importance of women all over the world. He recognized their capacity to create a climate in which progress can take place. He wanted to make certain that our many American women's voluntary organizations received the recognition and encouragement they deserve. Implicitly he was recognizing the individual contribution of American women—and, I might say, notably that of the wives of our Foreign Service officers. For our Foreign Service wives are among our most valuable diplomatic resources. Transplanted from Detroit to Dakar, the wife of an American Foreign Service officer puts the skills she acquired at home at the service of her new community. Without losing dignity or status, she teaches, works in baby clinics, demonstrates techniques to local volunteers. To each post she brings the American woman's determination to leave the place a little better than she found it.

In creating this post of consultant on women's

activities in the State Department, the President also wanted to make certain that more attention was paid to our women foreign visitors. For they are pioneers and leaders in their own countries. In the past year I have seen more than 250 women from 50 countries. Some of them are leading political figures or wives of political leaders, but far more have been educators, social workers, or voluntary welfare workers whose concern is with improving the lives of their fellow countrymen and countrywomen.

The third truth which I discovered in my travels is that more women must exchange more visits. In the age of shrinking distances, how we understand one another is desperately important. And how we look to one another and work together is equally so. No matter how much we hear about one another, we never really know one another without visiting face to face.

Let me give you an illustration. Last spring, shortly after the President announced the Alliance for Progress, my office sponsored the visit of 12 women social workers from 12 different Latin American countries. Before they came, they had pictured Americans as "essentially complacent, homogeneous and standardized." They were astonished to find "a perpetual soul-searching and astringent self-analysis of American life, by people at every level and in every occupation—and a great diversity of opinion on practically everything." Our frankness about our problems encouraged them to greater efforts to solve their own problems.

The warmth and informality of American home hospitality makes a strong impression on foreign visitors. Over and over I have heard them say: "You Americans are so much more friendly than we expected." I remember a poignant moment last fall, at the end of a tea party for a group of schoolteachers from Africa. As they were leaving, after a long chat about their schools and ours, a teacher from Ghana asked to say a few words. "Before taking off for America," she confessed, "we all had many hesitations about coming. We wondered whether we would be welcome. But today, in your home, you and your friends have made us know that we are truly welcome. If we had to go home tonight, our journey would have been a success." This happened at the start of their tour of the United States. Three months later I saw the African teachers again, after they had visited schools from New England to Cali-

ifornia and back. In a final meeting at the State Department they talked appreciatively of what they had seen and learned. And then, as an expression of their feeling, they sang a song they had learned along the way. It was "America the Beautiful."

Because the nontypical traveler may give the wrong impression—because the crises and not the solutions get the headlines—we need to talk face to face, as I did recently with women in Japan. The Japanese women were deeply interested in the position and achievements of women in the United States. I told them about women like you, about the President's Commission on the Status of Women, about women in politics and women's voluntary activities. I found we had a mutuality of interests and problems.

Cooperation among women of the free world is essential to progress. But it is to American women that women all over the world look to give and to keep the promise of progress.

## **Dulles Library of Diplomatic History Dedicated at Princeton University**

*Statement by Secretary Rusk<sup>1</sup>*

I am deeply distressed that overriding duties, of the sort with which John Foster Dulles was entirely familiar, make it impossible for me to be present for the dedication of the John Foster Dulles Library at Princeton University.

It is entirely fitting that Princeton University should be the repository of his papers. Those of us who knew him as a friend knew of his devotion to his alma mater. It was while a Princeton undergraduate that he undertook his first diplomatic mission—at the second Hague Peace Conference in 1907. Thus began more than a half century of dedicated service to his country in the foreign policy field.

The Dulles Library at Princeton and the Eisenhower Library<sup>2</sup> at Abilene will be invaluable

<sup>1</sup> Read by Robert F. Goheen, president of Princeton University, at the dedication of the John Foster Dulles Library of Diplomatic History at Princeton University, Princeton, N.J., on May 15 (press release 312). For an announcement of the establishment of the library, see BULLETIN of June 1, 1959, p. 792.

<sup>2</sup> The Department announced on July 21, 1959, that Mr. Dulles had given the Eisenhower Library certain of his personal papers (*ibid.*, Aug. 10, 1959, p. 207).

sources for the historians of the future. The papers themselves, standing alone, will not tell the complete story; they can only be clues to the story. For John Foster Dulles was Secretary of State at a time when United States policy was pursued in an utterly complex world and in a period when events moved with breathtaking speed. Only a fraction of what was in his mind, and in the mind of the President he served, was inscribed in formal documents. The historian, if he is to be accurate, must try to reconstruct the context—the total context—which surrounded what was written down. Today was not yesterday, and tomorrow would be different, too. To recapture the changing scene and what Mr. Dulles thought about it will be the historian's delicate and painstaking task.

Accident, mystery, the surging events in a hundred countries in every continent were all a part of his daily fare. And he was building toward a decent world order not on the basis of exact blueprints, mathematically guaranteed, but in the light of a future but dimly perceived, as through a fog. For the statesman must move from facts which can never be quite complete into a future which, perhaps mercifully, cannot be surely known.

But out of the papers stored here in Princeton will come a picture of a dedicated man, deeply committed to the peace and well-being of his own country and deeply, as well, aware that the fate of his own country was linked to that of peoples in the remotest parts of the world. It was a privilege to serve with him as friend and colleague and to share both his satisfactions and his disappointments as he tried to shape the course of events to accord with the aspirations of the American people and his own commitments to peace and freedom.

## **Congressional Documents Relating to Foreign Policy**

### **87th Congress, 1st Session**

Developments in the Field of Detection and Identification of Nuclear Explosions (Project Vela) and Relationship to Test Ban Negotiations. Hearings before the Joint Committee on Atomic Energy. July 25–27, 1961. 440 pp.

Khrushchev and the Balance of World Power. An analysis prepared for Senator Hubert Humphrey by the Legislative Reference Service of the Library of Congress. S. Doc. 66. July 27, 1961. 16 pp.

Export of Strategic Materials to the U.S.S.R. and Other Soviet Bloc Countries. Hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Senate Judiciary Committee. Part 2. October 23, 1961. 234 pp.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of International Conferences and Meetings<sup>1</sup>

#### Scheduled June Through August 1962

PAIGH Directing Council: 6th Meeting . . . . .	México, D.F. . . . .	June 1-
GATT Special Group on Trade in Tropical Products . . . . .	Geneva . . . . .	June 4-
International Commission for the Northwest Atlantic Fisheries: 12th Meeting.	Moscow . . . . .	June 4-
U.N. General Assembly: 16th Session (resumed) . . . . .	New York . . . . .	June 4-
U.N. Advisory Committee on Administrative and Budgetary Questions.	New York . . . . .	June 4-
U.N. ECE Housing Committee: 23d Session . . . . .	Geneva . . . . .	June 4-
UNICEF Program Committee and Executive Board . . . . .	New York . . . . .	June 4-
PIANC Permanent International Commission: Annual Meeting. . . . .	Brussels . . . . .	June 5-
International Labor Conference: 46th Session . . . . .	Geneva . . . . .	June 6-
9th International Electronic, Nuclear, and Motion Picture Exposition.	Rome . . . . .	June 11-
IAEA Board of Governors . . . . .	Vienna . . . . .	June 12-
UNESCO Intergovernmental Meeting on Discrimination in Education.	Paris . . . . .	June 12-
U.N. ECE Working Party on Standardization of Perishable Foodstuffs.	Geneva . . . . .	June 12-
FAO Group on Grains: 7th Session . . . . .	Rome . . . . .	June 12-
ITU CCIR Study Group X (Broadcasting), Study Group XI (Television), and Study Group XII (Tropical Broadcasting).	Bad Kreuznach, Germany. . . . .	June 13-
NATO Industrial Planning Committee . . . . .	Paris . . . . .	June 14-
OECD Economic Policy Committee . . . . .	Paris . . . . .	June 20-
UNESCO Intergovernmental Oceanographic Commission: Working Group on the Tropical Atlantic Oceanographic Investigation.	Washington . . . . .	June 20-
NATO Petroleum Planning Committee . . . . .	Paris . . . . .	June 21-
12th International Film Festival . . . . .	Berlin . . . . .	June 22-
U.N. ECE Coal Trade Subcommittee . . . . .	Geneva . . . . .	June 25-
U.N. ECOSOC Technical Assistance Committee . . . . .	Geneva . . . . .	June 25-
UNESCO Committee of Governmental Experts To Prepare a Draft of an International Recommendation on Technical Education.	Paris . . . . .	June 25-
ICAO Visual Aids Panel: 2d Meeting . . . . .	Montreal . . . . .	June 28-
NATO Planning Board for Inland Surface Transport . . . . .	Paris . . . . .	June 28-
OECD Ministerial Meeting . . . . .	Paris . . . . .	June*
NATO Science Committee . . . . .	Paris . . . . .	June
South Pacific Commission: 12th Meeting of Research Council . . . . .	Nouméa . . . . .	June
GATT Working Party on Tariff Reduction . . . . .	Geneva . . . . .	June
GATT Working Party on Relations With Yugoslavia . . . . .	Geneva . . . . .	June
ITU CCITT Working Party VII (Definitions) . . . . .	Geneva . . . . .	June
ITU CCITT Study Group XII (Telephone Transmission Performance).	Geneva . . . . .	June
ITU CCITT Study Group XI (Telephone Switching) . . . . .	Geneva . . . . .	June
25th International Conference on Public Education . . . . .	Geneva . . . . .	July 2-
FAO World Meeting on the Biology of Tuna and Tuna-Like Fishes . . . . .	La Jolla, Calif. . . . .	July 2-
International Whaling Commission: 14th Meeting . . . . .	London . . . . .	July 2-
Inter-American Ministers of Education: 3d Meeting . . . . .	Bogotá . . . . .	July 3-
U.N. Economic and Social Council: 34th Session . . . . .	Geneva . . . . .	July 3-
OECD Maritime Committee . . . . .	Paris . . . . .	July 5-
WMO Commission for Agricultural Meteorology: 3d Session . . . . .	Toronto . . . . .	July 9-
Antarctic Treaty: 2d Consultative Meeting Under Article IX . . . . .	Buenos Aires . . . . .	July 18-
South Pacific Commission: 23d Session . . . . .	Pago Pago . . . . .	July 18-
South Pacific Conference: 5th Session . . . . .	Pago Pago . . . . .	July 18-

<sup>1</sup> Prepared in the Office of International Conferences May 11, 1962. Asterisks indicate tentative dates. Following is a list of abbreviations: CCIR, Comité consultatif international des radio communications; CCITT, Comité consultatif international télégraphique et téléphonique; 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; IA-ECOSOC, Inter-American Economic and Social Council; IAEA, International Atomic Energy Agency; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; OECD, Organization for Economic Cooperation and Development; PAIGH, Pan American Institute of Geography and History; PIANC, Permanent International Association of Navigation Congresses; U.N., United Nations; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNICEF, United Nations Children's Fund; WMO, World Meteorological Organization.

13th FAO Regional Conference for Latin America . . . . .	Rio de Janeiro . . . . .	July 23-
13th FAO Regional Conference for the Near East . . . . .	Lebanon . . . . .	July 30-
ECOE Council: 28th Session . . . . .	Geneva . . . . .	July
OECD Development Assistance Committee: Ministerial Meeting . . . . .	Paris . . . . .	July
A-ECOSOC Ministerial Meeting . . . . .	México, D.F. . . . .	July*
J.N. ECOSOC Technical Assistance Committee . . . . .	Geneva . . . . .	July
J.N. Committee on the Peaceful Uses of Outer Space . . . . .	New York . . . . .	July or August
J.N. ECOSOC Conference on Education in Latin America . . . . .	Bogotá . . . . .	July
J.N. ECOSOC Conference on the International Map of the World . . . . .	Bonn . . . . .	Aug. 3-
12th World's Poultry Congress . . . . .	Sydney . . . . .	Aug. 13-
J.N. ECAFE/FAO Meeting on the Marketing Aspects of Price Stabilization Policies . . . . .	Rangoon . . . . .	Aug. 20-
J.N. ECE Working Party on the Transport of Dangerous Goods . . . . .	Geneva . . . . .	Aug. 20-
CAO Assembly: 14th Session . . . . .	Rome . . . . .	Aug. 21-
13th International Exhibition of Cinematographic Art . . . . .	Venice . . . . .	Aug. 25-
CAO Legal Committee: 14th Session . . . . .	Rome . . . . .	Aug. 28-
FAO International Rice Commission: Working Party on Engineering Aspects of Rice Production, Storage, and Processing . . . . .	Kuala Lumpur . . . . .	Aug. 29-
6th Annual Edinburgh Film Festival . . . . .	Edinburgh . . . . .	August
J.N. ECOSOC Technical Conference on Travel . . . . .	Rome . . . . .	August or September

## United States Delegations to International Conferences

### ECE Housing Committee

The Department of State announced on May 17 (press release 313) that Dan R. Hamaday, Assistant Administrator, Office of International Housing, Housing and Home Finance Agency, will serve as chairman of the U.S. delegation to the 23d session of the Housing Committee of the United Nations Economic Commission for Europe (ECE), which will be held at Geneva June 4-7. Mr. Hamaday will be assisted by the following advisers:

Roy J. Burroughs, Director, Division of International Organization Affairs, Housing and Home Finance Agency

Zachary Fisher, Fisher Brothers, New York, N.Y.

Frederick P. Rose, Rose Associates, New York, N.Y.

James H. Scheuer, President, Renewal and Development Corporation, New York, N.Y.

George Tesoro, U.S. Mission, Geneva

The Housing Committee was established as a subcommittee of ECE in 1947 and became a full committee in 1955. Its purpose is to study housing problems of common interest to European countries and to advise the Commission on the means, technical and economic, of assisting and expediting the housing programs of the member countries. The Committee is composed of representatives of 17 European nations and the United States. Meetings are also attended by representatives of the

U.N. specialized agencies and international non-governmental organizations.

The Committee will consider an inquiry on the allocation of land and the control, where appropriate, of land prices for housing and the planning and cost of new residential areas in selected countries. Because of the interest that was generated at the 21st session of the Committee in June 1961, as a result of a symposium on urban renewal and town planning, considerable followup work can be anticipated, as it appears that problems of redevelopment and urban renewal will become one of the major undertakings of the Committee.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Atomic Energy

Amendment to article VI.A.3 of the Statute of the International Atomic Energy Agency (TIAS 3873). Done at Vienna October 4, 1961.<sup>1</sup>

*Acceptance deposited:* Hungary, May 11, 1962.

##### Aviation

International air services transit agreement. Done at Chicago December 7, 1944. Entered into force for the United States February 8, 1945. 59 Stat. 1693.

*Acceptance deposited:* Malagasy Republic, May 14, 1962.

<sup>1</sup> Not in force.

## Trade and Commerce

Procès-verbal extending and amending declaration of November 22, 1958 (TIAS 4461), on provisional accession of the Swiss Confederation to the General Agreement on Tariffs and Trade. Done at Geneva December 8, 1961. Entered into force for the United States January 9, 1962. TIAS 4957.

*Acceptances deposited:* Czechoslovakia, March 27, 1962; Nigeria, April 16, 1962; Turkey, April 17, 1962.

Procès-verbal extending declaration of November 12, 1959 (TIAS 4498), on provisional accession of Tunisia to the General Agreement on Tariffs and Trade. Done at Geneva December 9, 1961. Entered into force for the United States January 9, 1962. TIAS 4958.

*Signatures:* Czechoslovakia and New Zealand, March 27, 1962; Turkey, April 17, 1962.

## Wheat

International wheat agreement, 1962. Open for signature at Washington April 19 through May 15, 1962.<sup>1</sup>

*Signatures:* Norway, May 8, 1962; Nigeria, United Kingdom (with declaration), May 10, 1962; Brazil, Canada, Federal Republic of Germany, Japan, Mexico, Philippines, Sweden, United States, Vatican City, May 11, 1962; Australia, Austria, France, India, Ireland, Israel, Italy, Korea, Netherlands (with statement), Portugal, Federation of Rhodesia and Nyasaland, Spain, Union of Soviet Socialist Republics (with statement), Venezuela, May 14, 1962; Argentina, Cuba, Dominican Republic, Indonesia, Liberia, New Zealand, South Africa, Switzerland, United Arab Republic, May 15, 1962.

*Acceptance deposited:* Canada, May 16, 1962.

*Notification received of undertaking to seek acceptance:* Japan, May 16, 1962.

## BILATERAL

### Colombia

Agricultural trade agreement. Signed at Washington May 15, 1962. Entered into force May 15, 1962.

### El Salvador

Agricultural trade agreement. Signed at Washington May 15, 1962. Entered into force May 15, 1962.

### Guinea

Agreement relating to investment guaranties. Effected by exchange of notes at Washington May 9, 1962. Entered into force May 9, 1962.

### Niger

Agreement relating to investment guaranties authorized by chapter 2, title III, of the Act for International Development of 1961. Effected by exchange of notes at Niamey February 28 and April 26, 1962. Entered into force April 26, 1962.

### Somali Republic

Agreement relating to the establishment of a Peace Corps program in the Somali Republic. Effected by exchange of notes at Mogadiscio March 29 and April 17, 1962. Entered into force April 17, 1962.

### Venezuela

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 73 Stat. 610; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Washington May 17, 1962. Entered into force May 17, 1962.

<sup>1</sup> Not in force.

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on May 1 confirmed the following nominations:

C. Griffith Johnson to be an Assistant Secretary of State. (For biographic details, see Department of State press release 311 dated May 14.)

Walter M. Kotschnig to be the representative of the United States to the 17th plenary session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

Edwin M. Martin to be an Assistant Secretary of State. (For biographic details, see White House press release dated March 8.)

### Resignations

Philip H. Coombs as Assistant Secretary for Educational and Cultural Affairs. (For an exchange of letters between President Kennedy and Mr. Coombs, see White House press release dated April 20.)

## PUBLICATIONS

### Department Publishes Foreign Relations Volume on Europe for 1942

Press release 304 dated May 10, for release May 19

The Department of State released on May 19 *Foreign Relations of the United States, 1942, Volume II, Europe*.

This volume is one of a series of six regular *Foreign Relations* volumes for the year 1942. The first volume of the series, dealing with general subjects, and the third volume, also on Europe, have already been published. The other three volumes are in process of preparation. A special *Foreign Relations* volume for 1942 on China has also been published.

The major portion of the documentation in Volume II is in the sections on France and Greece. Other countries covered are Belgium, Bulgaria, Czechoslovakia, Finland, Germany, and Hungary. The section on Germany covers only an agreement regarding prisoners of war, other phases of the war with Germany being covered in sections on other countries or in Volume I, General. Documentation on relations with the other European countries, in alphabetical order from Iceland to Yugoslavia, is contained in Volume III.

Copies of *Foreign Relations of the United States, 1942, Volume II, Europe* (vi, 863 pp.) may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for \$3.25 each.

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No.	Date	Subject
*309	5/14	U.S. participation in international conferences.
310	5/14	Williams: return from Africa.
*311	5/14	Johnson sworn in as Assistant Secretary for Economic Affairs (biographic details).
312	5/15	Rusk: dedication of Dulles Library.
313	5/17	Delegation to U.N. ECE Housing Committee (rewrite).
†314	5/15	Berger: first anniversary of South Korean revolution.
*315	5/15	Cultural exchange (Tunisia).
†316	5/16	Meeting of U.S.-Japan science committee.
317	5/16	Rusk: Conference on Trade Policy.
†318	5/17	Coppock: "The President's Trade Expansion Program and U.S. National Security."
319	5/17	Rusk: University of Tennessee.
†320	5/17	Delegation to South Pacific Commission (rewrite).
*321	5/18	Cultural exchange (Japan).
322	5/18	Dominican Republic credentials (rewrite).
*323	5/19	Cieplinski: Polish Constitution Day.
*324	5/18	Itinerary for visit of President of Ivory Coast.
†325	5/19	Rostow: "Where We Stand."

\*Not printed.  
†Held for a later issue of the BULLETIN.

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## AMERICAN FOREIGN POLICY Current Documents, 1958

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The earlier volumes in the series may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.—*American Foreign Policy: Current Documents, 1957* (Department of State publication 7101) at \$5.25 per volume; *American Foreign Policy: Current Documents, 1956* (Department of State publication 6811) at \$4.75 per volume; and *American Foreign Policy, 1950-1955: Basic Documents* (2 volumes; Department of State publication 6146) at \$5.25 per volume.

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1198 • PUBLICATION 7387

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*The Department of State BULLETIN, a weekly publication issued by the Office of Public Services, Bureau of Public Affairs, 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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*Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.*

# New Frontiers of Science, Space, and Foreign Policy

*Address by Secretary Rusk<sup>1</sup>*

I am very happy to be here this evening in this beautiful Western sea-frontier city and to experience the thrilling sweep of this first great fair of the space age.

I congratulate the citizens of Seattle and of the State of Washington on a magnificent concept, nobly executed. These new frontiers of architecture cannot help but open new horizons of awe and wonder to every visitor.

What would your own legendary frontiersman of the 19th century have thought? How would Paul Bunyan have measured your Space Needle, the highest edifice west of the Mississippi? I think he would say that his beloved Pacific Northwest had performed a great service for the Nation and the world at large. I think he would approve and urge us to get on with building larger space capsules—large enough for him.

My guess is that we are not looking here at Century 21 but at the decades immediately ahead, for the pace of change is so dazzling that our imaginations cannot grasp what four more decades will bring. And all who come here must pause for some still moment of contemplation on what this is all about, what man's progressive mastery of his physical environment really means, and what kind of a world their children will inhabit and form.

The new frontiers of science forecast at this fair are not excursions of the imagination into fairyland, unreality, or science fiction. They will come to pass—most of them in this century. We cannot foresee a time when science and technology will cease placing new insights, new data, new tools,

and new capabilities at the disposal of society. Man's problem is how to use them—in his physical environment and in his social environment of family, nation, and international community.

## **New Frontiers for Science**

If we look toward Century 21, what are some of the frontiers which science will breach? Among the prospects held out to us by the scientists are these:

- New sources of food, water, power, and natural resources.
- Desalination of ocean waters, enabling deserts to bloom; cultivation of crops in the seas; control of the growth of living organisms in the oceans; control of the weather to extend growing seasons in some regions; alas, perhaps balanced meals in capsule form, that can be gulped down in a couple of seconds.
- The mining of mineral nodules on the ocean floor; abundant supplies of magnesium extracted from sea water; harnessing of the tides and ocean currents for power.
- Immense quantities of power from other sources as well—electric, nuclear, and solar; power plants of type and size to meet almost any contingency on almost every location on earth; greatly enlarged and improved power storage facilities.
- A vast proliferation of labor-saving devices.
- Continuing revolutions in construction through plastics.

The wizards of electronics offer us, through communications satellites, the physical ability to talk to any place on earth, and to almost any person, at low cost. They also hold before us the prospect of

<sup>1</sup> Made on the occasion of International Law Day at the Seattle World's Fair, Seattle, Wash., on May 25 (press release 336).

beaming television anywhere. But the possibility of instantaneous visual and oral communication with anyone, anywhere, and in privacy, has a certain appeal to a Secretary of State. My opposite numbers in other governments and I now have to spend a good deal of time traveling in order to talk directly and intimately to each other. We speak of a shrinking world. But a recent trip, covering 26,900 miles, reminded me that, even at jet speeds, the earth is still a pretty big place.

In the field of medicine, we may expect progress—perhaps deep breakthroughs—in control of such diseases as cancer, the great varieties of viruses, and the biochemical imbalances which affect many vital tissues, including the brain. Biochemistry, genetics, and electronics will give us new tools for the diagnosis and handling of human disease.

Science, we are told, may make it possible for us to get on with less sleep at night. (I know some Government officials who, of necessity, have already made considerable progress on that front.)

The behavioral scientists will find out more about how the two most complex mechanisms on earth—the human brain and body—think, feel, and react. They may be expected to establish new ways of keeping thought processes and the emotions in balance. With greater freedom from mental disease, we will surely make a net gain in constructive and congenial personal relations. We shall almost certainly trespass nearer to those frontiers which guard the secret of life.

And, to mention still another frontier of special importance to foreign affairs, the social and behavioral sciences may improve our ability to communicate with and understand nations and peoples whose cultures are radically different from our own.

### **Putting Scientific Progress to Good Use**

Life on earth will be affected by each of these advancing frontiers I have mentioned. But it will be improved only to the extent that men put them to good uses.

For example, the potential of worldwide vocal and visual communication can be either good or bad. As Edward R. Murrow, in whom the State of Washington can proudly claim a special interest, since he received part of his education in this State, recently pointed out: A communication system is totally neutral; it has no conscience,

no principle, no morality; it can broadcast falsehood as loudly as the truth.

We of the atomic age are starkly aware of the ability of the physical sciences to outstrip man's practical mastery of political and social affairs. Sixteen years ago the United States had the vision to present to the world through the United Nations a plan to place all atomic enterprises under international control.<sup>2</sup> If that plan had been adopted, there would have been no nuclear arms race, there would be no nuclear weapons today, and the power of the atom would be devoted solely to bettering the life of man.

What a tragedy it was that the Soviet Union called that plan "atomic blackmail" and refused to take it up seriously! And what a tragedy it is that, owing to the persistent refusal of the Soviets to permit the most minimum international supervision and verification, we have thus far been unable to make a start on the reduction of armaments and to obtain a treaty banning atomic tests!

Despite 16 years of Soviet disagreement, we have not given up hope. We have presented a comprehensive plan for reductions in armaments leading to general and complete disarmament.<sup>3</sup> This is not a piece of propaganda but a plan which we most earnestly hope will be adopted. Likewise we continue to seek a test ban treaty and are prepared to sign it the instant that the Soviets agree to it with the essential minimum of international verification to assure compliance.

### **Exploration of Space**

Now we are in the earlier stages of another scientific, technical, and human adventure, as staggering to the imagination as the unleashing of the atom—and as challenging to man's ability to organize his affairs with at least a modicum of good sense. I refer of course to the exploration of space. I have no doubt that we shall reach the moon and explore it. I am told that, after the moon, Mars is the most likely target of exploration, unless we are unexpectedly lucky with Venus. Dr. Willard Libby says there is a 95 percent probability of finding some form of life on Mars. I have little doubt that we shall eventually reach Mars and somehow set foot on it, with re-

<sup>2</sup> BULLETIN of Dec. 15, 1946, p. 1088.

<sup>3</sup> For text, see *ibid.*, May 7, 1962, p. 747.

sults in expanding knowledge that none of us can now predict.

Meanwhile, within the nearer regions of outer space, we will perfect communications, television, and navigational satellites. We will probe the mysteries of weather and learn something of how to control it. We will resolve some of the ambiguities of the earth's magnetic field. We will recover new, and perhaps rare, metals from the heavenly asteroids. We will progressively press closer to some of those secrets of the universe which man has always yearned to know.

But let us take a more somber look at what could happen. The frontiers of space might be pierced by huge nuclear-propelled dreadnaughts, armed with thermonuclear weapons. The moon might be turned into a military base. Ways might be found to cascade radioactive waves upon an enemy. Weather control might become a military weapon. Man, in short, can put outer space to uses which might in the most real sense imperil civilization and even life on this earth of ours. All this seems possible.

### **U.S. Goals in Outer Space**

We fervently hope that the exploration of space will not augment the dreadful perils which hang over the heads of mankind. We earnestly seek international arrangements to assure that this great venture outward from our planet benefits the human race and redounds to its credit.

Our goals are simple and straightforward:

*First.* We think that outer space should be free for use by all nations as long as the use is consistent with the principles of the United Nations Charter.

*Second.* We think that the regime of law obtaining among the nations on earth must be extended and improved as it pertains to outer space.

*Third.* We think that there must be devised a clear and recognized means for the identification of rights and the adjudication of disputes as between nations conducting activities in outer space. We require, for example, mechanisms to assist in the rescue of astronauts who land unexpectedly in foreign territory and for the determination of liability for injuries or damage caused by objects returning from outer space.

*Fourth.* We think that useful applications of space technology, such as communication and meteorological satellites, should be available to

all nations, particularly the less developed nations, commensurate with a realistic assessment of their needs and their ability to commit resources to the use of these applications.

*Fifth.* We stand for the proposition that opportunities to participate in outer space activities should be open to all nations commensurate with their ability and willingness to cooperate constructively.

And *Sixth.* We have proposed, as part of our disarmament proposals now being discussed at Geneva, that, under adequate inspection and control, the placing in orbit of weapons of mass destruction be prohibited.

Our activities in outer space are consistent with these goals. Many of these principles are embodied in a resolution of the United Nations which the United States supported.<sup>4</sup> They are our frame of reference in discussions now under way for cooperative outer space programs with the Soviet Union and for implementation of programs already in effect with many of our European allies, with countries in South America and Africa and the Far East.

We hope that these principles will continue to be embodied in reliable and enduring agreements which in the future will concern all nations. The right time to subject activities in space to international law and supervision is now, before possibly untoward developments occur.

### **Purposes and Strategy of U.S. Foreign Policy**

Now let us descend from orbit and look at some of the new frontiers on earth. I want to state very briefly the purposes and goals of our foreign policy and our positive strategy for securing them.

Our paramount objectives are well known. We seek to preserve the physical safety of our homeland, the well-being of our people, the principles and ideals on which our country was founded, our way of life. This requires, among other things, that we maintain an adequate rate of growth in our economy while keeping the lid on inflation. It requires that we do our part in practicing and promoting liberal trade policies.

Our way of life thrives best in a spacious environment of peace and freedom. We seek to build, in President Kennedy's words,<sup>5</sup> "a peaceful

<sup>4</sup> For text of a resolution adopted by the U.N. General Assembly on Dec. 20, 1961, see *ibid.*, Jan. 29, 1962, p. 180; for background, see also *ibid.*, May 14, 1962, p. 809.

<sup>5</sup> *Ibid.*, Jan. 29, 1962, p. 159.

world community of free and independent states, free to choose their own future and their own system so long as it does not threaten the freedom of others." This is the kind of world envisioned by the Charter of the United Nations.

The leaders of the Communist movement, as they have told us in plain words, have a contrary goal. They seek to subject the whole world to their system. They not only regard this as historically inevitable; they are determined to hasten this alleged inevitability by every practicable means.

There appear to be some differences of view among the Communists as to the pace and tactics of communizing the rest of the world, as well as over ideology and internal policies. But both of the major branches of the Communist movement are determined to bury us, and each seems intent on demonstrating that its method of interring us is the more efficacious.

Mr. Khrushchev appears to be aware that the penalty for starting a great war would be the destruction of the Soviet Union. But let us not misunderstand what the Communists mean by "peaceful coexistence." By their own definition it means extending the Communist domain by every means short of a great war. They specifically approve what they call "wars of national liberation," which are in fact efforts to impose communism by force while escaping the penalties for massive aggression.

Aggression must not be allowed to succeed. We will defend the frontiers of freedom. In this task we have more than 40 allies. And, although some of them do not publicly admit it, many of the uncommitted nations are becoming increasingly aware that their survival in independence depends on the ability of the free world to hold in check the Communist imperialists.

We will defend the freedom of West Berlin. We are determined to repel aggression in Southeast Asia, as we have demonstrated by increasing our help to South Viet-Nam and by landing troops in Thailand.

#### **Partnership With Industrialized Nations**

While, with our allies, we protect the free world against aggression, we seek to build its strength. In this great task there are at least four main elements.

The first element is an ever-closer and more productive partnership with the industrialized nations of the free world. This calls for an increasingly effective North Atlantic community. It calls also for strengthening of our relations with the free nations of the Pacific.

The partnership with Europe is well under way through the NATO defense structure, through systematic political consultation, and through a variety of common programs and shared responsibilities toward the less developed world. But two great events are unfolding in Europe to which we must adjust: Western Europe is in the process of forming an enlarged Common Market, and it is moving toward some form of closer political integration. A great new power is in the making.

President Kennedy's trade legislation<sup>6</sup> is designed to associate this country with the Common Market in ways which will benefit the United States and Europe and mark a decisive step toward a viable partnership within the greatest area of economic productivity, trade, and skilled manpower on earth. We face similar adjustments in coordinating the Atlantic nations' monetary and fiscal policies in order that each can sustain a high rate of economic growth and maintain an equilibrium in international payments. The Organization for Economic Cooperation and Development, or OECD, which began operating last September, has been established for this purpose and is now at work on these problems.

As we envisage it the North Atlantic community will always include Canada and perpetuate our enduring bonds with that country. We must remain vigilant, as we move toward closer partnership with Europe, to find ways of associating Japan with the constructive tasks of the Atlantic partnership. This powerful and dynamic nation, which is driving forward at an astonishing rate of economic growth and progressively consolidating a democratic political base, has an essential, useful, and world role to play within the community of free nations. It can make important contributions to the modernization process throughout the whole of the less developed world and is, indeed, now doing so. It is for this reason that Japan is the only non-European country with membership in the OECD's Development Assistance Committee.

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<sup>6</sup> For text of the President's message to Congress on trade, see *ibid.*, Feb. 12, 1962, p. 231.

## Relations With Developing Nations

A second element in our constructive task centers on our relations with the countries of Latin America, Africa, and Asia which are struggling with modernization and the march toward industrialization and improved standards of living and social welfare. Our foreign aid and military assistance programs, together with the Alliance for Progress within this hemisphere, are designed to assist these countries with this range of problems.

Our fundamental purposes toward these countries are three: to assist them in maintaining their independence, to assist them to modernize their economies and otherwise to develop open societies in ways of their own choice which respond to the aspirations of their peoples, and to make it more possible for them to assume responsible roles within the interdependent free community of nations.

The third element in our task of building the free world is the creation of fruitful and durable relations between the industrialized and the industrializing regions. The old colonial order has all but vanished. The peoples of Asia and Africa have achieved "the separate and equal station to which the Laws of Nature and of Nature's God entitle them." The new order—and a far better one it is—between them and the old metropolises is one of a partnership of equals.

With their mounting production the nations of Western Europe are able to shoulder more of the load of assisting the underdeveloped areas. Canada and Japan and other countries are playing increasingly important roles in this effort.

One of the manifestations of this new partnership between the advanced and the less developed countries is the formation of consortiums to finance development plans. We must also continue to work on the knotty problems of stabilizing commodity prices in order to maintain the ability of the developing countries to earn foreign exchange.

Private capital has an important, although sometimes difficult, role to play in the huge and complex task of modernizing the underdeveloped nations.

Among the peoples we must assist in making economic, social, and political progress are those of the islands of the Pacific. They vary in their levels of development, but their aspirations are

expanding. Helping them to move forward is a common task for our Australian and New Zealand allies and comrades and for our European friends with island territories, as well as for the United States.

## Building a World Community

The international community which we are trying to help build will be one of diverse values. Herein will lie its strength. For we know that peoples want to remain independent and free to develop in their own ways. We and the other advanced nations can live in a pluralistic world, whereas we know the Communists cannot.

By diversity we do not mean anarchy. In the world of today no nation can survive alone. We seek a community of nations which recognize their interdependence, a community marked by increasing cooperation, by order, and by law. This is the fourth element in our constructive policy. We work toward this end through a host of international institutions and arrangements. The thread that runs through all our efforts on the world scene is our concern to build a world of order and justice under law. It is particularly appropriate to emphasize this objective today, which has been designated as International Law Day.

A world of peace and order under law cannot be achieved by decree. It must be built, piece by piece. All of our history teaches us that law is the product of cumulative growth, won with effort by coping effectively with problem after problem.

When we are impressed with defects and difficulties in international life today, we would do well to reflect on the hardship and injustices of life within any single nation of Western Europe during the Middle Ages and indeed during much of the modern era. Our own Anglo-American common law was not given or suddenly created; it was fashioned and wrought out of the living experience of many generations.

The community of nations is in a highly formative period. We need only glance backward to the concepts and institutions of 100 years ago to appreciate the tremendous progress that has been made in the interval. Today there is almost general acceptance of the idea of world organization for the common good. Increasingly it is under-

stood that agreed rules, and decisions based on a fair application of them, are to be preferred to resort to force.

We must keep everlastingly at this task of building a world community of order and law. We must continue to search for means of drawing the Communist nations into such a community. We think that the Soviets have a common interest with the West in attacking the dangerous anarchy of the armaments and nuclear weapons race, in maintaining order in outer space, and in other measures to prevent our conflicting purposes from erupting into a mutually destructive war. We therefore keep on, patiently and persistently, trying to make progress, through reliable and enforceable agreements, on these frontiers of danger.

I have described briefly the main elements in

our positive strategy. It is a strategy in which the initiative lies with us rather than with the Communists. It is a "win" strategy because it harmonizes with the largest interests and deepest aspirations of mankind.

We have no doubt that the peoples of the Communist world will increasingly bring pressure on their leaders to grant them the benefits of the free community and the individual rights and liberties which become the dignity of man. The way of free choice, of national and personal freedom, is, I submit, the real wave of the future.

We know where we want to go, and we are under way. Let us not be discouraged by the vicissitudes of the journey. Let us keep in mind that old maxim from Hebraic tradition: "It is upon us to begin the work; it is not upon us to complete the work."

## Secretary Rusk Speaks in Australia and New Zealand Following ANZUS Meeting

*Following are texts of addresses which Secretary Rusk made at parliamentary dinners at Canberra, Australia, and at Wellington, New Zealand, on May 9 and 10 after he had attended a meeting of the Australia-New Zealand-United States Council at Canberra May 8-9.<sup>1</sup>*

### ADDRESS AT CANBERRA, MAY 9

Prime Minister Menzies—whom all the world knows as "Bob"—Prime Minister Holyoake, Mr. Calwell,<sup>2</sup> Your Excellencies Ministers of State and distinguished members of the Parliament:

I am deeply grateful for this warm and friendly

<sup>1</sup>For text of a communique released at the close of the ANZUS meeting and a news conference held by Mr. Rusk at Canberra on May 8, see BULLETIN of May 28, 1962, p. 864.

<sup>2</sup>R. G. Menzies, Prime Minister of Australia; Keith Jacka Holyoake, Prime Minister of New Zealand; Arthur A. Calwell, Leader of the Opposition, Australian House of Representatives.

reception you have given me this evening. Those of you who know intimately the political system of the United States will know how sincerely a Secretary of State says that.

Some years ago, when I was a student at the University of Berlin, they asked me to give a talk to the German students—in German—about conditions back home, and with the help of some friends I gave them about 30 minutes about agriculture in my native State. When it was over a young German came forward and said, "I enjoyed your remarks, but I was not here when you were introduced. Where is your home?" I said, "My home is in the State of Georgia." He said, "Oh, yes, I should have known. I thought you were speaking German with a Russian accent."

This evening I shall attempt to speak in English. If you think I am speaking with an accent, the truth is that I shall be.

Mr. Menzies referred to your good and close friends in New Zealand as brothers. I point out that you sometime refer to us as cousins. The

difference is that the British Crown went to the most extraordinary trouble to get rid of its American Colonies before it invented the Commonwealth. But nevertheless we have a nostalgic pull toward the Commonwealth, which I hope you will understand, because as you and we look around this troubled world of ours these days it could be a chill and lonely world if it were not for the English-speaking members of the Commonwealth and the United States of America.

It is a great personal pleasure to visit Australia for this first time. My longing to do so has been nourished quite literally throughout my life, from the stories of exploration and adventure I read as a boy—my State of Georgia, too, was founded by refugees from the debtor prisons of England—all the way from those early stories to the kind invitation which your Prime Minister extended to our meeting of ANZUS here in Canberra.

Australian friends at Oxford, law school studies of appeals to the Judicial Committee of the Privy Council, associations in World War II and Korea, team play with your delegations to the United Nations, cooperation with your scientists and your scholars while I was at the Rockefeller Foundation—these are among some of the ties which make this visit deeply satisfying, quite apart from the official business we meet here to transact.

### **Common Heritage of United States and Australia**

Like all other Americans, I feel at home here, not only because of your warm hospitality but because of our common heritage, our common institutions, our common values, our common purposes. Our legal systems have the same roots. We are as one in our respect for individual human rights and the practice of political and social democracy.

You know, it just occurred to me that those sentences sound trite. But let's be careful. These simple, elementary things turn out to be the most important, and one of the problems about letting them become trite is that we may let them lose strength by inattention—by taking them for granted.

We share the pioneering spirit which goes with the settling and development of continents. We have a common, or at least a vaguely similar, language, and a common tendency to enlarge—or shall I say enrich—it by coining new words.

We are both among the inventors of a federal

system—arrangements, Mr. Prime Minister, which continue to make a rich contribution to political wisdom where unity and diversity must find reconciliation. We haven't begun to see the end of the story of this federal idea in the world in which we live.

You have a special capital district, as do we. And, like ours, we think yours is beautiful.

If we Americans have any complaints about you Australians they are that some of your runners and swimmers are rather too fast and that your policy in regard to the Davis Cup is unconscionably monopolistic. Years ago, in writing your Ambassador in Washington to congratulate him on Australia's victory in the Davis Cup matches, in typical Yankee style I decided to do a bit of timesaving forward planning. I made myself a stack of mimeographed letters, and now all I need to do is to fill in the date.

I am not prepared to concede that a similar letter will be necessary for the America's Cup, but I must of course at this stage recognize the possibilities. I have a feeling that perhaps it will be the turn of Sir Howard Beale to send a letter to me.

But let me congratulate you on a victory in another field—the first place won by your shortwave broadcasts in a recent worldwide poll.

The excellence which sometimes dismays us as competitors makes us treasure you all the more as allies and comrades.

### **An Enduring Partnership**

Many tens of thousands of Americans know from direct personal experience how good it is to have Australians and New Zealanders at their side in times of peril. One of these Americans arrived at Guadalcanal 19 years ago last month to take command of a PT-boat. He became well acquainted with the neighboring waters of the South Pacific, first by cruising on them and then by swimming in them for some 40 hours after his PT-boat was rammed by a Japanese destroyer and he and his crew were presumed lost. And lost or captured they all would have been, almost certainly, but for some friendly islanders and an Australian—one of that intrepid band of Australians and New Zealanders who risked their lives in lonely vigil behind enemy lines, as watchers over half a million square miles of Melanesia. President Kennedy has asked me to convey his warmest regards and best wishes to the

people of Australia this evening, and a special personal greeting to Reg Evans.

It is altogether fitting that this meeting of ANZUS should coincide with the celebration of the 20th anniversary of the Battle of the Coral Sea. Coral Sea Week not only commemorates our joint struggle but signifies our enduring partnership.

When the ANZUS treaty was signed on September 1, 1951, Secretary of State Acheson said that it "only puts into words strong ties and purposes already in existence." And when I look back to that day of signing, at which I was present, I find in this present journey a journey of sentimental affection. I also recall—and this should be important to you—that the ANZUS treaty was a result of the most close cooperation between Secretary Acheson and Mr. John Foster Dulles, who were working at that time in complete harmony with respect to issues such as those we are talking about today.

Indeed I think it may be said that no defensive alliance was ever more firmly anchored in the solid realities of common interest, and common ideals, and mutual confidence. As we have fought side by side to defend liberty in the past, so we stand today, resolved to preserve freedom against another grave threat. Our vital common interests are not confined to the Pacific; they are worldwide. We are locked in a global struggle, and in its outcome our fortunes—both yours and ours—are indissolubly welded.

### **U.S. View of World Struggle**

I should like to outline briefly how the Government of the United States looks upon this world struggle. Our central objective was set forth succinctly by President Kennedy in his state of the Union message in January of this year. He said:<sup>3</sup>

Yet our basic goal remains the same: a peaceful world community of free and independent states, free to choose their own future and their own system so long as it does not threaten the freedom of others.

This is the kind of world community envisioned by the Charter of the United Nations and solemnly pledged by all who signed that document.

Unhappily, as we know only too well, there are forces in the world opposed to that objective—

forces determined to impose their system on all the peoples of the earth. The rulers of the leading Communist states are not only Marxists who believe that their system is destined to prevail over all others. They are Leninists, intent upon expediting that alleged historical inevitability by every practical means.

There may appear to be disagreements within the Communist world, not only as to ideology and internal policies but as to the pace and tactics of communizing the rest of the world. But in the short run, at least, we should be wary of drawing comfort from these differences. Both of the major branches of the Communist movement are intent upon "burying" us. And each seems to feel the urge to prove that its particular method of hastening our demise is the more effective.

Mr. Khrushchev advocates what he calls "peaceful coexistence" or "peaceful competition." Insofar as that signifies competition in production and improving the way men live, we welcome it. We have no doubt about which side will win this match. Compare Eastern Germany with Western Germany! Or Eastern Europe with Western Europe! Compare Communist China with almost any country you can think of! The "great leap forward" has ended in a flop. The vaunted "shortcut to the future" has proved to be the shortcut to misery.

Mr. Khrushchev has made it crystal clear that he is not advocating mere competition in production. By his own definition "peaceful coexistence" is a program of conflict—a design for extending Communist domination by all means short of the great war which would be self-defeating.

Let us identify peaceful coexistence, in Communist jargon, for what it is: a tactic which rests upon the assumption of inevitable victory. This is not a match in which the other side intends to accept the role of a "good loser." The failures of East Germany spawned the crisis over Berlin; the internal successes of South Viet-Nam since 1955 spawned the aggression from the north.

Communists do not exclude the threat or even the use of force. Indeed they expressly approve what their leaders call "wars of national liberation"—a characteristically upside-down label applicable to the use of force against any non-Communist regime, just as they use imperialism as an upside-down word to describe non-Communist leadership.

<sup>3</sup> For text, see BULLETIN of Jan. 29, 1962, p. 159.

Communist efforts to expand their domain by one means or another have produced a series of crises. Imagine the world revolution which would be brought about if there were a simple decision in Moscow to live at peace with the rest of the world!

Where they have encountered resolute resistance they have fallen back. But they continue to probe, and where they probe crisis results. At present we are giving special attention to two areas of Communist-induced crisis: Berlin and Southeast Asia.

### **The Crisis in Berlin**

In Berlin we face the most direct Soviet challenge to the entire free world. Having fenced and walled off their areas of occupation in East Germany and East Berlin, the Soviets seek, once again, to encroach on the free Western sectors of Berlin and, in so doing, to extinguish the human rights and the very lives of the staunch citizens of this brave city, who have proved their dedication to freedom.

The Western allies, backed by all the NATO powers, have the most solemn obligation to protect the freedom of West Berlin. We will not be forced, or squeezed, or harassed out of West Berlin. We have made it plain that the freedom and viability of West Berlin, and the free access and Allied presence necessary to insure its freedom and viability, are vital interests which the West shares with the West Berliners.

We cannot share that with the Soviet forces which Mr. Khrushchev would like to join with ours in West Berlin. We do not believe that Soviet forces have had any experience in seeing to the security of a free society.

We think that the Soviet leadership has come to realize that when we call these interests vital we mean it in the literal sense and that we will defend those interests, by whatever means may be required.

### **Southeast Asia**

In Southeast Asia, likewise, the free world has vital interests which you and New Zealand and we, with our other allies in SEATO, have special obligations to protect. At present, two adjoining nations, Laos and the Republic of Viet-Nam, are being subjected to aggression from the north.

We seek a united and independent Laos. We believe that the interests of Laos, of Southeast Asia, and of the free world as a whole would be served by a neutral Laos. The Soviets informed us that they too favored an independent and neutral Laos. International agreement on this stated objective was achieved at Geneva, and under this agreement all foreign troops would be required to leave Laos. As yet, however, the leaders of the principal political factions within Laos have not agreed on the composition of a coalition government. And I cannot honestly report that the end of this crisis is plainly in view.

In Laos there is a precarious cease-fire. But next door, in South Viet-Nam, is a country under active assault by thousands of men trained, infiltrated, in part supplied, and certainly directed, from north of the 17th parallel.

The Viet Minh have systematically violated the Geneva Accords of 1954 since the day of their signing. But they were unable to prevent South Viet-Nam from making remarkable economic and social progress, while hunger and misery made a mockery of the Communist claims to have created a paradise in North Viet-Nam. The success of the new nation to the south doubtless prompted the renewed and stronger Communist effort to destroy it. This assault is directed not just against soldiers but against the village school teacher, the village extension worker, the malaria eradication team, the local tax collector, the rural postal carrier.

This is a prime example of what the Communists call a "war of national liberation." In reality it is a gangster war of horror and assassination. The stakes are greater than South Viet-Nam itself; the independence of all the peoples of Southeast Asia is involved.

In the last several months the United States has substantially increased its assistance to the people of South Viet-Nam. You are helping there in significant and growing ways, but there is more for all of us to do in that situation. We should like to see many other free nations also lend a helping hand, for aggression against Southeast Asia must not be allowed to succeed.

While we are determined to check aggression, we persistently seek areas of overlapping interest with the Communist nations. We were encouraged a few years ago when the Soviet Union joined Australia, the United States, and other nations in the treaty on Antarctica.

## Efforts To Secure Test Ban Treaty

We believe that the Soviets, if not the Communist Chinese, recognize a common interest with us in trying to avoid the devastation of thermonuclear war. We had hoped that as a first step toward bringing superweapons under control they would agree to a treaty banning atomic tests. In the effort to meet their objections to inspection, Great Britain and the United States offered to limit it to the barest minimum consistent with a reasonable assurance of compliance. But even this was too much for the Soviets. And while we were still negotiating they broke the moratorium on testing with a long—and obviously long prepared—series of tests. Nevertheless we stood on our offer to conclude a test ban treaty—and with an inspection arrangement that would have involved an international inspection team looking at less than 1/2000th of the territory of the Soviet Union in any given year.

But as the Soviets were still unwilling to agree, President Kennedy felt obliged to resume our own testing for our own security and the security of the free world. As you know, he reached that decision most reluctantly. And we stand prepared to stop testing at any moment that the Soviets agree to a test ban treaty with essential international verification. But the President of the United States will not accept the responsibility for allowing people who want their kind of world order to move ahead of the free world in this nuclear field.

## Disarmament Conference

At the disarmament conference in Geneva we have tabled now the draft outline of a treaty<sup>4</sup> providing for large and successive reductions in all types of arms, leading to complete and general disarmament. Here again, as so often in the past, we have come up against an initial obstacle that seems now to be insurmountable—the refusal of the Soviets to accept international verifications of the arms retained. But we continue this quest for mutual reductions in armaments and for measures to reduce the dangers of accidental war and surprise attack. We do hope that the Soviets will agree to a treaty, for example, on the peaceful uses of space. And we look continually for areas of cooperation, such as between their scientists and

those of the free world in expanding human knowledge.

But what a pity and what a tragedy that we cannot somehow find a way to agree on specific, definite, physical, tangible steps of disarmament! And why is it that we should let an obsession with secrecy stand in the way when secrecy and disarmament are utterly incompatible!

## Building the Strength of the Free World

I have been speaking of our policies toward the Communist world. Let me turn for a moment to the great constructive task: the building of the strength of the free world.

One of the bastions of the free world is Western Europe, which has attained levels of well-being and rates of economic growth beyond the dreams of a decade ago. At the same time it has made dramatic progress toward integration—integration which is settling for all time the historic enmities which led to two world wars.

Is it really possible to comprehend what it means in our own minds that after 500 or 600 years we are just about at the point where we can say, "World wars will not start over intra-Western European conflicts"? How much that can mean to your country and mine, which have been in two world wars because of those conflicts.

And now the United Kingdom seeks admission to the Common Market. We hope these negotiations will succeed. In our view the more comprehensive integration of Western Europe would add immensely to the strength and the stability and the security of the entire free world. But we recognize that it would require adjustments by all of us, for we stand at the threshold of a new trading world. The challenge is whether it is to be an open system.

Our response to this challenge is the President's trade expansion program, now before our Congress.<sup>5</sup> Our purpose is to negotiate major reductions in the Common Market's tariff in return for similar reductions in our own tariff. The heart of our policy is to open further the two great common markets—that of Europe and that of the 50 American States—to the goods of the free world. We remain opposed to any drift of Europe toward a closed economic society, or to

<sup>4</sup> For text, see *ibid.*, May 7, 1962, p. 747.

<sup>5</sup> For text of the President's message to Congress on trade, see *ibid.*, Feb. 12, 1962, p. 231.

new preferential arrangements related to the Common Market.

We hope that Australia, similar in so many ways to the United States, will wish to join us in freeing further the channels of trade and specifically in tariff negotiations to this end with the enlarged Common Market within the framework of GATT.

Tomorrow night in Wellington I shall say more about trade and some of these other questions, and I hope you may regard my talk there as coupled with my remarks tonight. If we can deal with these practical trade problems as practical problems, I am sure that we can find answers which deal with our vital interests and can satisfy the needs of both our countries, because we, too, have some economic problems with the prospective Common Market, just as we know you do.

#### **Aid to the Underdeveloped Nations**

I should like to emphasize here, however, the crucial importance of our assistance to the hungry half of the world where the concepts of human liberty and dignity are so often threatened by mass poverty. Here the Communists seek to play upon frustration, internal weaknesses, and old resentments. But the advanced countries of the free world have more solid resources—not only superior material and technical resources but the spiritual and humanitarian resources of democratic societies. To apply these to the building of the underdeveloped nations is a task for the entire free-world community.

Australia is already making a very substantial contribution through the Colombo Plan and otherwise. We know also that you have opened the doors of your universities to thousands of students from Asian countries and that many of these students receive financial help from your Government. In helping to build a peaceful world community you also keep alive one of the commandments of the frontier society from which we both have sprung, that of helping your neighbor in his adversity.

I hope you will indulge me for a moment while I cite a few figures indicating what my countrymen are devoting to this dual task of protecting and building the free world. We maintain more than 2,800,000 men under arms. Of these—per-

haps you hadn't realized—nearly 1,100,000 are deployed outside the continental United States, on land or afloat.

We have more than 40 allies. We are extending technical and financial and, in some cases, military aid to many other nations. Altogether we are providing direct financial assistance to approximately 75 countries.

These outlays for defending and building the free world amount, this year, to nearly \$54,000,000,000, or 24,000,000,000 Australian pounds.

I don't need to say this to you people, who are putters in this business, but we do have to say it to many of our friends in these other countries because they seem to think that we have some magic mountain out of which we can shovel gold that makes no difference to anyone. These are taxpayers' dollars. They total close to 10 percent of our gross national product and average approximately \$300 for every man, woman, and child in the United States. Additional funds are sent abroad by our philanthropic foundations or privately invested by companies and individuals.

And I hope that you will sometimes agree—and I'm sure you do agree—that at least we are trying to do our share.

Our investment in the peaceful exploration of space also is substantial. Next year it will be about \$3,800,000,000, or 1,700,000,000 Australian pounds. And it will rise in ensuing years.

#### **Project Mercury**

We are grateful to you, Mr. Prime Minister and ladies and gentlemen, for your indispensable assistance in Project Mercury and in the whole field of space research and exploration. I think first of the cooperation of your Government and your scientists and technicians. And I would remind you that we are working together to build the most powerful radio telescope in the world, to be located near this city. I think also—and no American can avoid it these days—I think also of the citizens of Perth, who lighted the path of Colonel Glenn on his historic triple orbit of the globe. They touched the hearts of all his countrymen—indeed, I think I may say, of hundreds of millions of other citizens of the free world whose hearts were with him. (Incidentally, judging from my own experience, many of those hearts were beating much faster than Colonel Glenn's during those memorable hours.)

I wonder if I might close with a personal comment. There are millions of Americans who have shared with many of you in this room the experience of having been born in what we would now call an underdeveloped society—prescientific, pre-technical, pre-medical care, pre-public health, pre-education. We have seen in our own lifetimes the transformation of the lives of peoples under free institutions. Now when we say to our friends in the developing countries that we know the Communists have not found a magic formula for rapid development it's because we have seen fantastic and rapid development under freedom while you and we have been aligned.

Let's not concede this notion that it takes two or three hundred years to develop just because, almost as a truism, all of us have had two or three hundred years of history behind us, because this development has occurred in the most recent times. In 1920 only 1 percent of the farms of the United States had electricity; today 98 percent of them have electricity. You could multiply those examples and figures many times in your own personal experience.

### **The Basic Aspirations of Man**

Now what I'm saying is that we have reason for a confidence in the capacity of free societies to deal with these great yearnings for economic and social development that we must transfer to those who are giving these aspirations highest priority in their own situation, and that we dare not pretend—we dare not concede—that those who are now responsible for what is happening all the way from East Germany to North Viet-Nam have found any answer even to the central problem to which they say they have addressed themselves, namely the problem of economic and social satisfaction.

Secondly, you and we come out of a great political tradition. We received it from the same source. It was passed on to us as a part of a discourse about the political consequences of the nature of man which has been going on for more than 2,000 years. Out of that experience and that tradition came some very simple ideas. Our people articulated them at the end of the 18th century with the very simple expression that governments derive their just powers from the consent of the governed. And in the great constitutional history of the Anglo-Saxon people, it has found other means of expression.

These ideas are deeply rooted in human nature. They are also the most explosive and powerful revolutionary forces in the world today. It is the notion of freedom that is causing people to move. It is the notion of dignity and the improvement in the lot of man which is causing people to move today.

It is not for us to fear these great winds of change. They are a part of the tradition out of which we ourselves came. They are part of the unfinished business which is a part of our story. And those who came to some notions in the middle of the 19th century under other circumstances and for other conditions are finding that these notions are running dry because they obviously do not fit these basic aspirations of man.

We don't have to argue with people in other parts of the world about what we are really after and what they are really after. Have you ever found anybody who would rather be ignorant than educated? or sick than healthy? or who is interested in that knock on the door at midnight which means terror?

These simple human notions, central to your society and to ours, are the great power of the human spirit. They are the things which bind us together, and let me tell you they are the things which give us allies, spoken or silent—allies among men and women in every corner of the earth. This is the basis of our confidence; this is the scope of our task. This is the story of freedom, and history says this story cannot fail.

### **ADDRESS AT WELLINGTON, MAY 10**

Mr. Prime Minister, Mr. Nash,<sup>6</sup> Your Excellencies Members of the Cabinet and Parliament, distinguished guests, and friends:

I do thank most warmly the Government and the people of New Zealand for their hospitality, and I was deeply moved, Mr. Prime Minister and Mr. Nash, by the warm terms in which you proposed the toast to the guest of the evening. You have enabled me to begin to satisfy a long-cherished desire to visit these emerald Islands of the Blessed—although in a more vital condition, I hope, than that related in the ancient myth. And I point with pride to the fact that you have enabled me to claim a precious "first." I must admit that this

<sup>6</sup> Walter Nash, Leader of the Opposition.

achievement is not in the same class with the "firsts" of Sir Edmund Hillary and some of your runners. But you have won my gratitude by allowing me to become the first American Secretary of State to visit New Zealand while still in the harness of office.

But this is also a journey of genuine affection, one which I have anticipated for a very, very long time. Indeed, Mr. Prime Minister, when you invited me to come here, the first question I had to ask myself was whether my personal exchequer could afford it, because during World War II it was my military duty—I was then in uniform—to be among those in our general staff in war plans to follow the campaigns of the Second New Zealand Division. And after watching the unbelievable gallantry and the superb performance of that division in battle after battle, I took an oath that if I ever met a member of the Second New Zealand Division I would buy him a drink. I have already had one disastrous episode because during the war I had to drop through Cairo on a weekend when most of the members of that division were on leave.

I also remember with deep gratitude, on the occasion when President Truman had to make the hard decision that the aggression in North Korea would have to be resisted, that the first voice we heard was the voice of the New Zealand Ambassador, who came in and said, "What do you want from New Zealand?"

I have heard your Commonwealth colleagues, Mr. Prime Minister, refer to each other as brothers and to us in America as cousins. Well, this causes a certain amount of resentment which is not your fault, but we are a little sensitive to the fact that the British went to the most extraordinary pains to rid themselves of their American Colonies before they invented the Commonwealth.

I have had some difficulty in establishing friendships as easily and smoothly as I thought would be possible in the last 2 or 3 days, as I have met friends from New Zealand, because on four or five occasions I have said to one or another of them, "You know, what distresses me about this visit is that I should like really to stay 4 or 5 days and go down to South Island and do some fishing." But on each occasion the answer was, "But, you know, we have good fishing in North Island, too." I think I picked the wrong New Zealanders. But if you will settle this question between North and South Island, I will settle Berlin!

The long association between New Zealanders and Americans began during the Pacific whaling and sealing operations of the early 19th century. An American consulate was opened at the Bay of Islands in 1839.

But over and beyond these commercial associations, which continue at the present time, Mr. Prime Minister, Americans and New Zealanders committed their courage and their resources in voyages of discovery and exploration in Antarctica. In latter years, for example, Sir Hubert Wilkins was sponsored by the American Geographic Society when he made his epic flight over Graham Land.

Our own Admiral Richard Byrd looked upon New Zealand sincerely as his second home. The monument recently erected on Mount Victoria is a testimonial not only to Byrd's work but to the good will and friendship of the people of New Zealand for Americans. And we are grateful for the warm hospitality so graciously extended by all New Zealanders, and especially by the people of Christchurch, to Byrd's successors, the personnel of Operation Deepfreeze.

These congenial special connections are but a few of the strands in the stout fabric of our friendship. We are woven together by common language, common institutions, common purpose, common belief in the rights of man and in government by the people and for the people and of the people.

When I think of the democracy of New Zealand I think of an observation made in 1835 by the young Frenchman, Alexis de Tocqueville, in his book on *Democracy in America*. In the introduction he wrote: ". . . amongst the novel objects that attracted my attention during my stay in the United States, nothing struck me more forcibly than the general equality of condition among the people. I readily discovered the prodigious influence which this primary fact exercised on the whole course of society."

The "general equality of condition among the people" is noteworthy in your society also. New Zealand stands as a leader among the nations in providing for the social welfare of its people. And you are justified in being proud—more proud than we can be—of the racial harmony you have achieved. You have come as close as any nation to realizing in practice some of the great truths of

the American Declaration of Independence, that all men are born equal, that "they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness."

Together we have fought to defend our common way of life. As I said last night in Canberra, many tens of thousands of Americans know from direct personal experience how good it is to have Australians and New Zealanders at their side in times of peril. One of those Americans is our Ambassador to New Zealand [Anthony B. Akers]. Another, who also commanded a PT-boat, had a close call in the South Pacific but lived to fight another day and to occupy the highest office in my country. President Kennedy asked me to convey to the people of New Zealand his warmest regards and best wishes.

### **Commitments in ANZUS and SEATO**

We stand today shoulder to shoulder in the defense of liberty. We are allies through ANZUS and SEATO. In ANZUS we have just had a most useful meeting in Canberra. ANZUS is securely rooted in common purposes and, indeed, common necessities. I can do no better than to repeat the words spoken by my old and dear friend Sir Carl Berendsen, then your distinguished Ambassador to the United States, when the ANZUS treaty was signed on September 1, 1951:

"The treaty," he said, "therefore rests upon the solid basis of common interests and ideals, upon the regard and affection of the respective peoples, upon their common desire for peace and upon their common determination to resist aggression. It reflects also the inescapable facts of geography on the one hand and, on the other, the especial perils to which the Pacific may be exposed in the course of this world-wide conflict between liberty and slavery with which the whole of mankind is today oppressed."

Beyond ANZUS, we have our common obligation through SEATO to defend Southeast Asia against aggression. This is a commitment of vital importance. In fulfilling it, we on our side shall do whatever may be necessary.

### **The Island World of the Pacific**

Another deep and abiding interest which you and we share is in the stability and welfare of the great island world between North Cape and Ha-

wai. Although few New Zealanders or Americans gave the matter much thought, until January of this year our countries actually shared a common frontier in the Pacific: that between American Samoa and your former Trust Territory of Western Samoa. The fact that we were hardly conscious of facing each other across an international boundary is, I think, a confirmation of our close relations.

But when I think of stability in the island world I do not mean stagnation or lack of progress. The peoples of the Pacific Islands are expanding their horizons and developing their skills at an increasing rate. Their aspirations are keeping pace with their development. While the dependent territories of the Pacific vary in their level of development, all of them are being brought increasingly into the dynamic 1960's.

To the United States and New Zealand, to our ANZUS partner Australia, and to our European associates in the South Pacific Commission, this trend presents both a challenge and an opportunity. We must assist the people of the island territories in making economic, social, and political progress. We must do this in a cooperative manner, without imposing arbitrary economic barriers or new spheres of economic influence.

To carry forward this task, while preserving peace and stability in the region, obviously will call for wisdom and experience on the part of the administering powers. And for much of that wisdom and experience I am sure we shall find ourselves turning to you, in face of the record which you have established in that regard. You have made a notable contribution through the skillful and understanding manner in which you have administered the Trust Territory of Western Samoa and prepared the way for its transition to independence.

### **U.S. Nuclear Tests**

There is, of course, another aspect of the Pacific Islands scene that commands our attention at present. My country is carrying out a series of nuclear tests, based on Christmas and Johnston Islands. I know that you are aware that President Kennedy's decision to conduct these tests was made with great reluctance, only after examining carefully every possible alternative. The Soviet resumption of testing on a massive scale and the unyielding Soviet refusal to agree to a meaningful

test ban treaty gave us no other rational choice. To have decided otherwise would have been a betrayal of our responsibility for the defense of the free world.

Christmas and Johnston Islands, both in the Northern Hemisphere, were selected as test sites because, among other important advantages, they are among the most remote of the available sites. Johnston is about 700 miles from Honolulu, and Christmas about the same from Penrhyn Island. Unprecedented precautions have been taken to insure that the safety and health of the Pacific Islands peoples are in no way endangered by the tests. In the Cook and Tokelau Islands, scientists from the United States and New Zealand are co-operating closely in the operation of monitoring facilities to supplement our extraordinary safety measures in other parts of the Pacific. We have full confidence in the adequacy of these precautions.

Moreover, we continue to seek most earnestly an effective test ban treaty. And we stand ready to stop testing whenever the Soviets agree to such a treaty with the minimum of international inspection necessary to verify compliance.

The tragedy of the situation is that these two great powers cannot, in the face of the enormous national, selfish, realistic interest which both of us have in bringing these nuclear tests to an end—that we cannot somehow find a way to stop them. We find it difficult on our side to believe that an international inspection system which involves the inspection of less than 1/2000th of Soviet territory in the course of any single year is an unreasonable price to ask for an ending of this frightful competition.

The regional interests and defensive alliances which I have been discussing are only a part of our common involvement in the struggle between freedom and coercion. That struggle is world-wide, and in it our destinies are inseparable.

Last night in Canberra I outlined my Government's view on the fundamental political aspects of this global conflict. I spoke of our determination to repel aggression and particularly of our confrontations with the Communists in Berlin and Southeast Asia. I spoke also of our persistent quest for negotiated agreements with our adversaries, above all our hopes for an agreed start on the road to disarmament, with reliable verification of compliance.

But the storms of crises and the reefs of Com-

munist intransigence are not the whole story. We can pass through or around them if we know where we are going. We have in fact charted our course toward a great goal, and that goal is a free community of nations, independent but interdependent, uniting North and South, East and West—the kind of world order sketched in the opening pages of the United Nations Charter.

Tonight I should like to address my remarks primarily to ways and means of working toward that goal—to the great constructive tasks of building the free world.

### **Dissolution of Colonial Empires**

The world in and on which we build is of course radically different from that into which our fathers were born. In that older world relative peace and stability were made possible in large measure by British strength and an effective balance of power. Under that mantle the fruits of the industrial revolution ripened and multiplied and European ideas and culture and technology spread around the world. It was widely assumed that the colonial system, based on the comfortable paternalism of the metropolises, was an enlightened means of maintaining political stability and fostering gradual economic growth in the vast territories of the southern half of the globe.

The two European civil wars of the 20th century—the second of which became a full-scale world war—destroyed the old order, bringing to a close an epoch that had begun with the age of exploration. Out of the wreckage have emerged the new nations of Asia and Africa, inspired by the great ideas and aspirations which originated in the West. We welcome these new nations to the fraternity of free men.

According to Marxist dogma, the dissolution of the old empires should have blighted the economies of the former ruling powers. But the economies of the modern world is not at all the capitalism which Marx saw; still less does it correspond to what he thought he saw. The governments of the more advanced countries have learned how to intervene responsibly to make their economies serve the broad public interest and to promote economic and social progress.

Instead of withering as the old colonial empires dissolved, as Marx would have had it, the economies of the former ruling nations have spiraled upward to new heights of productivity and well-

being. In the 1950's Western Europe achieved a rate of progress unprecedented in its long history. Japan also has attained an unparalleled rate of economic growth—a rate higher than the Soviet Union's or Western Europe's. And in the United States the increase—just the increase—in gross national product since the First World War exceeds the total gross national product of the Soviet Union today.

### **Movement Toward European Integration**

One of our great tasks in building the free world, as we see it, is to strengthen the bonds among the more advanced free nations. These lie chiefly in the Northern Hemisphere but certainly include Australia and New Zealand.

For at least 14 years the United States has favored cooperation and movements toward integration among the nations of Western Europe. Our attitude was stated in the legislation authorizing the Marshall plan and has been reaffirmed on many subsequent occasions by our Congress and by all our postwar Presidents. It has been supported consistently by the leadership of both of our major political parties.

We hoped, first of all, for a Europe which would submerge for all time the old feuds which cost the world so much in treasure and blood. We can almost say with certainty that after 600 years we shall not have wars which originate within Western Europe. And beyond that, we have wanted to see a free Europe that is strong and vigorous. And we have believed that in union there is strength.

We on our side have never offered any blueprints for an integrated Europe. We have never tried to tell our Western European friends how, or to what degree, they should integrate. But when proposals which seemed to us constructive have originated in Europe, we have supported them. We looked with favor on the creation of the European Coal and Steel Community and, later, on the formation of EURATOM and the European Economic Community.

Generally the process of European integration seems to us to have produced splendid results. Enlightened leadership has established a new relationship between Germany and her Western European neighbors. And economically Western Europe has forged ahead with unprecedented dynamism.

Now Great Britain seeks membership in the Common Market. It was her decision, not ours. We did not urge it. But when the British asked us, as old friends, for our views, we responded favorably. We hope that the current negotiations will soon be successfully concluded. We share with Britain the judgment that she can better maintain and enhance her strength inside the Common Market than outside it. And we think that the addition of British resources, skills, and proven political capacities will greatly strengthen the Common Market.

### **Adjustment to Common Market**

Full participation by the United Kingdom in the great process of European unity—an objective so eloquently outlined in the Lord Privy Seal's opening statement last October—will be beneficial to the Community, to the British, to other European states, and in fact to all of us. We firmly subscribe to this view, even though we realize that Britain's entry into the Common Market will create problems of adjustment for many countries, including New Zealand, Australia, and the United States.

We are sympathetic with the problems faced by you and Australia because we face problems not greatly different in kind, even though different in degree. We share with you a considerable area of common interest. None of us belongs to the European Common Market. All of us are substantial exporters of temperate-zone agricultural products and interested in maintaining and expanding our markets for these products. We can, therefore, benefit by working together toward the creation of a trading world as open and liberal as possible.

Let me say quite frankly, as we face these momentous changes in the trading world, that we recognize the problems posed to you here in New Zealand by the Common Market. If you have a problem, then we have a problem. And this is because the United States has a great stake in your prosperity. It is neither necessary nor profitable for us to engage in theoretical debate or to lose ourselves in slogans. But what we must do is to sit down and find the practical answers to these practical problems.

As a step toward the changed trading world of the future, President Kennedy has requested the United States Congress to grant him broad powers

to negotiate for a substantial reduction in trade barriers. At the same time the United States has welcomed the initiative in GATT of exploring the possibility of global arrangements for cereals, since it seems to us that, in a world of vaulting agricultural technology, arrangements on a global scale may offer the only effective solutions to our mutual problems, not only for cereals but for other key commodities.

### **Creating a More Open Trading World**

The open trading arrangements we envisage are, it seems to us, a far better approach than the permanent maintenance of preferential systems. In fact the permanent extension of existing Commonwealth preferences, within the framework of an expanded Common Market, would seriously prejudice our vital interest in a world of expanding and liberal trade. At the same time we recognize that, in order to ease the problem of adjustment, transitional arrangements for many of these commodities may be necessary.

I should like to enlist the active support of New Zealand and Australia in working with us toward the creation of a more open trading world, including our own common market among the 50 States of the United States. And I am persuaded that a mutual appreciation of the problems which each of us faces, as well as a sympathetic understanding of the problems posed for the United Kingdom in taking the great step that is proposed, should go far toward creating a climate in which solutions can more easily be found.

We have not the slightest doubt that the Commonwealth can meet this challenge. We have seen it accommodate itself to new conditions in the past—in the last few years to the addition of many new members. We believe that this great stabilizing family of nations will be able to accommodate itself constructively to the problems of the future.

We in the United States feel that we have a great interest in the ties which make for solidarity within the Commonwealth. If we would have any hesitancy or criticism, it would be that perhaps the Commonwealth has not moved forward with the self-confidence which it deserved.

Let me reiterate that the enlarged Common Market will require adjustments by the United States too. But we do not believe that the prospect of temporary difficulties should cause us to oppose a move which promises so much for the free world

as a whole and for the cause of liberty to which you and we are dedicated.

### **Task of Assisting New Nations**

I return now to another constructive task: assisting the underdeveloped nations to move into the modern world. This is a vast and critically important task which places an inescapable duty on all the advanced nations of the free world.

If the new nations—and some of the older ones—are to preserve political stability and freedom, they must satisfy the aspirations of their peoples for a better life. The whole world knows that men need not live like beasts at the edge of survival. The knowledge and skills of the modern age offer the means to achieve decent conditions of life. But to organize and apply this knowledge and these skills is not a simple matter.

The underdeveloped half of the world needs, in varying degrees, assistance in education and in mastering a wide range of technical as well as administrative skills. And it needs capital in large amounts. In some countries, where land and other wealth are unduly concentrated in the hands of a few, there is a need also for social reforms.

We do not expect this modernizing process to take place smoothly in every instance. Nor do we expect rapid progress on the part of all underdeveloped nations. But we intend to work in partnership with those who would modernize their societies on the basis of national independence.

Some of the underdeveloped nations, especially those with well-shaped programs, have made heartening progress in the last few years. And others are beginning to move ahead. Still others are coming to grips with their basic problems. Almost everywhere in the underdeveloped world there is great vitality and a determination to make progress.

My country has expended very large sums in assisting the underdeveloped countries. And we have now a program of aid geared to the needs of systematic and long-term development. But we think the task is one for all the advanced countries of the free world—and even for those which may not have large economic resources but do have skills which others lack.

New Zealand is to be congratulated for its fine accomplishments under the Colombo Plan. And if there is a New Zealander who has a chance to be in New Delhi, for example, let me urge you

to savor a thrill of quiet satisfaction by visiting the All-India Institute of Medical Sciences, which was launched by an initial £1,000,000 grant by New Zealand under the Colombo Plan. One of the great institutions of Asia has now appeared on the basis of that remarkable initiative and encouragement first given by this country to India.

We are struck also by the technical assistance that has been provided by countries of the Far East with limited resources—in some cases countries which themselves are receiving aid. I am thinking in this case, for example, of India itself. And this is all to the good. We must all extend ourselves to do what we can, regardless of our size, our population, our wealth. Every bit helps, both materially and in promoting good feeling among men.

I hope you will indulge me while I repeat a few figures which I cited in Canberra last night, to indicate what my countrymen are devoting to the dual task of protecting and building the free world. We maintain more than 2,800,000 men under arms. Of these, nearly 1,100,000 are deployed outside the continental United States, on land or afloat. And if we are concerned that we must have a so-called favorable balance of trade of from \$3 billion to \$5 billion a year, one of the necessities is for us to maintain these million men overseas and to carry the large aid commitments which we have undertaken.

We have more than 40 allies. We are extending technical and financial, and in some cases military, aid to many other nations. Altogether we are providing direct financial assistance to approximately 75 countries. These outlays for defending and building the free world amount, this year, to nearly \$54,000,000,000, or 19,000,000,000 New Zealand pounds.

These are taxpayers' dollars. They are not taken from a magic mountain of gold out of which indefinite resources can be taken without impact upon anyone else. They come from the taxi driver and the great corporations, the farmer and the factory worker. They total close to 10 percent of our gross national product and average approximately \$300, or 107 New Zealand pounds, each year for every man, woman, and child in the United States. Additional funds are sent abroad by our philanthropic foundations or privately invested by companies and individuals.

I do hope that you will on occasion believe that we are trying to do our share.

## **Problem of Agricultural Surpluses**

In this common effort, agricultural surpluses are more of an asset than we have perhaps realized. This ability to produce more food and fiber than we can consume or readily market—which you and our Australian friends and a few other countries share with us—has caused problems for us and among us. But let us remind ourselves that these are the kinds of problems with which most of the people of the world would be delighted to be afflicted. For in some cases they are problems of abundance—although we recognize that in your case they are the problems of furnishing the sinews of your national existence.

Nowhere is the contrast in efficiency, however, between communism and the free way of life more evident than in food production. Wherever the Communists take control, food production seems to falter and tends to decline. East Germany used to produce a food surplus; now it has a food deficit. The Soviet Union is continuously beset with difficulties in food production. The record of Communist China is even more disastrous; hundreds of millions of Chinese live on the edge of subsistence.

We have been using portions of our surplus of food and fiber to assist the less developed countries. In carrying out these programs we have taken care to assure that they do not interfere with the normal marketings of other nations which export agricultural products.

As you know from our recent initiative in the Food and Agriculture Organization, we think there is an opportunity for collective international action among all agricultural producing nations to explore new techniques of making this rich bounty available for the welfare of the less developed countries. But at the same time we must press ahead with the search for collective means of bringing supply into reasonable balance with effective demand. We know from experience that a decline in agricultural prices does not automatically result in less production but, on the contrary, may stimulate the producer to try to increase his income by producing still more. In the United States one of our most stubborn problems has been to maintain and improve farm income while reducing agricultural surpluses and costs to the taxpayer.

I am aware that the economy of New Zealand is basically oriented to animal agriculture. The United States now takes more than two-thirds of your beef and veal. And you are our principal

supplier of carpet wool—at the rate, I am told, of more than 52 million pounds a year.

The prosperity of our agriculture also depends to a large extent on exports. About one-quarter of our overseas earnings come from agricultural exports. American farmers, especially the producers of wheat, cotton, and rice among other important items, have a tremendous stake in expanding trade.

Sound international arrangements for bringing supply and effective demand into better balance will require a high level of responsibility on the part of both major producers and major consumers. Such arrangements should, we think, work toward the goal of reward to the most efficient producer—and under any such system New Zealand would be in first-class condition.

Here again is an area in which New Zealand and the United States are confronted with similar problems. While we think we can see the right objective, we do not pretend to be certain of the best road to it. We expect that the experience and judgment of your people will be helpful in this challenging task.

#### **Trade in Basic Raw Materials**

We must also be prepared to concert with the producers of basic raw materials—by and large the less developed countries—to prevent collapses of prices which would wipe out their hard-won gains and perhaps plunge them into economic crises.

Here, too, producer and consumers should be prepared to seek international arrangements stabilizing prices of key commodities, thus providing an indispensable breathing spell during which longer term solutions may be found. Some countries may find their solutions through diversification and industrialization, others through the discovery of new markets for old materials. The process of economic development generally will create new demands for many raw materials and encourage the transfer of capital and manpower from the production of commodities which are chronically in surplus.

Perhaps the most difficult problem for the advanced nations is to accept low-cost industrial products manufactured in the developing countries. But if these countries are to develop they must be able to sell their fabricated goods on our markets. The underdeveloped and the advanced

countries must work together in finding a solution to this problem. The former must be conscious of the impact of their goods on established markets, and the latter must be prepared to open wider their own doors.

In the great overall task of assisting the underdeveloped nations to modernize their economies and societies, we expect to see an integrated Western Europe play an increasing role. As Western European production continues to rise, more of it becomes available for this purpose. Likewise Japan is able to play an increasing role in assisting the development of other countries. It falls to all the affluent countries of the Pacific to assume special responsibility for the economic development and stability of this region.

#### **The Common Purpose of All Mankind**

The new era now unfolding, of partnership between the advanced nations and the underdeveloped, is far better than the old order. It rests on the truth that mankind is one and on a common purpose to make life better for the human race. There could be no more challenging task, no greater mission. For in helping to build the free world, as in defending and extending freedom, we cherish you as among our closest friends and stoutest comrades.

In some of the last words of Franklin D. Roosevelt: "The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

Just in the last day or so I was reading a publication of your own Government information publicity services in which someone with perhaps more literary style than is customary in most of our Government publications made this comment on the new dangers: "Because they are free to think and speak and work as they please and because so many know what it means to wrest a living from an often unwilling soil, their sympathies are with the aspiration of the common man in all lands, the aspiration to make a living in freedom and peace."

This prompted me to close with a personal comment, because your people and our people—this melting pot of ours, Mr. Nash, and this pioneering society of New Zealand—have in many respects had a common experience. We have within our own lifetimes seen societies and communities move

from prescientific, pretechnical, pre-medical care, pre-public health, preeducation, into a transformed society which has lifted the load of poverty and misery from the backs of the men and women of our respective countries. And we have seen this happen in one generation.

People in other countries tend to think of the United States as a place which has always been rich. But Vice President Johnson was born on that kind of farm. Speaker Sam Rayburn was born in that kind of an underdeveloped situation. In 1920, 1 percent of our farms had electricity; today 98 percent of them have electricity.

We concede an unnecessary point if we say to those people who are trying to organize economic production by totalitarian methods that we have taken two or three hundred years to develop—therefore you developing countries shouldn't be too anxious to get on with your job. Because our development has occurred at the pace at which science and technology have become available to the ordinary working man, and that scale of development has risen with breathtaking rapidity in our own experience.

#### **“This Revolution of Freedom Cannot Lose”**

Those who control the situation from East Germany all the way through to North Viet-Nam have demonstrated that they have achieved no miraculous formula for rapid economic and social development. The impressive performance is coming in the free world, and that free world is one which you and we share.

To return to the publication which someone in your Government wrote: “Of the future, who can tell?” he said. “This is an uncertain world and prosperity can flourish only in peace. New Zealanders have given their lives freely on the battlefields of the world to help thwart past threats of world dictatorship, but new threats arise. New Zealand, a small military power, cannot defend herself in isolation. She must have friends—free friends. As a nation her hand will forever remain extended in friendship to freedom-loving people everywhere.”

Now, New Zealand has friends, and in terms of power she has a powerful friend. But this is not the central point, because this is not the end of man. What is important is that New Zealand and the United States share with freedom-loving

people everywhere the elementary, the simple, the God-given aspirations which are basic to human nature—health, knowledge, a reasonable security, opportunity for family, a freeing of the mind. These are things which one finds in every country regardless of political system, and these are the things which are breaking through the established political systems of whatever order and are proving themselves to be the most revolutionary and powerful forces in the world today.

And you and we are a part of that tradition—a tradition which started 2,500 years ago in Greece, transmitted both to you and to us through the great discussion and discourse of freedom among the British peoples through several centuries, in the course of which many Britons risked or gave their lives to give effect to these traditions. One thinks of the men in uniform who did it; one thinks of those common-law judges who at the risk of losing their own lives would put their arms around a prisoner at the bar and say to the King, “No, you cannot do this to this man.”

We have inherited that tradition, and that tradition ties us to every people anywhere in the world. And as we move on to your commitments and to ours—jointly, together, cooperatively—we shall not lack for allies, whether we put them in treaties like ANZUS or not, because our allies are the ordinary common men in every country of the world, and on that basis this revolution of freedom cannot lose and what we are hoping for cannot fail.

## **Grand Duchess of Luxembourg To Visit United States**

White House press release (New York, N.Y.) dated May 20

The President of the United States announced on May 20 that Her Royal Highness Charlotte, Grand Duchess of Luxembourg, has accepted an invitation of the President to make an official visit to the United States. She will be in the United States for 5 days beginning October 30. Following 2 days at Washington, she will visit elsewhere in the United States before returning to Luxembourg. The American Ambassador to Luxembourg, James W. Wine, extended the invitation to the Grand Duchess on behalf of the President on May 18.

## A Review of U.S.-Korean Relations

*Statement by Samuel D. Berger  
Ambassador to Korea.<sup>1</sup>*

I welcome the invitation to take part in this program and to say a few words about our relations with the Republic of Korea.

As you are aware, the United States Government fully supports the Republic of Korea in its efforts to build a free, stable, and economically progressing nation. We joined together with 15 other nations of the free world to repel Communist aggression in 1950 and strongly support United Nations efforts to bring about the peaceful reunification of the Korean peninsula.

Korea's modern history has been a tragic one. Centuries of feudal rule were followed by two generations of alien occupation. Since World War II the nation has been divided by Communist imperialism, the economy has been shattered by Communist aggression, and South Korea has had to adjust to the influx of millions of refugees from North Korea. Despite these adversities Korea's vigorous and intelligent people, with their ancient civilization to give them pride and unity, stand today as an example of the will of men to live in freedom.

The present government, which came to power through a military coup d'etat on May 16 last year, has attacked the many problems confronting it with vigor and sincerity. It has declared as its principal objectives:

- a. Eradication of corruption;
- b. Quickened economic progress;
- c. Support of the United Nations Charter and fulfillment of international commitments;
- d. Maintenance of close ties with the United States and other free-world nations;
- e. Strengthening the nation's anti-Communist posture;
- f. Eventual return to civilian government.

In pursuit of these objectives the Korean Government has developed a number of important

programs. In the field of law and order, beggary and prostitution have been curbed, smuggling greatly reduced, and the black market virtually eliminated. A head-on attack has been made on graft and corruption, partially through raising the salaries of civil servants and partially through the levying of stiff sentences on those found guilty by the courts. To improve the quality of administration, training courses have been established for the civil service at all levels and planning procedures have been instituted. A basic reform of the educational system has been undertaken. Budgetary reforms have been accomplished and a long-range economic plan formulated to serve as a guide for the economic development of the country.

To assist the Republic of Korea in its efforts, we are continuing our economic aid, which from 1945 to 1961 provided South Korea with over \$3 billion of assistance, exclusive of military equipment. The aim of our aid is to enable the Republic of Korea to become substantially self-sustaining.

Our aid has taken different forms depending on the particular need it was designed to meet.

During the years immediately following the Korean war, much of our assistance had to be utilized for the reconstruction of facilities destroyed or damaged during the war. Most of our aid went to feed, clothe, and house the war-stricken population, which had been increased by 4 million refugees from North Korea. In short, our aid program in the immediate postwar years was concentrated, to a great extent, on emergency needs. In addition we assisted the Koreans to build and maintain their defense forces, which contribute so greatly to the defense of the free world.

Our efforts in economic reconstruction were also extended to assisting the Korean Government in housing, public health and sanitation, social welfare, rural community development, and education and to erecting a minimum industrial framework of electric power, transportation, and communication facilities.

By the end of 1957 the immediate objectives had been substantially attained. It was, therefore, possible to start the transition from an aid program concentrated on relief to one concerned with new capital development. Since 1958 progress has been made in expanding industrial and agricultural output. In line with our worldwide policy the aid program in Korea will be shifted over the next few

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<sup>1</sup> Made on May 15 over Station WGBH-FM, Cambridge, Mass., and the Educational Radio Network in commemoration of the first anniversary of the May 16, 1961, revolution in the Republic of Korea (press release 314).

years from direct grants to loans for capital development.

In support of these aid programs we have provided, and continue to provide, technical assistance to help the Koreans improve their health, education, public administration, agricultural research, and economic planning.

Meanwhile the Korean Government has formulated a long-range development plan which emphasizes investment in basic industries and public utilities. Capital expenditure is to be directed toward improvement in transportation, communications, power, coal mining, and certain import-saving industries such as oil refining, cement, fertilizer, and the production of steel ingots. Efforts are under way to mobilize domestic capital, and economic missions have been sent abroad to interest private foreign investors in financing projects included in the plan. Assistance from foreign governments in addition to the United States and from international organizations is being sought. The German Government has recently made a substantial loan to Korea.

Many of the requisite natural resources for economic progress are present in Korea, including human resources. With planning, discipline, and careful use of the available resources, the prospects for good progress in both agriculture and industry are favorable.

In foreign affairs the Korean Government has in the last 10 months sent good-will missions to many countries, as a result of which the number of countries with which it has diplomatic or consular relations has been raised from 13 to 33, with more in prospect.

On August 12 last year Chairman Pak Chong-hui promised that government will be returned to civilian control in the summer of 1963 following elections in the spring, and planning and preparations for the promised return to civilian government will occupy a significant place in the thoughts and energies of Koreans both in and out of government during the coming year.

As the economic and political evolution of Korea unfolds, the United States Government looks forward to even stronger bonds of mutual respect and common purpose which have characterized our relationships with the Republic of Korea since 1945.

## President Kennedy and President of Ivory Coast Conclude Talks

*Felix Houphouet-Boigny, President of the Republic of Ivory Coast, made a state visit to the United States May 15-25 at the invitation of President Kennedy. Following is the text of a joint communique released at Washington on May 24 at the close of President Houphouet-Boigny's 3-day visit there.*

White House press release dated May 24

President Felix Houphouet-Boigny, who is making a ten-day State Visit to the United States as a guest of President Kennedy, will conclude a three-day stay in Washington tomorrow and continue his visit in New York.

Although President Houphouet-Boigny has visited this country twice before, this is his first trip to the United States since his country became independent and since he became its first Chief of State. The Washington portion of the visit has afforded a timely opportunity for the two Presidents to establish a personal acquaintance and discuss fully matters of common concern. President Houphouet-Boigny also had conversations with Secretary of State Dean Rusk and Mr. Fowler Hamilton, Administrator of the Agency for International Development.

The subjects discussed with the President and the Secretary of State covered broad international issues such as Berlin, disarmament and the decolonization of Africa, the promotion of unity and greater cooperation amongst African States. The two Presidents also examined the critical issues in Subsaharan Africa today. President Kennedy commended President Houphouet-Boigny on his unique record of devoted service to the interests of the people of the Ivory Coast and of other nations of West and Equatorial Africa. President Kennedy laid special emphasis on President Houphouet-Boigny's extraordinary efforts in promoting African unity and cooperation within the Council of the Entente, the Union of African and Malagasy States, and at the recent twenty-nation Lagos Conference.

The two Presidents reviewed the amicable and mutually beneficial relations already established between their two countries. President Kennedy noted with satisfaction the energetic efforts toward economic and social development being carried forward by the Republic of Ivory Coast and of

the favorable climate established by the Ivory Coast Government to welcome foreign private capital investment and give appropriate guarantees. He assured President Houphouët-Boigny of the desire of the United States to continue to be responsive to the development assistance needs of the Ivory Coast. During the visit it was agreed that the United States Government would take prompt action on a request for a loan for an Ivory Coast Development Bank which is being established and is designed to encourage the development of private enterprise in the Ivory Coast. Agreement was also reached on several technical assistance projects in the fields of education, agriculture, fisheries, and development of the Southwest Region. Some of the projects will be signed within a few days.

## **U.S.-Japan Science Committee Adopts Exchange and Research Programs**

*The United States-Japan Committee on Scientific Cooperation met at Washington, D.C., May 21-24. Following are a Department announcement of the meeting, welcoming remarks by W. Averell Harriman, Assistant Secretary of State for Far Eastern Affairs, and text of a joint communique issued at the close of the meeting.*

### **DEPARTMENT ANNOUNCEMENT**

The Department of State announced on May 16 (press release 316) that the United States-Japan Committee on Scientific Cooperation would hold its second series of meetings at Washington, D.C., May 21-24.<sup>1</sup> The purpose of this meeting is to explore further areas in which closer scientific collaboration is desirable. Specifically, the Committee will act on studies undertaken by United States and Japanese panels, working since the last meeting at Tokyo in December,<sup>2</sup> to develop specific cooperative science projects. The Committee will recommend concrete programs to the Governments of Japan and the United States.

The United States-Japan Committee on Scientific Cooperation was established as a result of con-

<sup>1</sup> For the members of the U.S. and Japanese delegations, see Department of State press release 316 dated May 16.

<sup>2</sup> For text of a joint communique issued at the close of the first meeting, see BULLETIN of Jan. 8, 1962, p. 66.

versations held in June 1961 by Prime Minister Hayato Ikeda and President Kennedy in Washington during which both the Prime Minister and the President, recognizing the importance of broadening the educational, cultural, and scientific cooperation between the countries, agreed to form two committees, one to study expanded cultural and educational cooperation and the other to seek ways to strengthen scientific cooperation.<sup>3</sup>

The United States-Japan Committee on Scientific Cooperation held its first series of meetings in Tokyo at the Ministry of Foreign Affairs from December 13 to 15, 1961. At this meeting the Committee decided to concentrate on the promotion of further exchange of scholars, the encouragement of exchange of more scientific information and materials, and the stimulation of joint research projects in certain specific scientific areas. Among the joint research projects the Committee initially selected the scientific investigation of the Pacific Ocean, plant and animal geography and ecology of the Pacific area, and cancer research as the most promising of mutually beneficial results. Five panels composed of experts in each given field were subsequently selected and given the responsibility of further exploring the selected fields of joint scientific enterprise. The present series of meetings in Washington will discuss recommendations of these panels, establish priorities for the proposed projects, and present to their respective governments concrete programs for joint scientific investigation.

### **REMARKS BY MR. HARRIMAN**

Press release 326 dated May 21

It is my pleasant task to extend to you the greetings and welcome of the United States Government as you assemble here for the second meeting of the United States-Japan Committee on Scientific Cooperation. Our expectations and hopes for your success are high.

We live in a remarkable time. Never before has man had so nearly within his grasp the power to create a life of abundance and general leisure for himself and his fellows. Never before in history has man had so surely in his grasp the power to destroy himself and his fellow men utterly.

<sup>3</sup> For text of a joint communique, see *ibid.*, July 10, 1961, p. 57.

The power in both cases is the power of science. As President Kennedy remarked at the time of your first meeting last December, "We have seen that science can be either the servant of man or his master."

I believe it is entirely fitting that a scientific body of this kind has been established between this country and Japan, now united in a common dedication to peace and to the unfettered growth of the human spirit. I believe that this joint committee will not only open new areas for fruitful joint exploration but also will serve as a model for other nations of the world. The striking progress which Japan has achieved is a happy augury for the success of this undertaking. Japan is an outstanding example of the success of free men making progress in freedom. Its economy, based on free enterprise, has made unparalleled progress. Its agriculture, freed by land reform, has increased production by almost 50 percent over the 1952-1954 average. Its science has contributed to the outstanding progress achieved in both agriculture and industry and to the great rise in the standard of living of the Japanese people.

History provides countless illustrations of the truth that scientific knowledge and scientific progress is not confined by national boundaries. A dynamic science must be an international science, and it seems to me that the international responsibilities of today's scientists are greater and more urgent than ever before.

Our generation has seen two vast and still developing revolutions, one political and one scientific. The scientific revolution has given man vast new powers: the power of instantaneous communication, the power to support life in former desert areas, the power to conquer disease, the power to leave this very earth itself. This scientific revolution has given man the power to control and, if need be, to alter his natural environment.

Similarly, the political revolution which has brought so many nations and peoples into independent existence since 1945 has vastly increased the area of human freedom. But we have still the task of joining these two revolutions and of breaking down the artificial barriers between them. Most of the new nations of the world suffer from a host of economic and social ills which scientific thought and technique can largely correct. If we, the technologically advanced nations of the world, are to fulfill our broader responsibilities to these new nations, we must develop adequate means of

giving them a helping hand in transmitting to them the benefits of our science and our experience in order that they may enjoy the full meaning of freedom.

The methods of scientific interchange between two advanced societies which you gentlemen here devise will have direct pertinence to this task. The task cannot be more important. I am confident that you will be successful. History is determined by people, and working together we can do much to shape a brighter future for our peoples and for the newly independent countries which look to us for assistance.

In your present meeting here in Washington you will consider specific projects as a means of implementing the principles for Japanese-American scientific cooperation agreed to at Tokyo last December. We in the United States Government look forward to receiving your recommendations and to studying your plans. I can give you my full assurance that they will receive consideration at the highest levels of our Government and that we stand prepared to give you our fullest support.

## JOINT COMMUNIQUE

Press release 333 dated May 24

The second meeting of the United States-Japan Committee on Scientific Cooperation was held at the National Science Foundation and the National Academy of Sciences in Washington, D.C., from Monday, the 21st, through Thursday, the 24th of May 1962. The meeting was characterized throughout by full and frank exchange of views, in a most cordial and cooperative atmosphere. Dr. Kankuro Kaneshige, the Head of the Japanese Delegation, and Dr. Harry C. Kelly, the Head of the United States Delegation, served as Co-Chairmen of the Committee.

The Committee reviewed the recommendations of special panels in the areas of exchange of scholars, the exchange of scientific and technical information and materials, the scientific investigation of the Pacific Ocean, animal and plant geography and ecology of the Pacific area, and cancer research, which had been established as areas of common interest and mutual benefit to the United States and Japan at the first meeting of the Committee in Tokyo.

In the two areas of scientific exchange, the Committee adopted the following recommendations for consideration and action by the two Governments:

### *Exchange of Scholars in the Sciences*

The exchange of scientific persons between the two countries should be examined to determine the adequacy of existing arrangements and possible expansion of existing programs.

There should be established in Japan and the United States information centers to assist scholars of each nation intending to study in the other nation. Special seminars in fields of mutual scientific interest should be held to foster additional contacts between United States and Japanese scientists.

The Committee expressed its satisfaction with the widespread exchange of scholars now taking place between Japan and the United States and noted that this existing flow of scientists is an excellent basis for increased cooperation between the two countries.

The Committee urged that there be greater emphasis on Japanese language study among young American scientists in order that they be better fitted to take advantage of the rich scientific resources of Japan.

#### *Exchange of Scientific and Technical Information and Materials*

Representatives of leading United States and Japanese scientific abstracting services, and editors of selected scientific journals, should meet to consider ways to increase interchange of abstracts and research articles.

The United States and Japan should each establish a clearinghouse of scientific data from the other nation. Research personnel and documentalists should be exchanged to develop a joint approach to problems of information retrieval.

In the three areas of joint scientific research, the Committee adopted the following recommendations to be considered for prompt implementation by the two Governments:

#### *Scientific Investigations of the Pacific Ocean*

Programs should be undertaken on cloud observations over the Pacific, geophysical studies of Pacific volcanoes, deep sea seismic expeditions, comparison of sea-borne gravity meters and magnetometers, geophysical data exchange, storm surges and tsunamis, and surface and subsurface thermal structure of upper ocean water layers in the western Pacific.

#### *Animal and Plant Geography and Ecology of the Pacific Area*

Studies should be undertaken in the classification of species and populations, and in the biology of the natural enemies of insect pests; biological control in relation to other fauna and flora of the middle Pacific, particularly of coral reefs; specific studies of rice blast fungus.

#### *Cancer Research*

There should be created by the Japanese in Japan a central laboratory for the screening of potentially effective therapeutic agents and for the standardization of procedures. The United States will provide assistance such as technical consultation, will exchange breeding stocks, tumor lines, tissue culture lines, and standard chemicals, and will furnish other services and objects required to establish and maintain the agreed-upon standard tests. Technical experts should be designated to select, operate, and modify these tests. In addition, comparative studies on the incidence and causes of cancer in the populations of the United States and Japan will be intensified.

In these three areas of joint scientific research, the Committee also adopted recommendations for long-range programs to be considered by the two Governments.

The Committee also discussed new areas of scientific cooperation between the United States and Japan. It recommended that education in the sciences, and research on hurricanes and typhoons be jointly studied by the two nations and that two panels be established to investigate further these areas for the Committee.

The Committee expressed its belief that a firm foundation has been established for closer cooperation in the sciences between Japan and the United States, and trusts that the two Governments will give serious consideration to and take prompt action on its recommendations.

The next meeting of the Committee will be held in Japan. The date of this meeting was tentatively set for May 21-24, 1963.

## **U.S. and Pakistan Celebrate Tenth Anniversary of Fulbright Program**

Press release 334 dated May 24

The 10th anniversary of the Fulbright program with Pakistan was observed on May 24 at the Department of State at a special ceremony held by the Board of Foreign Scholarships in connection with its quarterly meeting.

M. Masood, Minister of the Embassy of Pakistan, and Syed Jafar, Deputy Executive Secretary, U.S. Educational Foundation in Pakistan, expressed the strong support in Pakistan for the educational exchange program. Mr. Masood emphasized the role of education in national development, pointing out that a nation "can go forward and generate activities within itself only if the blessings of education are furnished."

Phillips Talbot, Assistant Secretary of State for Near Eastern and South Asian Affairs, praised the exchanges as "one of the most significant, one of the most important, one of the most enduring" of all the relationships between the United States and Pakistan.

Dean Robert G. Storey, Chairman of the Board of Foreign Scholarships, presided at the ceremony.

## **Letters of Credence**

### *Canada*

The newly appointed Ambassador of Canada, Charles Stewart Ahnon Ritchie, presented his credentials to President Kennedy on May 25. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 338 dated May 25.

## The President's Trade Expansion Program and U.S. National Security

by Joseph D. Coppock  
Director, Foreign Economic Advisory Staff<sup>1</sup>

Here in New England, in Massachusetts, in the Connecticut Valley, in the city of Springfield, I feel that I should discuss my topic—the President's trade expansion program and U.S. national security—in an historical context. All Americans are conditioned by their study of colonial history to take a possessive pride in New England. So when I knew I was coming up here I did some reading about your famous valley.

You and your predecessors have gone through a fantastic economic evolution since William Pynchon and his party established Agawam near the Enfield Falls on the Connecticut River in 1636. During the first century of its existence your community had a hard time fending off the Indians, but the natural advantages of the location obviously encouraged the settlers to persist. The Connecticut River was by far the most important artery of commerce between the Atlantic Ocean and the Hudson River. Even with this advantage Springfield took its time about growing. There were fewer than 3,000 people here in 1810. It got an early push from the National Government when the Arsenal was established in 1777. I reread with great interest how the Arsenal was saved from Daniel Shays. Think of the free publicity Springfield would have missed all these years if the famous rifle had been developed in the Brooklyn Gun Factory instead of here!

Springfield's big economic spurt came with the first railroads, a little over a century ago. They opened up a new trading world to Springfield and its neighbors. They also brought cheaper farm

products from the Middle West, to the distress of many local farmers. New industries had to be developed. They were developed.

The people of this area adapted to the new conditions. In fact they thrived under the challenge of change. The growth in population is a good measure of what has happened. From a city of under 10,000 in the 1840's, Springfield jumped to 33,000 in 1880, to 62,000 in 1900, to 130,000 in 1920, and to 175,000 in 1960. Moreover, you are now the hub of a large urban complex.

### Changing Economic and Political Patterns

In the years ahead the qualities of character which have been so important in the development of this community—adaptability, ingenuity, resourcefulness—are just as important for the United States as a whole. Change is not just a thing of the past; there is every evidence that it is even more the thing of the future. The United States is going to live in a very different economic world. We now have about 6 percent of the world's population, and we may have only about 4 percent in two or three decades. The natural resources of the economically sleeping continents of South America, Africa, and Asia are being opened up to new uses. Capital equipment is being accumulated in the formerly backward areas, most dramatically in the Soviet Union in recent decades. The creative energies of millions of people all over the world are increasingly turning to the task of economic betterment.

In this emerging world economic pattern the United States and Western Europe are moving into a world in which imaginative use of our combined economic resources becomes increasingly

<sup>1</sup> Address made before a joint meeting of civic agencies at Springfield, Mass., on May 18 (press release 318 dated May 17).

necessary. "Adaptability" must become our economic watchword.

The emerging world political pattern—if we can envisage it with any certainty—will also put us on our mettle. The old imperialism is dead; the new imperialism pushes out from Moscow and Peiping. The struggling successor states and informal protectorates of the old colonial powers provide happy hunting grounds for the Communist imperialists. There is no early prospect of the Communists letting up, nor of these many weak countries, dozens of them new since World War II, soon becoming politically stable and fully responsible members of an international political system such as that envisaged in the United Nations Charter.

Western Europe has now recovered from World War II and should be able, in cooperation with the United States, to play a growing role in providing for our mutual defense—in meeting challenges in other parts of the world as well as in Eastern Europe. The United States must continue, of course, to provide the leadership which corresponds with its power.

And why must we provide the leadership? Why do we have alliances all over the world? Why do we have military forces available for action anywhere on a moment's notice? And why do we take the lead in the U.N. and in the Organization of American States and in other international bodies? And why do we provide aid programs and trade programs to strengthen our actual and potential friends?

Manifestly, we do all of these things because we think they are necessary for our national security, to thwart the expansion of Soviet-Communist power. We do not propose to be nibbled to death. Moreover, with our determination and our resources the many countries which would be hopelessly submerged by the Communist tide can and do cast their lots with us. There are some free-riders, of course, but we should not be too critical of them. We lived behind the shield of British power until 1917.

### **Objectives of Foreign Economic Policies**

I have painted in broad strokes the prospective economic and political patterns which seem likely to characterize the world scene for some time to come. I have stated why our foreign policy is what it is. Now I wish to go into more detail on

how Government policies, foreign economic policies in particular, can help modify those prospective patterns in ways which will suit us and other peoples not bent on conquering the world but who are instead concerned about establishing a workable international system in which individual people can lead peaceful, productive, and interesting lives.

Obviously, we must maintain our military force and improve it as best we can. Obviously, we must strive to rectify domestic injustice and infringement of liberties. Obviously, we must do what is necessary to keep the national economy rolling along in high gear.

Not so obviously to some people, however, we must pursue international economic policies which will do two things. First, they should contribute to our national economic well-being, in the long run if not in the short run. Second, and even more important, they should contribute to our national security. The second is more important because the United States will get along, economically, with any foreign economic policies that are within the plausible political spectrum; but our national security will be endangered, in the short run as well as the long run, if we do not have foreign economic policies which will make our allies, actual and potential, economically stronger, politically more stable, socially more resistant to communism, and militarily more powerful. These considerations provide the basic rationale of our foreign economic policy, from the point of view of national security.

Now a few words about the various facets of this policy. First, there must be a satisfactory international monetary system. The world has a good monetary system, but there is still room for substantial improvement. Second, international investment is a necessity if the many underdeveloped countries are going to progress. Despite some setbacks, international investment is growing. Even outright aid can be justified for those countries having modest current repayment prospects. Third, the transmission of ideas across national boundaries in the form of technical assistance, publications, visiting businessmen, government officials, scholars, journalists, students, and others is vital to the modernization process. Many individuals, businesses, and other organizations are carrying out this important mission, with only an occasional assist from government. We should receive as well as give in this field.

I have reserved until last the most important facet of foreign economic policy, namely, trade policy. Trade policy is the most important because it governs the actual movement of goods in and out of the country. By comparison service transactions are much smaller; financial arrangements and transactions are essentially only machinery to facilitate trade; aid cannot be expected to continue on a large scale indefinitely; ideas are going to get around the world regardless of promotive or restrictive policies. But trade policy can really help or hinder the actual movement of goods into or out of the country.

Governments do not seem to be able to keep their hands off foreign trade. Neither statesmen—presumably acting in the national interest—nor businessmen—presumably acting in their own interest—have been willing to trust the free-market processes completely with respect to foreign trade. For public or private reasons, or some combination of reasons, governments are expected to interfere with some trade and to promote other trade. As far as I know, nobody is expecting *laissez faire* to break out all over, even in our citadel of comparatively free enterprise.

#### Determining Our Trade Policy

So in practical terms we as citizens, thinking about a national trade policy for the United States in the kind of world we are going to be living in, have to decide whether it is in the national interest to take measures which *increase* the opportunities for trade with other countries or to take measures which *decrease* these opportunities.

Lest you think I am simply indulging in rhetoric, let me say that there are valid reasons for restricting trade opportunities. I cite as one example the restriction on exports to the Soviet Union and mainland China of items of military importance. Out of our past history I cite the usefulness of the 10 percent tariff introduced by Alexander Hamilton as a means of raising revenue for the Federal Government in its early years. Still another example, of importance for three decades now, is that provided by the restrictions on imports of agricultural products, particularly cotton and wheat, which are the beneficiaries of domestic price-support programs that put U.S. prices above world prices. The import restrictions are an inevitable consequence of the price-support program, unless world prices are to be

supported at the same level. Exactly this issue is confronting our farmers under the emerging common agricultural policy of the European Economic Community, though the shoe is on the other foot. These examples of plausible interferences with opportunities to trade internationally do not exhaust the list.

These examples must not blind us, however, to the vast range of trade opportunities which can be made available to firms in the United States and other countries if the policies of governments are generally designed to help trade rather than hinder it. And this helping means helping both imports and exports, since they cannot be grossly out of balance for very long for a country. One country's imports are other countries' exports.

Thanks to the perception and persistence of Cordell Hull, the United States initiated in 1934 a program of reciprocal tariff reductions which has been one of the triumphs of American diplomacy. And now, thanks to the vigorous leadership of one of Massachusetts' most distinguished sons, President John F. Kennedy, a new chapter is about to be written in the history of international trade policy.

The Trade Expansion Act of 1962, expected to emerge from the House Ways and Means Committee before long, puts the trade agreements program in a new dress, appropriate to the needs of the 1960's and 1970's. This proposed act, though rather lengthy because of the verbosity of legal language, basically has only two provisions. One is an authorization by Congress to the President to negotiate reductions in U.S. trade barriers in return for comparable reductions by other countries. The other is a collection of procedures and measures designed to make the adjustment process easier than it might otherwise be for the firms and workers who might be adversely affected by tariff cuts. There is no easy way for the many direct beneficiaries of the cuts to share their gains with the disfavored few. This act proposes to do something for the disfavored few that is even better. It recognizes that the national interest—mainly the national security interest—calls for the expansion of trade opportunities, but it also recognizes the obligation of the whole national community to do something special to help disadvantaged firms and workers adjust to the new situation.

I am sure that you anticipated me when, at the start of this talk, I spoke in such laudatory terms of the adaptability, ingenuity, resourcefulness, de-

termination, and self-reliance required of your forebears in the Connecticut Valley and nearby areas. The adjustments called for by the prospective reductions in tariffs are as nothing compared with adjustments your community, your State, and your region have made in the past. You have seen your farming give way to the fertile regions of the Mississippi Valley; you have seen your early industries shift in large measure to other parts of the country; you have witnessed large shifts of population into and out of this area; and still Massachusetts has one of the highest per capita incomes in the Union. You have set an example for the rest of the country many times before, and you will do it again.

### **Meeting the Needs of the Times**

In conclusion let me bring together the positive reasons for the new trade expansion program. The old trade agreements act, last renewed in 1958, is expiring on June 30th of this year. Failure to have an act which would enable the United States to negotiate on trade matters would be tantamount to slamming the door in the faces of friendly countries. The numerous small countries of the world must have markets in which to sell their specialized wares if they are to improve their economic lot. Do we reject the exports of numerous friendly countries and keep them on the aid rolls indefinitely? Do we do our share to provide that market, or do we let the Russians provide it? There should not be much doubt about how we answer those questions.

Then there is the European Common Market. Are we or are we not going to equip ourselves to bargain with it for lower tariffs and other trade barriers? Are we or are we not going to be prepared to take the initiative in providing more economic cement for the Atlantic community and the NATO alliance?

Here again there can be little doubt how a responsible, informed citizenry and Congress will respond to these questions. In addition to these national security benefits, we will get the gains from expanded trade and the stimulus of wider markets—very handsome bonuses indeed. Armed with the authority provided in this act, President Kennedy can pursue a foreign economic policy commensurate with the needs of the times. The decision now lies with citizens like you and your Congressmen.

## **Cultural Agreement Signed With United Arab Republic**

Press release 328 dated May 21

A cultural agreement between the United States and the United Arab Republic was signed on May 21 by Ambassador John S. Badeau and the Minister of Higher Education, Abd al Aziz al Sayed, in Cairo. Also present at the signing ceremony was Thomas Sorensen, Deputy Director of the U.S. Information Agency. Under the cultural agreement both countries will encourage and promote scientific and cultural cooperation through the exchange of professors and persons engaged in scientific research, the awarding of scholarships for qualified students, the creation of chairs in the language and literature of each country, and the establishment of cultural and language institutes and centers for cultural and technical interchange. The agreement also provides that both Governments will encourage the exchange of cultural and scientific publications, films, newsreels, artistic and scientific exhibits, and groups of performing artists.

## **U.S. and Rumania Exchange Films**

Press release 331 dated May 24

Under the terms of the exchange of notes<sup>1</sup> covering exchanges in the fields of cultural, educational, and scientific matters between the United States and Rumania, an American motion picture will be presented in four cities in Rumania and a Rumanian film will be presented in four cities in the United States beginning June 4, 1962, in Washington and Bucharest respectively.

The American motion picture to be shown in Bucharest, Cluj, Iasi, and Timisoara will be the Warner Brothers production "The Old Man and the Sea," and the Rumanian film to be shown in Washington, New York, Detroit, and San Francisco will be "Darelee," which is a story based on the life of a famous Rumanian opera star living around the turn of the 20th century.

Motion picture personalities from the United States and from Rumania will attend the respective film premieres in each country. The American group will be composed of Frank McCarthy,

<sup>1</sup> For texts, see BULLETIN of Dec. 26, 1960, p. 969.

producer and executive of the Twentieth Century-Fox Studios in Hollywood, and the Hollywood stars Miss Shirley MacLaine and Jack Lemmon.

The Rumanian delegation will be headed by Ion Florea, vice president of the Bucharest Film Studio, Ion Popeseo Gopa, Rumanian cartoonist, and Miss Silvia Popovici, the star of the film "Darelee."

The Rumanian film "Darelee" is being released in the United States by J. Jay Frankel, New York distributor of foreign films.

## **U.S. Steps Up Food Shipments to Northeast Brazil**

White House press release (New York, N.Y.) dated May 19

The President announced on May 19 that, under the direction of George McGovern, Director of the Food for Peace Program, the United States is stepping up its emergency food shipments to drought-stricken Northeast Brazil.

The President announced the following new actions:

Six thousand tons of U.S. corn are being distributed in Northeast Brazil now. Three hundred tons of our dried milk are on the way and due to arrive within 1 week in Recife, capital of the Northeast State of Pernambuco. In the Port of Baltimore a shipment of 4,000 tons of beans is being assembled for shipment to Northeast Brazil within a few days. Another 6,000 tons of beans will be dispatched in 2,000-ton loads at 2-week intervals.

The United States is prepared to make further shipments of corn, wheat, vegetable oils, and dried milk as needed and requested. The Government has also indicated to the Government of Brazil that the United States is willing to organize a food airlift to the Northeast if this should be needed and requested. Expeditions handling of U.S. food shipments to the Northeast is being assured by cooperation between United States and Brazilian authorities. Distribution of the U.S. food is being carried out cooperatively by the Federal Government of Brazil, the State governments in the Northeast, the Superintendency for Development of the Northeast (SUDENE), and private U.S. voluntary agencies.

The Brazilian Government itself has recognized the Northeast food problem by declaring it an emergency area and by providing funds to purchase and distribute food in the stricken region.

## **United States Delegations to International Conferences**

### **South Pacific Conference**

The Department of State announced on May 17 (press release 320) that the fifth session of the South Pacific Conference will be held at Pago Pago, American Samoa, July 18-30. The United States is serving as host under a system of rotation agreed upon by the South Pacific Commission, which is composed of the metropolitan governments of Australia, France, the Netherlands, New Zealand, the United Kingdom, and the United States.

Delegates from 17 South Pacific territories, the Kingdom of Tonga, and the newly independent country of Western Samoa will attend the conference. The metropolitan governments comprising the South Pacific Commission will send observer delegations to the fifth session. Also attending as observers will be representatives of international organizations, missionary bodies, and universities. At the conclusion of the conference the Commission will meet briefly to consider the recommendations adopted by the delegates.

The United States will be represented at the conference by an observer delegation composed of the following:

#### *Senior Commissioner*

Knowles A. Ryerson, Dean Emeritus, School of Agriculture, University of California at Berkeley

#### *Commissioner*

Carlton Skinner, Vice President, Fairbanks-Whitney Corp.

#### *Alternate Commissioner*

Arthur S. Osborne, U.S. Public Health Service, Washington, D.C.

#### *Senior Advisers*

John A. Burns, Hawaii

Harlan Cleveland, Assistant Secretary of State for International Organization Affairs

Stewart Udall, Secretary of the Interior

Congressional advisers will be announced at a later date.

The South Pacific Conference is an auxiliary body of the Commission which was established to associate the peoples of the area directly with the work of the Commission. The conference is held once every 3 years, and this session is the first time it has been held in a U.S. territory. Principal items to be discussed include establishing a balance

between social advancement and economic development, training Pacific Islanders in business methods and practices, and the changing role of women in the Pacific.

## Annual Foreign Policy Briefing Held for Nongovernmental Organizations

Press release 335 dated May 26

The Department of State will hold its annual National Foreign Policy Conference for Nongovernmental Organizations on May 28 and 29.

The purpose of the conference is to provide opportunity for discussion of international affairs between leaders of nongovernmental organizations and the senior officers of the Department. By means of these conferences the membership of nongovernmental organizations, and through them a much broader public, gain deeper understanding of international issues.

Among those addressing the conference will be the President and the Secretary of State.

Participation in the conference is by invitation only.

### TREATY INFORMATION

## Current Actions

### MULTILATERAL

#### Atomic Energy

Amendment to article VI.A.3 of the Statute of the International Atomic Energy Agency (TIAS 3873). Done at Vienna October 4, 1961.<sup>1</sup>

*Acceptance deposited:* Australia, May 21, 1962.

#### Aviation

Protocol amending articles 48(a), 49(e), and 61 of the convention on international civil aviation (TIAS 1591) by providing that sessions of the Assembly of the International Civil Aviation Organization shall be held not less than once in 3 years instead of annually. Done at Montreal June 14, 1954. Entered into force December 12, 1956. TIAS 3756.

*Ratifications deposited:* Cameroon, November 14, 1961; Mauritania, April 2, 1962.

<sup>1</sup>Not in force.

#### Slavery

Slavery convention signed at Geneva September 25, 1926, as amended (TIAS 3532). Entered into force March 9, 1927; for the United States March 21, 1929. 46 Stat. 2183.

*Notifications received that they consider themselves bound:* Dahomey, April 4, 1962; Guinea, March 30, 1962.

### BILATERAL

#### Brazil

Agreement extending the agreement of October 14, 1950, as amended and extended (TIAS 2475, 3055, 3292, 4584, and 4648), relating to a vocational education program, the agreement of June 26, 1953, as amended and extended (TIAS 4130 and 4586), relating to a cooperative program of agriculture and natural resources, and the agreement of May 30, 1953, as extended, relating to a special services program. Effected by exchange of notes at Rio de Janeiro December 29, 1961, and January 11, 1962. Entered into force January 11, 1962.

#### Canada

Amendment to the agreement of June 15, 1955, as amended (TIAS 3304, 3771, 4271, and 4518), concerning civil uses of atomic energy. Signed at Washington May 25, 1962. Enters into force on the date of receipt by Canada of a notification from the United States that all statutory and constitutional requirements for entry into force have been complied with.

#### European Atomic Energy Community

Amendment to the agreement of November 8, 1958 (TIAS 4173), for cooperation concerning civil uses of atomic energy. Signed at Brussels May 21 and at Washington May 22, 1962. Enters into force on the day on which each party shall have received from the other written notification that it has complied with all statutory and constitutional requirements.

Amendment to the additional agreement of June 11, 1960 (TIAS 4650), for cooperation concerning peaceful uses of atomic energy. Signed at Brussels May 21 and at Washington May 22, 1962. Enters into force on the day on which each party shall have received from the other written notification that it has complied with all statutory and constitutional requirements.

#### India

Agreement amending the agricultural commodities agreement of May 1, 1962. Effected by exchange of notes at New Delhi May 17, 1962. Entered into force May 17, 1962.

#### Indonesia

Agreement amending the agricultural commodities agreement of February 19, 1962 (TIAS 4952). Effected by exchange of notes at Djakarta May 15, 1962. Entered into force May 15, 1962.

#### Peru

Agreement amending the agreement of May 3, 1956, as amended (TIAS 3502, 3859, and 4398), for financing certain educational exchange programs. Effected by exchange of notes at Lima January 26 and February 1, 1962. Entered into force February 1, 1962.

#### Viet-Nam

Agreement amending the agricultural commodities agreement of December 27, 1961 (TIAS 4920). Effected by exchange of notes at Saigon May 3, 1962. Entered into force May 3, 1962.

## U.S. Releases Study on Economic and Social Effects of Disarmament

The United States Arms Control and Disarmament Agency announced on May 8 the publication of a general study prepared for the United Nations on the *Economic and Social Consequences of Disarmament in the United States*.<sup>1</sup>

The study emphasizes in its examination of the problem the positive economic interest of the United States in achieving general and complete disarmament under effective international control and notes that, "if the world should be fortunate enough to be able to rid itself of the burden of national defense efforts, resources would then be released everywhere which could be devoted to the production of those goods and services which advance man's material, cultural, and spiritual state."

The document is the second economic study produced by the Agency since its establishment by an act of Congress in September 1961. In January 1962 the Agency published a report prepared under its sponsorship by a panel of experts headed by Emile Benoit on the *Economic Impacts of Disarmament*. The two studies reached, essentially, the same general conclusions.

The publication represents a Government-wide effort. Those agencies which cooperated with the Economic Bureau of the U.S. Arms Control and Disarmament Agency in its preparation include the Departments of Commerce, Defense, Health, Education, and Welfare, the Interior, Labor, and State; the Bureau of the Budget; the Council of Economic Advisers; and the Housing and Home Finance Agency.

<sup>1</sup> Arms Control and Disarmament Agency publication 6; for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C.

The Arms Control and Disarmament Agency prepared the study of the economic and social consequences of disarmament largely in response to a United Nations request which was addressed to all member nations last year. An international committee of experts, appointed by the U.N. Secretary-General, examined these national submissions and other relevant material and then prepared and released a report<sup>2</sup> on the worldwide economic and social consequences of disarmament. The United States and other national submissions will be released by the United Nations as part II of this report.

It is significant that the international committee of experts came to the unanimous conclusion that "all the problems and difficulties of transition connected with disarmament could be met by appropriate national and international measures" and that "there should thus be no doubt that the diversion to peaceful purposes of the resources now in military use could be accomplished to the benefit of all countries and lead to the improvement of world economic and social conditions."

## DEPARTMENT AND FOREIGN SERVICE

### Appointments

J. Kenneth Mansfield as Inspector General, Foreign Assistance, in the Department of State, effective May 12. (For biographic details, see Department of State press release 329 dated May 23.)

### Correction

BULLETIN of May 28, 1962, p. 862: The last sentence in the second paragraph in the left-hand column should read, "It will be the purpose of the ministerial meeting to carry forward this continuing task by appraising where we stand and by furnishing further guidance to the permanent authorities of the alliance."

<sup>2</sup> U.N. doc. E/3593/Rev. 1.

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No.	Date	Subject
326	5/21	Harriman: U.S.-Japan Committee on Scientific Cooperation.
*327	5/21	U.S. participation in international conferences.
328	5/21	Cultural agreement with U.A.R.
*329	5/23	Mansfield sworn in as Inspector General, Foreign Assistance, Department of State (biographic details).
†330	5/22	C. Griffith Johnson: "The Role of Trade Policy: Continuation of U.S. Leadership."
331	5/24	Exchange of films with Rumania.
*332	5/24	Bowles: "Coordinated Rural Development: Key to Democratic Growth."
333	5/24	U.S.-Japan science committee communique.
334	5/24	Anniversary of Fulbright program in Pakistan.
335	5/26	National foreign policy conference for nongovernmental organizations.
336	5/25	Rusk: "New Frontiers of Science, Space, and Foreign Policy."
†337	5/25	Weiss: "The Common Market and United States Agriculture."
338	5/25	Canada credentials (rewrite).

\* Not printed.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

# Bulletin

VOL. XLVI, No. 1199 • PUBLICATION 7389

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# Where We Stand

by *Walt W. Rostow*

*Counselor of the Department and Chairman of the Policy Planning Council*<sup>1</sup>

It is now 16 months to the day since I arrived at the White House through the snow to be sworn in as an official of this administration. I thought it might be helpful to use the occasion of our meeting this morning to take stock of where we now stand in dealing with the foreign policy problems which became our responsibility at that time.

In his inaugural address<sup>2</sup> the President expressed his understanding that he took office at a time of grave difficulty on the world scene; and he committed himself to "struggle against the common enemies of man: tyranny, poverty, disease, and war itself."

His vision of the task was not a matter of rhetoric. It translated itself quickly into hard, concrete, and challenging day-to-day tasks.

We faced two kinds of problems: first, a series of urgent and dangerous crises; second, a series of slower moving but equally dangerous situations which, if constructive action were not taken, might slide against us and the free world as a whole.

I should like to describe briefly what each of these sets of problems were like, what we have done about them, and then to try to assess roughly where we now appear to stand.

## Five Areas of Crisis

In Southeast Asia we found that the agreements made at Geneva in 1954 with respect to both Laos and Viet-Nam were in disarray. The United

States is not a party to those agreements, but we did agree not to upset them, if they were honored by the Communists. In January 1961 they were not being honored.

In Laos there was a civil war in which Communist Pathet Lao, backed by the North Vietnamese, were seeking to take over the country. In South Viet-Nam there has been built up since 1958—as a result of decisions taken in Hanoi—a most dangerous guerrilla war based on infiltration, supply, and tutelage by Communists in the north.

In the Congo there existed all the potentialities for a civil war which might result in the creation of a Communist base in central Africa. It might then have been used to spread subversion throughout the area.

In Cuba a Communist government existed already committed to spreading the methods of subversion and guerrilla warfare, which Castro had used to gain power in Cuba, to the mainland of Latin America.

Thus, when we read Mr. Khrushchev's speech of January 6, 1961, and the blessing he gave to the methods of subversion and guerrilla warfare, we took this matter very seriously indeed. We regarded the challenge not merely as a series of regional crises but part of a general Communist offensive designed to corrode the free world without confronting either our nuclear or our conventional military strength. All the potentialities existed in January 1961 for the spread of Communist power by these methods into Southeast Asia, Africa, and Latin America.

In addition, we faced the crisis in Berlin. In 1958 Mr. Khrushchev had stated his demand that the Western Powers be withdrawn from Berlin

<sup>1</sup> Address made before the 1962 Democratic Women's Conference at Washington, D.C., on May 21 (press release dated May 19).

<sup>2</sup> For text, see BULLETIN of Feb. 6, 1961, p. 175.

and the status of that city be so changed as to make access to it a matter over which the East German Communists could exercise a decisive control. By this route they aimed to destroy the basis for a free West Berlin.

### **Moves To Counter Communist Expansion**

These five crises are still with us; but, on each of them, we have moved to protect the vital interests of the United States and the free world and to seal off the danger of an extension of Communist power.

In Laos we have set out to create a neutral and independent state which would permit the people of this small country to work out their destiny in their own way. This formula is in the spirit of the Geneva Accords, but it has been endangered by the recent Communist attack on Nam Tha and we have moved forces into Southeast Asia<sup>3</sup> to protect the region against the possible breakdown of our understanding with the Soviet Union that this is a common policy. The achievement of this objective will be difficult, and it may require a prolonged effort. But we are sure our objective is the best among difficult alternatives; namely, to get the foreign forces out of Laos and to create a situation where the existence of a neutral, independent state could avoid a direct confrontation in that unstable area between Communist and free-world military power.

In Viet-Nam we are working with the South Vietnamese to help them defeat the guerrilla war which has been imposed by the north and to get the North Vietnamese elements back where they belong—north of the 17th parallel. Here we have made progress. A situation of the greatest and most immediate danger has been converted into one which is much more hopeful than it was even 6 months ago, but the road ahead may be long and hard.

In the Congo we have backed the effort of the U.N. to help the Congolese create a unified, independent, and viable country. There still is no final agreement. We are not yet out of the woods, but we have come a long way. Despite many difficulties the U.N. has played an important role in helping the Congolese toward the creation of a truly independent African state. In so doing, it helped frustrate the evident ambition of Moscow to create a Communist base in Africa.

<sup>3</sup> *Ibid.*, June 4, 1962, p. 904.

In Cuba, after the failure last April of the gallant band of men who aimed to restore freedom to their country, we have worked with our friends in Latin America to isolate the Communist government in Cuba and to insure that the techniques of indirect aggression which the Cuban Communists would like to apply to Latin America will be frustrated. The danger of Cuban intervention in Latin America has been diminished by our own actions and the actions we have taken through the Organization of American States at the Punta del Este conference last January.<sup>4</sup> The hemisphere is now alert to the danger of subversion and guerrilla warfare, and it is in a position to move together if the threat should become real.

Aside from our efforts to seal off and deal with these four crises, the whole Government, under the personal leadership of the President, has turned with extraordinary vigor to the problem of learning how to prevent or to deal with the techniques of subversion and guerrilla warfare on which the international Communist movement places such high hopes for the 1960's. This problem—long given relatively low priority—is now being attacked by the best military and civilian minds in the Government.

With respect to Berlin, we formulated our position and held to it. Every government in the world knows that we are prepared to back our play. We intend that the people of Berlin maintain their freedom, their unencumbered access to the West, and the protection which the presence in Berlin of Western military forces alone can afford. Moreover, we intend to work with our friends in Berlin to maintain that city as a viable, constructive, and important part of the free-world community.

### **U.S. Aid Programs**

In addition to these five crises we found, as I said earlier, that slow but dangerous erosion was taking place elsewhere. We lacked, for example, a policy which would align the United States actively with the great forces in Latin America which seek economic development and greater social justice. To this our response was the Alliance for Progress.

We found that we lacked a foreign aid program capable of aligning the United States with the similar forces at work in Asia, the Middle East, and

<sup>4</sup> For background, see *ibid.*, Feb. 19, 1962, pp. 267-284.

Africa. In those vast regions peoples and governments are determined to develop their status as independent nations and to provide for themselves and their children an environment of economic growth and progress. Our response was a foreign aid program designed to help those nations which showed a capacity to mobilize their own energies and resources for the development of their societies. Our aid program is rooted in the sound principle of self-help. Legislation passed by the Congress in 1961 has made it possible for us to make reliable long-term commitments to nations which have created national development programs. By this means we hope gradually to build a stable partnership with the new and aspiring nations as each of them goes forward to the stage where it can qualify for this type of assistance.

Both the Alliance for Progress and our foreign aid programs in general are in the midst of a complicated turnaround. National development programs cannot be developed overnight, if they are truly serious. Moreover, within the administration we have had to reorganize the policies and men to do the new job. The President has described our effort in terms of a "decade of development," and we are still in its first year.

Nevertheless we are confident that we are on the right track. A number of development programs have already come forward which meet the new standards; not only the United States but the richer nations of Western Europe and Japan are joining in efforts to back these programs. This is a tougher and longer job than the Marshall plan, but we deeply believe it must and can be done.

#### **Other Areas of U.S. Activity**

With respect to Western Europe we found that our own policies and those of the Western European nations had not yet come to grips with two massive facts: first, that Western Europe in the 1950's underwent an extraordinary surge of growth and development and that it was ready to accept a new degree of responsibility on the world scene; second, the movement toward European unity—which we had helped to foster immediately after the war—had gained real momentum. A united Europe had become a real possibility, but its shape and our policy toward its evolution were not yet determined.

Our response to these facts has been to encour-

age the movement toward European unity while proposing to the Europeans a new transatlantic partnership. We are in the process of working out the terms of that partnership in military matters, in trade, in problems of currency and reserves, in aiding the underdeveloped areas, and in many other areas. The development of these new relationships will take time. We are dealing now not with weak, impoverished nations, as was the case after the war. We are dealing with proud and strong nations seeking to find new relations to one another and to the United States, seeking to define also their role on the world scene for the 1960's and beyond. This exciting process, which, if successful, will add vast strength and stability to the free world, will certainly confront difficulties. But we are confident that our policy is pointed in the right direction and the outcome will, in the end, fulfill our hopes.

With respect to Japan, we have moved in many ways to come closer to that nation and its people, whose remarkable recovery has placed it in a position to play a constructive role on a worldwide basis.

Finally, the President committed himself to work to reduce or eliminate the danger of nuclear war. Our first effort was to formulate a proposal for a test ban treaty<sup>5</sup> which, if accepted, would have been both a limited contribution of substance and a precedent for wider disarmament efforts. As the President has said, the rejection by the Soviet Union of that proposal was the greatest disappointment of his first year in office. Nevertheless, the stakes for the United States and for all humanity are too high to permit this disappointment to deflect us from the task.

The new Arms Control and Disarmament Agency is now on its feet and working hard on the difficult technical problems which are involved. Arms control will not be achieved by wishing it, or by merely talking about its desirability. It will be achieved when we have devised hardheaded, concrete proposals that offer more security for all—and when the Soviet Government is prepared to accept effective international inspection. We have laid before the Geneva disarmament conference serious proposals<sup>6</sup> which, if accepted, would protect our vital security interests while diminish-

<sup>5</sup> For text, see *ibid.*, June 5, 1961, p. 870.

<sup>6</sup> For text of an outline of a treaty on general and complete disarmament, see *ibid.*, May 7, 1962, p. 747.

ing radically the dangers of war. And we shall stay with it, for surely, as time goes on, men will come to understand, on the other side of the Iron Curtain as on this, that modern technology makes it mandatory for all to accept international inspection as the price for living in tolerable security on this small planet.

Where then do we stand? None of the crises we inherited are yet finally solved; all are still dangerous. We live close to the edge of war in an atomic age, and we must learn to live there with poise. But we have made real progress in reducing the dangers these crises represented, and we have formulated policies with respect to each, which we are prepared to back with all the great strength at our command.

The general Communist offensive which these crises represented has not been definitely brought to an end, but the line has been held and its momentum has been halted.

In the longer run, creative tasks we have undertaken with respect to Latin America and other underdeveloped areas, Europe, Japan, and disarmament, we know where we want to go and we are moving. But we are also aware that it will take many years of hard, persistent, and purposeful effort to achieve the objectives we have set.

I can report, then, that we are well launched along the paths the President laid out in his inaugural address. We have met squarely the crises we confronted. But we have not let them deflect us from the larger task of not merely defending the free world but moving it toward the goal of a free community of nations—embracing in partnership both the more developed and less developed nations. Our Defense Establishment has never been in better shape, and we intend to keep it that way. But we are ready to move in practical ways toward peace—if the Soviet Union is prepared to accept effective inspection.

We are in good heart; we have a long way to go; but we intend to get there.

## Letters of Credence

### *Kuwait*

The newly appointed Ambassador of Kuwait, Abdul Rahman Salim al-Atiqi, presented his credentials to President Kennedy on June 1. For texts of the Ambassador's remarks and the President's reply, see Department of State press release 350 dated June 1.

## Secretary Rusk's News Conference of May 31

Press release 347 dated June 1

*Secretary Rusk:* Apparently we were out-ranked by an international meeting going on in our other room. I hope you won't find this too uncomfortable.

I do not have a formal statement to make today, but I would like, before taking your questions, to make a brief comment on the subject of disarmament.

### Disarmament

Today the Geneva conference is filing its report to the United Nations [U.N. doc. DC/288] on the progress of the conference thus far. That was an interim report due by June 1. I understand that the report is some 100,000 words in length and consists primarily of a factual account of the proceedings at the Geneva conference.

We regret that this report does not represent more substantial progress in this field. There has been an agreement on a preamble, but we have been disappointed at the negative reaction of the Soviet Union on a number of other substantial points—for example, on nuclear testing, and on the proposals that we have made for Stage I of a disarmament treaty,<sup>1</sup> on the war propaganda point on which they reversed their position this past week, and on the indications that they are going to be unwilling to accept a United Nations force to assist in maintaining peace as we move into a disarmament period.

Now, we are concerned about the possibilities of progress in this field, because we believe seriously and deeply that the security of all of us, the Soviet Union as well as ourselves, does not lie in an unlimited permanent arms race of increasing cost and increasing instability but in arrangements which would bring this race to a halt and, if possible, turn it downward.

We have felt that the contribution which had been asked of the Soviet Union on a nuclear test ban was the minimum contribution that could reasonably be expected to bring tests to an end on a permanent basis.

We should like to see some actual physical steps

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<sup>1</sup> For text of a U.S. outline of a treaty on general and complete disarmament, see BULLETIN of May 7, 1962, p. 747.

in disarmament occur, again to turn this race downward.

One has the impression that the Soviet Union at the moment in this field is playing the role of the illusive Pimpernel.

Much has been said about it over the years, in the United Nations and elsewhere; sweeping resolutions have been proposed; many resolutions have been adopted unanimously over the last two decades in the U.N. and in other discussions. But we have not yet been able to embark upon actual steps of disarmament. We think this is a great pity. We think it is unnecessary.

We have in mind disarmament within the framework of a world system outlined in the United Nations Charter. We do not have in mind a Leninist type of disarmament which simply exposes nations and peoples to techniques of Communist penetration and subversion, including violent means, which are a longstanding part of Leninist technique and doctrine.

But United Nations disarmament is and ought to be possible, if we can move ahead on the basis of the principles which were agreed to in New York last autumn<sup>2</sup> and if we take into account the fact that sweeping disarmament involves a major transformation of the world political scene, requiring assurance that nations are determined to settle their disputes by peaceful means, live at peace with each other, comply with their obligations under such things as the U.N. Charter, and begin to bring this race under control.

We hope very much that all of the governments involved in the Geneva conference will stay at its work; there will be a recess for a period—but come back and work hard at it and not give up because it is difficult, and not be impatient because agreement is not easy to reach, but stay with it. We have been encouraged by the serious and responsible role which the eight new members are playing in the Geneva conference, but it is going to take persistence, patience, and also reality if we are to move forward in this field.

We think it is in the security interests of the United States to try to find ways to bring this arms race to a stop. We also are determined that we will put forward proposals, will accept proposals, only to the extent that they are realistic and that we, ourselves, can live with them in keeping with our responsibilities to our own security and to the security of the free world.

<sup>2</sup> For text, see *ibid.*, Oct. 9, 1961, p. 589.

We believe that our proposals which have already been filed will make it possible to proceed with disarmament consistent with those requirements, and we hope very much that the negotiations will produce more results when we reconvene after a break of a few weeks.

Now I am ready to take your questions.

### **Soviet World Trade Proposal**

*Q. Mr. Secretary, what do you think of the proposal made by Mr. Khrushchev for some kind of worldwide trade meeting or trade organization as a counter, as advanced by him, to the Common Market plan?*

A. Well, I can understand Mr. Khrushchev's concern about the evident growing economic vitality of the free world. The Common Market itself has been flourishing. There is the prospect that that Common Market will grow, and the prospect that that great Common Market and our own market will be linked with new trade opportunities between us, and on a most-favored-nation basis, which will open up expanding markets for countries in other parts of the world.

We believe that the prospects here are very great because our own American experience has been that increasing markets which derive from growing economies are the kinds of markets which provide great opportunities for trade not only within the advanced and industrialized nations but between them and the less advanced or the agricultural nations.

There is in prospect an enormous increase in economic vitality of the free world, and we want to see that move ahead. Now, there are many forums in which these matters can be discussed on a general basis. Committee Two of the United Nations [Economic and Financial], the Economic and Social Council, and other forums are places where these matters are discussed regularly. But we do not believe that we should interrupt these great movements that are in process in the free world by diversions of a sort of which we do not yet have any information or on which we have no proposals.

### **Meaning of "Victory"**

*Q. Mr. Secretary, Senator [Barry] Goldwater has criticized the State Department for alleged appeasement. He said that the word "victory" is being stricken out of all State Department*

*speeches and cites this as evidence of a "no win" policy. Can you say anything at all about that?*

A. Well, I don't want to take up the Senator in long-distance debate, but Mr. Ball [Under Secretary George W. Ball], by the way, will be before the appropriate Senate committee again on Monday [June 4] to discuss this matter further.

In this particular reference I gather that the word "victory" was substituted for with the phrase "defeat of Communist aggression" in a speech made by a military officer early last year.

There is no doubt whatever that this administration and this nation are committed to the notion that the wave of the future lies with freedom, that the basic commitments of this country and these people are shared with men and women in all parts of the world. It is no accident that when you enter the General Assembly of the United Nations you see sitting there row after row of independent nations, more than 40, who have evolved out of a Western political system.

It is rather curious that in that kind of a forum Russian delegates from time to time get up and pretend to be the champions of national independence, themselves representing a system which has given no independence to anyone, so far as one can gather.

The whole purpose of the American effort to put itself at the head of its own revolutionary spirit and tradition in political freedom, in economic and social development—this whole effort—is based upon the conviction that these basic commitments are deeply rooted in human nature and are the wave of the future.

Now, if in a particular speech—and I don't want to get into problems of these rather minor differences in rhetoric in particular speeches which might have been suggested by a particular official at a particular time under particular circumstances—I think there is one point on which we do have to show some caution and that is the notion that victory in its usual sense is to be achieved by sudden military means.

The President has indicated in his press conferences more than once that a nuclear conflagration is not something which provides an easy path to what anyone would call "victory." We are determined to advance and protect our vital interests, by peaceful means if possible, but we shall defend those vital interests and move on with the great tasks of the free world.

Now, I think that, if there are those who do not see in such things as the development of the Atlantic community, the nurture of our alliances, our trade proposals, our aid proposals, the growing solidarity of the free world—if they do not see in that enough of a "win" policy, then I think that they are called upon to state their own alternatives.

There have been times—I have indicated this before—when two of the alternatives seemed to me to be quite unrealistic. One of them is simply to let the other side have it, with all the weapons you have at your disposal—in other words, hydrogen war. That, I would suppose, is hardly a "win" policy, if one looks at the situation realistically, as a first choice.

Secondly, some of those who talk about a "no win" policy, it seems to me, would just have us quit, stop foreign aid, withdraw from the U.N., withdraw from NATO, forget the Alliance for Progress. This, to me, is no substitute for the vigorous policies of the free world in this present situation.

So I would suppose that we are not involved with a "no win" policy. We are involved in policies that attract—support—allies, from people all over the world, because they are based upon the aspirations and the commitments of ordinary men and women in every continent.

#### **Nuclear Weapons in Western Europe**

*Q. Mr. Secretary, the President had quite a bit to say recently about the problem of nuclear weapons in Western Europe. Is it conceivable, under any circumstances that you can envisage now, that the United States might agree to let the British share nuclear knowledge with the French Government, either under present national systems of nuclear weapons or in the case if the British and the French were willing to put their nuclear forces into a joint NATO force of some kind?*

A. I think on that question I would not be able to add much to what the President has already said.

We do not favor the extension of national nuclear capabilities for a variety of reasons. One of them is that, looking ahead to the future, we believe that the addition of national nuclear capabilities would make extremely difficult the urgent problems of bringing these weapons under inter-

ational control and preventing their becoming unmanageable at some stage.

We are discussing, as you know, within NATO the possibilities of a NATO nuclear force. The President spoke of that briefly in his Ottawa speech.<sup>3</sup> Those matters have been discussed in the North Atlantic Council over the past several months and are being discussed there now.

We would like to take up these questions within the European and within a NATO framework to see how these matters ought to be handled. But I would not suppose that we would do indirectly what we would not do directly; or to put it the other way around, if we would be willing to cooperate on an indirect matter of this sort, we could do it directly.

*Q. May I ask the second half of the question a little differently?*

A. Yes.

*Q. Would the United States favor the British and the French putting their current nuclear forces into a NATO pot, so to speak?*

A. Well, that is one of the questions, of course, involved in how you would organize a NATO nuclear force and how it would be handled. I would not want to try to give a specific answer to that because these matters are very much under discussion in NATO; I am sorry.

Laos

*Q. Mr. Secretary, contrary to the feelings of some of my colleagues, I will not ask which newspapers you read. My question is on Laos:*

*In a quarrel between the United States and Phoumi [Gen. Phoumi Nosavan, Deputy Prime Minister and Minister of Defense], no doubt Mr. Garrison has right on his side. But some of the Asian diplomats in town are fearful that by quarreling especially with those on our side we reduce the credibility of our deterrent and that indeed the Communists believe that we are so opposed and disillusioned with the Laotians at our side that we would never do anything to help them whatsoever. Do you think any such thought on the part of the Communists is misplaced, well-phrased, close to the truth, approximate?*

<sup>3</sup> *Ibid.*, June 5, 1961, p. 839.

A. No, I think the problem has been here to get the Laotian leaders directly involved in a serious and responsible negotiation for the formation of a national coalition government, on the basis of which, coupled with the arrangements reached in Geneva, you would get non-Laotians out of Laos.

We believe that if the Laotians could be left alone they would be peaceful as far as their neighbors are concerned and could work out their own affairs in a way that would not threaten any of their neighbors.

It has not been easy for these three princes to get together. There have been times when one or another of them has not been cooperative. We have been pressing within the limits available to us, and by the channels open to us we have been pressing, that all three talk seriously and realistically about the possibilities of a national government. But the present need is to keep this tenuous cease-fire in being, to explore among the three princes whether or not a coalition government is possible.

If those efforts do not succeed, then, of course, some very serious problems will be in front of us.

*Q. Could you comment on the continuing Communist offensive, or rather skirmishes and buildup in Laos, and how that would affect the negotiations?*

A. Well, I think a persistent pressure against the cease-fire would make negotiations very difficult. I think there is no question about that. The cease-fire has been rather a difficult one to monitor all along because you have relatively few forces scattered throughout a great, vast country, which have not had cease-fire lines in the usual sense. There have been movements of forces back and forth. It has been difficult to evaluate the actual effect or the purpose in a particular event from one side in one situation or another. But this is a matter which should be clarified within the next very few days, because I gather the princes do expect to meet within a week, and we shall soon see whether there is any prospect for the kind of result there that we have been hoping for.

#### **Secretary's Tentative European Trip**

*Q. Mr. Secretary, it has been said, sir, that you will be making a trip to Europe at the end of this month. Could you tell us, first, what your itinerary will be, and, secondly, could you tell us what*

*the relationship of your trip is to the discussions on Berlin and also the intensifications of discussions on the Common Market?*

A. It is possible that I will run over to Europe for a few days, sometime next month. I cannot give you an exact itinerary because this depends upon schedules on both sides of the Atlantic, which are very busy. If it is possible for me to go, and it is not absolutely certain yet that I will be able to get away and can fit the schedules on the other side—but if it is possible for me to go, I will announce the itinerary just as soon as possible.

The purpose of such a trip, if it takes place, will be to continue some of the discussions that we had in Athens with certain of the foreign ministers. I tried in this most recent trip that I took to combine three meetings in one trip.<sup>4</sup> The result was that each one was a little hurried as far as I was concerned and I was not able to finish some of the talks that were started there, and I think that there could be some very useful exchanges over a period of a few days' time.

But quite frankly, this has not been set. Perhaps in the next 2 or 3 days I will be able to say something specific about it one way or the other.

#### **Problems in Communist China**

*Q. Mr. Secretary, could you discuss with us what seems to be going on inside Communist China and, specifically, whether the Peking government seems to be losing some control over its own people; and, secondly, what our role in all of this could be, whether we can help by sending food, or hinder, what we should do?*

A. Well, I am afraid that I would have to speak with some caution about what is going on inside Communist China for the simple reason that I don't think we have fully adequate information about it. There have been some reports from some of the refugees who have appeared in Hong Kong or Macao, which throw some light on the situation. We do know that there are some serious economic difficulties there. Their food rationing or caloric intake is down to 1,300 or 1,500 calories a day, for example, according to some of the estimates that have been made. We know also that shortages of raw materials and other problems have slowed down their industrial production, their industrial

“great leap forward,” and that there are some very significant problems there. I would not attempt at this point to assess this in terms of the control of the Peiping authorities over the country. I think we would have to assume that they have fully adequate control at this point.

In terms of our own reaction to that situation, our relationship to it, I think I would only refer to what the President has already said. We are taking some steps to admit a considerable number of Chinese refugees who have been screened for admission to this country.<sup>5</sup> It is our expectation that they might begin to arrive here within 2 weeks. We have added to our personnel in Hong Kong to assist in this process, and we are going right ahead with that. As far as food for mainland China is concerned, the problem here has been, in part, that we have had no indication or sign from mainland China that they are interested in food from U.S. sources. It has been indicated earlier that we are reluctant to make an offer just for propaganda purposes. If that question arises we will, of course, give it very serious consideration. But this is not a matter which occurred to us for the first time when the refugee flow into Hong Kong stepped up the other day. We have been looking at this for some time, I think, as comments in various press conferences have indicated. But this is basically not a problem which can be solved by external sources of supply when you are dealing with 650 million people who have a caloric intake of anything like 1,300 or 1,500 calories per day.

*Q. Mr. Secretary, is it correct to understand from your reply to the second part of Mr. [Chalmers] Roberts' question that the issue of possibly putting British and French nuclear power into a NATO pot is under active consideration now?*

A. No, I would say that the question of a NATO nuclear deterrent is under NATO consideration. It will be for each of the governments there to consider what their relationship to that would be, or what they think of it.

I would not myself say that that particular part of it has been proposed by any government at this point. This is a matter of study in the NATO Council.

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<sup>5</sup> For a statement by Assistant Secretary for Far Eastern Affairs W. Averell Harriman, see p. 993.

*Q. Sir, last week there was a sudden reversal of the Russian position in Geneva with respect to propaganda. This matter seemed at one point to be all signed up, and in fact the satellites seemed to be quite surprised, as were others, at this sudden reversal.*

*Would you put this, sir, into context for us and give us some speculations as to why this happened, when they seemed to be so flatly on the other side? Mr. Dean [Arthur H. Dean, U.S. Representative to the Conference of the Eighteen-Nation Committee on Disarmament] seemed quite surprised.*

A. I wouldn't want to pretend that I was less surprised than Mr. Dean, because he had been conducting those negotiations. I frankly don't know why this sudden reversal on that particular declaration. It may be that discussions within the Communist bloc led them to believe that they should not underwrite the idea that one should not speak of the inevitability of war.

It may be that there was a reluctance to seem to agree on this particular point which is somewhat peripheral to the main lines of disarmament when there was so little intention on their side, apparently, to agree on significant and substantial points in the disarmament field.

I just frankly don't know, and I think it would be foolish of me just to speculate.

#### **West New Guinea**

*Q. Mr. Secretary, in the West New Guinea situation, do you think now the Dutch and the Indonesians have reached a point where they will sit down and resume discussion of the Bunker proposal or is it still, so far as an agreement, out?*

A. So far as I know, no date has been set for the resumption of the talks, but I must say I see no reason why such talks should not resume in the near future.

As you know, Ambassador [Ellsworth] Bunker took on this assignment under [U.N. Acting Secretary-General] U Thant's request. He has been in touch with the two sides. He has made a careful analysis of the positions of the two sides, and he has made proposals which he felt were reasonable in light of the position of the two sides.

We ourselves believe that these are a reasonable basis for discussion and that they can open the way to a negotiation which could find out whether

these two Governments could not come together and agree on a solution there. But I gather that it isn't quite buttoned up yet as between the two Governments as to a resumption of the talks and to fixing a date, but I would think it would be important that that be done promptly and that military action or armed action be withheld, suspended, in order to give these talks a chance to work out the possibilities of success.

*Q. Mr. Secretary, there have been some recent reports from Europe, particularly Paris, alleging that the United States has made some sort of tacit agreement with the Soviets not to share nuclear knowledge with their respective allies. Can you comment on this?*

A. The only thing that has been said to the Soviets is what has been said to the rest of the world since 1945, and that is that we don't want to see the proliferation of nuclear weapons in national hands. We would like to see this brought to an end, the arms race turned down, and these weapons brought under control. But that is a long-known, long-stated policy of the United States.

*Q. Mr. Secretary, there have been reports from India that the United States urged the Indian Government not to go ahead with the purchase of MIG aircraft. There have also been reactions from Krishna Menon that they are an independent nation and they will buy where they see fit, and still further reports that the MIG aircraft from the Soviet Union might possibly be used against the Chinese. Would you give us your thinking about this situation? What does it portend?*

A. Well, we are aware of the interest of the Indian Government in supersonic aircraft. They feel that they need more modern aircraft for their own defense needs. We, of course, are interested in what that would mean in terms of the general situation in the area and relations among the countries of that area. But I must say that I don't think it would be wise for me to enter into that at this point. We are, of course, following it with close attention.

#### **Talks With Soviet Ambassador**

*Q. Mr. Secretary, we have neglected so far to ask you anything about your conversations with Ambassador [Anatoliy F.] Dobrynin. I am sure*

*that there must be many things that you are very anxious to tell us about that. (Laughter.)*

A. I think that simply reflects that you were adequately briefed yesterday.

*Q. Could you tell us, sir, whether you see these conversations likely to continue for some considerable time into the future, and also, sir, whether you see in the Soviet position at Geneva, or elsewhere, any tightening, any braking activity, on the side of the Soviets so far as talks with the United States are concerned?*

A. Well, I think that I would say first that the Berlin problem does not turn around any differences on minor points of detail, on one possible proposal or another which might be under discussion among the allies. The heart of the Berlin problem is the difference between the Western Powers and the Soviet Union on the key central issues of the vital interests of the West in Berlin, on which the West is united.

We have not, quite frankly, made any significant progress on those central issues, and, therefore, the other issues have had no opportunity to fall into place. I would expect there would be some additional talks on the matter with the Soviet Government, but I cannot report that the talks yesterday advanced the matter in any significant way.

*Q. Mr. Secretary, in connection with this question, because of the leak in Germany, we know something about our proposals on how to solve the Berlin problem, but unfortunately there was no such leak on the German counterproposal. Would you be in the mood to "leak" a bit?*

A. No, I think those ought to be put into position or into perspective as discussions within the

West on possible proposals. These were not proposals put to the Soviet Union. I think that there is some misunderstanding on that. These were discussions, of which we have had a great many over the last several months, of possible ways in which to discuss this matter with the Soviets or others with whom we might be talking about Berlin. But it is rather a hypothetical exercise because at the moment we have no reason to think that the Soviets would agree either to the particular United States formulation or to the West German formulation; so we see no particular point in having difficulties with our friends over something that won't advance the cause.

*Q. Thank you, sir.*

## **President Chiari of Panama Visits United States**

White House press release dated May 29

The White House announced on May 29 that Roberto F. Chiari, President of the Republic of Panama, has accepted an invitation of the President to make an official visit to the United States. He will be in the United States for 4 days beginning June 11. Shortly after his arrival in this country at Miami, Fla., he will depart for Williamsburg, Va. President Chiari will arrive in Washington June 12. Following 2 days in Washington, he will go to New York City, where he will be officially received by the city and will visit the United Nations Headquarters before returning to Panama. The U.S. Ambassador to Panama, Joseph S. Farland, extended the invitation to President Chiari on behalf of the President on May 1.

## Soviet Foreign Policy—Its Implications for the West

by Thomas L. Hughes

Deputy Director of Intelligence and Research<sup>1</sup>

It would be difficult to find a more pleasant place to spend the first weekend in May than here in Minnesota, difficult to find more fitting auspices for such a conference than here at Gustavus Adolphus College during your centennial year, and difficult to find a more provocative topic than the one you have assigned to me, "Soviet Foreign Policy—Its Implications for the West."

Flying over southern Minnesota late yesterday afternoon, I was filled with memories of boyhood, family, and friends; of youth, school, and college. The first 22 years of my life were lived in this corner of America, and I was happier here than I have words to say. I am therefore doubly grateful to you for inviting me, because you have brought me home once more.

It occurred to me, too, that in 1862, when this college was founded, my own great-grandparents had made their way to the pioneer farmlands of this rich Minnesota River Valley. But already, across the Atlantic, city-oriented Karl Marx had written off farmers everywhere for purposes of the Communist world revolution. They were "lost," he said, "in the idiocy of rural life." The thought crossed my mind that the whole world would have been better off, and later generations of Communists less misled, if he had joined the German migration to New Ulm (Minnesota) rather than sought refuge in a musty British Museum. That way, too, instead of spending so many years writing about Capital, Marx might even, as Mrs. Marx reputedly wished, have brought some capital home.

Whatever it is, the "idiocy of rural life" has played rustic havoc with Communist agricultural policies ever since. I'll wager that Lenin or Stalin in their day, and Khrushchev or Mao in ours, would privately gladly barter a good deal of dogma in exchange for some of the soil, skill, and spirit that has produced the agricultural abundance of southern Minnesota. But Communist rulers in practice are still trying to have the best of both worlds. They are trying to match our agricultural abundance, based on the released energies of a free farm community, with the methods of organizational coercion. Their failures are monumental. Right now, for instance, the Chinese Communists undoubtedly consider their own chronic inability to solve their food problems as far more of a threat to the staying power of their regime than any prospective return to the mainland by Chiang Kai-shek from across the Formosa Straits.

Now all of this is closely related to the topic of Soviet foreign policy. Indeed, the erosion of communism as an ideology—not to be confused with the continuing threat of Soviet and Chinese power—is just one of several factors in the recent past which is causing a significant, if gradual, shift in the ingredients of ideology and practicality which make up Soviet policy. I suggest that we first turn our attention:

1. to that erosion in ideology; then
2. to the broader context of the great 20th-century divisions which tend now to separate the world—divisions which condition both U.S. and Soviet foreign policy; then
3. to some of the *unchanging* elements in the Soviet challenge; then

<sup>1</sup>Address opening a conference on "The Sino-Soviet Bloc" at the Bernadotte Institute on World Affairs, Gustavus Adolphus College, St. Peter, Minn., on May 4.

4. to some of the *changing* aspects of that challenge; and finally,

5. to some of the implications for the United States and the West.

### **The Decline of Communism as an Ideology**

For years it has gone without saying that Soviet foreign policy has been inspired, guided, and dominated by Marxist-Leninist doctrine. But it is not a bad idea, every now and then, to look at sayings like this to see if they are still going.

One problem, of course, is to determine what the Marxist-Leninist doctrine is. Books have been written on "What Marx Really Meant" and other books on "What Marx Really Meant Actually." Today Leninism, Stalinism, Maoism, "peaceful coexistence," "unremitting struggle," "socialism in one country," "world revolution," "complete and total disarmament," "the death knell of capitalism," and all the other way stations of ambulatory Marxism are under new stresses and strains—and more from their exponents than their opponents. The traditional Marxist ideology, as distinguished from Soviet and Chinese power and example, has almost ceased to excite interest outside the Sino-Soviet bloc. More and more its chief role has been to provide the polemicists inside the increasingly unbloc-like bloc with the ideological hammers and tongs with which to flay one another. Some of these gentlemen themselves must be beginning to feel that they have had a dialectical runaround.

If you listen to what the Soviet leaders continue to *say* about the so-called capitalist world, you are struck by their *status quo* ideology. For instance, the recently adopted new Soviet party program—which Khrushchev proudly called "the Communist Manifesto of the present epoch"—sounds as archaic as the original. It repeats all the analysis of bygone days, again proclaiming that capitalism is "imperialism in the period of its decline and destruction" and that the state is acting "in the interest of the financial oligarchy."

Now the writers of this Manifesto naturally view events in the non-Communist world through their own glasses, darkly. But at some point when they try to sort out their own thoughts about such recent developments as the European Common Market, or President Kennedy's handling of the threatened steel-price increase, their confidence in their own dogma must be shaken to the point of

embarrassment. The truth is that the world is refusing to act the way Communist ideology says it should.

It is important, of course, to remember that on those occasions when the Communists consciously depart from their doctrine we are not necessarily the first to be told. Lipservice to outworn creeds can continue for centuries after the fervor of belief has passed away.

In any event, the Soviet Union has in fact been confronting certain realities lately, and some of these realities must have had a bruising, if unacknowledged, effect on both the ideology and foreign policy. Earlier this week when Cosmonaut Titov looked down on New York City from the top of the Empire State Building, he did not see the Victorian Manchester of Dickens and Marx but the pulsating symbols of 20th-century American affluence. Titov himself reportedly summed up his reactions in two words: "Not bad!"

It is now more than a generation since Lincoln Steffens made his famous trip to the Soviet Union and came back announcing: "I have seen the future and it works." Well, the future may look different, perhaps even to Titov, from the top of the Empire State Building. Undoubtedly it looks different to Titov, and Gagarin, and Glenn, from outer space. We are all readjusting, in one way or another, as the space age moves on. Marxist-Leninist texts will be of even less use on the moon, no matter who gets there first.

### **Three Great World Divisions**

Meanwhile, back here on earth, there are at least three dangerous and critical divisions confronting the world community as we consider the prospects for the rest of this century. Soviet, as well as United States, foreign policy must increasingly come to grips not only with one or another of these divisions but with all three.

First, there is the familiar East-West division between the Communist and non-Communist worlds, the division between Washington and Moscow and those capitals associated with each.

Second, there is the overall North-South racial division between the colored and the less colored people—a division which neither white Americans nor white Russians are admirably equipped to heal.

Third, there is the overall North-South economic

division between the newly developing nations and the already industrialized nations.

I myself first felt the personal impact of these three great divisions when I went to the Middle East in 1950, that ancient area of trouble and tension where Count Bernadotte had sacrificed his life just 2 years before. Amid the scar tissue of the Arab-Israeli war, all the other elements of the three great divisions of the 20th century were there for all who had eyes to see.

Thousands of miles away, the Korean war had propelled cold-war politics and Soviet-American rivalry into the Middle East with a vengeance. On both sides of the Arab-Israeli barbed wire there was a pulling and hauling linked to the East-West contest.

There in the Middle East I also first experienced the smoldering racial anger of the colored two-thirds of mankind, anger which I have since seen in many other parts of the world—in the widely held belief of Asians that we dropped the atomic bomb on Japan and not on Germany because the Japanese were colored—in the bitter African reaction to such widely reported incidents as the refusal of a Maryland restaurant to give an African ambassador's son a glass of water because of his skin.

There too in the Middle East I first fully felt the impulses generated by the passionate drive for economic development, an impulse shared all over the poverty-stricken two-thirds of the world which so often happens to overlap the nonwhite two-thirds as well.

It is these two other great world divisions, the racial one and the economic one—the North-South divisions—which are increasingly setting a context in which the East-West contest must operate. After all, there are 2 billion people in this world who are neither Russian nor American, and a large percentage of them profoundly distrust both Russian and American policy. What do they think, these people on the awakening continents? It might matter.

Many of them, of course, are too sick to think. Malaria, cholera, and intestinal parasites keep them from thinking.

Many are too hungry to think, except about food.

Many die when they are babies; so they never have to think at all.

The overwhelming bulk of them are black, brown, and yellow, and the motto of many of them, based on centuries of experience, is "Never trust a white man."

It is little wonder that their emerging new leaders, even the most moderate, are preoccupied with their own struggles for greater human dignity, greater economic growth, and greater political freedom. We should not be surprised if they do not fully share our view that the cold war is essentially a conflict to save the remaining free world from Communist encroachment. Indeed, it is no surprise that they are basically disinterested in the great East-West division. They look at both Moscow and Washington with a certain suspicion. Julius Nyerere of Tanganyika put it this way: "Our desire is to be friendly to every country in the world, but we have no desire to have a friendly country choosing our enemies for us."

These three great world divisions, one East-West and two North-South, combine to constitute the overall challenge to United States foreign policy for the rest of this century. They confront Moscow too. It is against their background that we must assess the changing and unchanging aspects of the Soviet challenge itself.

### **The Unchanging Soviet Challenge**

Whenever we try to come to grips, as we must, with the *changing* Soviet challenge, it is more important than ever to remind ourselves at the outset of the *unchanging* things about it too. In a sense it is always true that the more things change, the more they remain the same.

Decaying as it is, Communist doctrine, whether propounded in Moscow or Peiping, remains an activist doctrine. Anyone who has read Mr. Khrushchev's frank speech of January 6, 1961, or the subsequent statements made at the 22d Communist Party Congress in Moscow, will glean an overriding impression of fixed and unaltered intention to pursue the goal of Communist aggrandizement and revolution—to pursue this goal wherever opportunity offers itself and wherever an opportunity can be created. The tactics and techniques of foreign policy have been altered by experience and changing Soviet capabilities, but basically the effort continues to use all the instruments of power and persuasion in pursuit of Communist goals.

It is true that recently there has been evidence that the Soviet leaders have given up the notion that the only way in which communism will come to the world will be by an inevitable and cataclysmic war. At the same time the Chinese Communists view the risks of war with greater equanimity, and this appears to be one of the differences between Moscow and Peiping which underlies the current tension between them. But even if we grant that the Soviet rulers may have come to consider the deliberate employment of all-out war as too risky a course, their own conduct in practice does not give us any reliable assurance that this is in fact so.

For example, the Kremlin time and again has had recourse to the most blatant form of rocket-rattling both against weak neighbors and against the United States. Support of the Castro regime is a case in point, as is the deliberate challenge to vital Western interests and rights in Berlin.

Perhaps more importantly, the Soviet leaders remain convinced that they must continue to shroud their military activities in complete secrecy, even though the prospects on all sides point to a shrinking and more open world. It is possible that their main motivation in doing this is their unjustified fear of an attack. But from the standpoint of the United States and free-world society, Soviet secrecy means that, whatever we may believe about Soviet intentions, we can never be sure that the curtain of secrecy is not designed to mask the preparation of an attack upon us or some other free country.

Moreover we see no evidence that the Kremlin is holding its own military programs in abeyance; the series of Soviet multimegaton nuclear tests last fall is graphic evidence to the contrary. Nor can we see any signs that the Soviet Union is refraining from using military means or threatening such use to pursue its objectives in many of the crisis areas around the world. Berlin again is merely the most dramatic case in point.

We are thus faced with a situation where our genuine concern over the continuing arms race must be placed in the context of a continuing Soviet challenge to our society by a system with undiminished aspirations to world supremacy, with massive military power to back up these

aspirations, and with a veil of secrecy masking its intentions.

### *War by Proxy*

One of the unchanging aspects of Soviet foreign policy, the use of military power for political results, is underscored by the continuing indirect use of force—the use of Soviet military aid to foster international or civil wars while minimizing the risks of direct Soviet involvement. The Communist military threat ranges from Soviet ICBM's armed with multimegaton warheads down to the Viet Cong snipers in the villages of Viet-Nam.

In addition, under cover of the umbrella of Soviet power, Soviet strategists can use relatively modest amounts of military aid to pose serious political problems in the non-Communist world, particularly in former colonial areas where strong anti-Western sentiment is already present. Examples are the Soviet bloc aid to the U.A.R. in the 1956 Middle East crisis and Soviet offers to aid Indonesia in its military preparations to wrest West New Guinea from the Dutch.

### *Soviet Economic Growth, Trade, and Aid*

Another central aspect of the unchanging Soviet foreign policy challenge is the economic one, based on the U.S.S.R.'s past growth rate of 6-7 percent per year and its anticipated continued high rate of economic growth. This economic power of the Soviet Union presents a challenge to the United States and all the West on a wide variety of fronts.

First, it means increased military potential, for the greatest share of Soviet economic resources is devoted to heavy industry and military support industries. The U.S.S.R., with a total production less than half that of the United States, already has military expenditures approximately equal to our own. Furthermore the Soviets devote a large allocation of their resources to research and development, enabling them to deepen their technology at the same time that they expand their production.

Second is the considerable demonstration effect. The economic successes of the U.S.S.R. are expected to persuade people outside the Iron Curtain that Communist economic organization offers the most relevant solutions to their own problems

of poverty and aspirations for rapid development.

Third, the combination of economic growth and political control enables the Soviets to participate more actively in international markets. Whenever desired, they can pursue trade at political prices. U.S.S.R. sales of petroleum in recent years are perhaps the most striking example of a vigorous Soviet trade drive which serves both economic and political purposes. The Soviet Union is now the major supplier in Italy, as well as in several developing countries like Egypt. Such Soviet sales of oil have already cut into Western markets, reducing opportunities for profitable transactions of Western firms. They promise to do so further if the Soviets achieve their aim of increasing their sales as their production rises.

Soviet interest in trade with industrialized Western countries also serves simultaneous economic and political aims. One is the acquisition of technologically advanced capital and equipment needed to fill technological gaps in Soviet and bloc industry, petrochemical and electronics equipment being of high priority. A second aim is to encourage divisions in the Western alliance. A blatant recent example was Khrushchev's letter to Chancellor Adenauer holding out glittering prospects for expanded trade with the bloc if West Germany would only recognize the economic cost of its ties with the West.

A fourth and growing factor is the role of economic aid in Soviet foreign policy. Economic approaches to less developed countries are intended to complement political and propaganda tactics, to supplant Western influence, and to condition attitudes in these countries more favorably toward the political and ideological aspirations of the Communist world.

Offers of economic credits and technical assistance provide the chief means of accomplishing this purpose. Since 1954 about \$4.5 billion in credits and grants have been extended to 26 developing countries. The Aswan Dam in Egypt and the Bhilai steel mill in India are the best known bloc projects. In addition, roads in Indonesia and Afghanistan, port facilities in Ghana and Yemen, and railroad installations in Iraq and Guinea are important Soviet projects.

The economic assets of Soviet foreign policy in growth, trade, and aid add up to a formidable challenge in themselves. They also help promote

another major and unchanging Soviet ambition—the diplomatic isolation and splitting of the West.

### *The Diplomacy of Isolating the West*

The Soviet tactic, at the United Nations and elsewhere, of fostering neutralist friendliness toward the bloc and of distrust toward the West, finds its favorite opportunity in issues of "colonialism," where the Soviets claim to desire freedom for the oppressed. This is not always so easy a game for the Soviets to play, for the world is not as simple as Soviet propagandists picture it. Examples of Soviet predicaments in a colonial context are its early moves in the Congo and the difficulty in Kuwait, where the Soviets had to maneuver between conflicting Arab interests.

But Moscow persists, too, in exploiting opportunities to exert divisive pressure on Western alliances, combining both threats and blandishments. Fulminations against countries where bases are located is a standard propaganda theme, put most strongly by Khrushchev himself in his threats to wipe out the orange groves of Italy and the Acropolis in Athens. Soviet overtures to West Germany, though heavyhanded vis-a-vis the West Germans, are also calculated to sow suspicions among the other allies of the Federal Republic.

### *Foreign Communist Parties and Communist Fronts*

Among the instruments of Soviet foreign policy, the national Communist parties and the national and international Communist-front organizations remain among the chief choice organizational assets for political and propaganda purposes.

Outside the Soviet bloc, important Communist parties, such as the Italian, Indian, and Indonesian, under great pressure to compete effectively with other national parties, have developed a measure of independence from Moscow which may increase their political capabilities within their respective countries. For most of the Communist parties, however, their smallness in numbers and unpopularity on the scene reduce them to the role of holding operations. They exist merely as propaganda arms for the Soviet Union, hoping for the millennium.

The so-called front organizations were created in the 1920's to harness both Communist sympa-

thizers and non-Communists to support international Communist objectives. Directed toward such specific targets as youth, women, labor, and peace groups, the front organization combines the specific demands of the target group with general Soviet propaganda themes.

These transmission belts between the Soviet Union and the non-Communist public seek to persuade people of the beneficence of the U.S.S.R., to associate them with Communist causes generally, and, where possible, to convert them to communism. Although Communist-front organizations like the World Federation of Trade Unions, the World Peace Council, and the World Federation of Democratic Youth are of considerable usefulness as propaganda instruments for Soviet foreign policy, their importance in the last 10 years has been restricted to the field of propaganda and not much more. The international front organizations do not number within their ranks, for example, either the quantity or quality of the intellectuals who fellow-traveled in the interwar period. Moreover, Soviet postwar expansionism, coupled with counter-Communist activities, has changed the character of the front organizations to a point where membership is largely made up of Communists and crypto-Communists. The potentialities of the front organizations, therefore, seem to lie mostly in the politically unsophisticated areas of the world and more broadly in areas where political hopes for peace and disarmament are frustrated.

### *Cultural Exchanges*

Last among the instruments of Soviet foreign policy should be mentioned the use made of Soviet cultural exchanges, grants of educational opportunities, and the interest in sending and receiving tourists. These factors pose both a challenge and an opportunity.

From a propaganda aspect these exchanges can promote views favorable to Soviet policies, provide statements of visitors for exploitation, and gain influence through students trained in the U.S.S.R. One recent statement estimated that 4,000 students from underdeveloped countries now study in the U.S.S.R.

But these exchanges also can be counterproductive. Critical viewers can gain what from the Soviet viewpoint are undesirable insights into the Soviet system. The opening of Soviet society is promoted, and an unusual opportunity is pre-

ented for new influences on Soviet citizens. The effects can range from reassurance about the peaceful intentions of the West to a stimulated desire for freedom inside Russia.

So much for the unchanging elements of Soviet foreign policy—elements that seem to remain with persistence and impact, year after year, pursuing expansionist goals with all of the instruments of power and persuasion available.

### **The Changing Soviet Challenge**

It is not necessary to go back and look at Stalin's Russia of 1952 and its view of the world in order to perceive how different the Soviet challenge is under Khrushchev in 1962—or to speculate what the challenge will be like in 1972. In fact it is much more revealing of the changes in Soviet attitudes toward foreign affairs to compare the Soviet position and approach of only 5 years ago with that of today. The changes in even this short period of time tell us a great deal about the complexity of the challenge we face. They also suggest the value of thoughtful analysis, diplomatic skill, and an orchestration of political, economic, and psychological moves to help shape the world—including the Communist world—in directions favorable to our own interests and those of freedom generally.

With the launching of the first Soviet sputnik in 1957, Moscow must have seen its prospects improving rapidly. Soviet prestige was at its zenith. The scientific and technical accomplishment of launching the first satellite seemed to justify the Soviet system in the eyes of many who had earlier thought of the U.S.S.R. as a nation of illiterate peasants. Moreover the sputnik, together with earlier Soviet possession of nuclear weapons, established the Soviet Union as a first-rate military power. Soviet superiority in the rocket field, it seemed, would soon make the Soviet Union the strongest military power on earth. Economically the Soviet Union had recovered from wartime devastation and could now set its sights upon catching up to the standard of living in the most advanced capitalist countries. Within the bloc the Hungarian and Polish revolutions testified to popular unrest, but the crisis of 1956 appeared to have been weathered successfully and Soviet domination within the bloc was apparently unchallenged. Prospects for the expansion of Soviet influence in the world were never better.

In retrospect Khrushchev would probably agree that it didn't work out that way. His high hopes of 1957 have not been justified. Something went wrong with Southeast Asia, with the Congo, with the U.S.S.R. taking the public as well as the moral responsibility for breaking the nuclear test moratorium, with the flood of East German refugees which only a Berlin wall could stop.

What has happened to set limits to Soviet hopes? Four developments have taken place that have cut Moscow down to size. The West, and this country in particular, has shown that it does not wish to be buried; it has improved its military stance and its economic vigor. Rifts have developed in the Communist monolith, chiefly between Red China and Red Russia but also within the Soviet ranks. Underlying the controversy in the U.S.S.R., the ferment in Soviet life has grown, the present resource allocation is being questioned, and planning mistakes and indecision at the top level have made the solution more difficult. Moreover there have been disappointments for Soviet policy in the developing nations of Africa, Asia, and Latin America. Let us look at each of these in turn.

#### *U.S.S.R. Has Not Achieved Military Superiority*

Soviet military power has grown and is continuing to grow. But the Soviet Union has not achieved, and does not appear likely to achieve, military superiority over the West. In part the Soviets did not do all that they might have done to develop their military potential. Soviet resources are sharply limited, and Khrushchev in making his allocations had to content himself with less in the way of a military establishment than Soviet military planners might have thought in their interest. Of course, a major factor in this Soviet failure is the simple fact that Western military strength has grown at the same time and, particularly in the case of missile power, grown more rapidly than the Soviet Union expected.

Hence the Soviet Union must live in a world where it is not, and cannot in the near future expect to be, militarily superior to the United States. The risk of nuclear war weighs heavily upon Soviet policymaking. Indeed the central issue in the Sino-Soviet dispute can probably be expressed as the question of the degree to which one ought to run the risk of nuclear war in dealings with the West. Khrushchev has been the conservative on this score, arguing that he could achieve commu-

nism's ultimate goals without involving the U.S.S.R. or its allies in a nuclear war.

But the risk of nuclear war is not limited to the U.S.S.R. Khrushchev has shown himself equally well aware of the reluctance of the rest of the world to become engaged in nuclear war and has been able to use his possession of nuclear and missile weapons to make more or less plausible threats in a variety of situations. Soviet nuclear power, if markedly inferior to that of the West, still suffices to establish Soviet military presence in a variety of situations far beyond the reach of Soviet conventional forces.

#### *Rifts in Communist Monolith*

The Communist bloc has begun to show signs of decay: Moscow is no longer assured of its hegemony. Its leadership has been challenged by the Chinese Communists and even by the Albanians. These intrabloc troubles should neither be exaggerated nor underestimated. For the present there are indications that the dispute, which flared into the open with the denunciation of the Albanians at the 22d Soviet Party Congress, is becoming less acute. Faced with the embarrassment of public discussion of their differences and the danger of a complete rupture of the Sino-Soviet alliance, Moscow and Peiping have been casting about to find some means of papering over the controversy in public. A complete break in the alliance is not to be expected in a matter of weeks or months. But the fundamental differences—and they are differences covering nearly every question of importance in world politics—remain unresolved. The tension and the rivalry remain, and Moscow's troubles with its recalcitrant ally are far from over.

Meanwhile the differences which have become known have created a crisis in the world Communist movement, where factions favoring one side or the other have been created. Both Peiping and Moscow have their supporters in the front organizations and the foreign parties. Moscow can no longer rely on the movement to do its bidding. The resulting fracas inside the movement is likely to be more organizationally debilitating than intellectually stimulating.

#### *Ferment in Soviet Union*

At home there are changes too. Indeed, the Soviet Union seems to be demonstrating that a little improvement is a dangerous thing.

Though it still remains a police state, the Soviet regime has become far less repressive than it was a decade ago. But the relative liberalization has brought with it intellectual ferment and a tendency to question basic assumptions. This tendency has been particularly marked in recent months, when, in the wake of the renewal of destalinization after the 22d Party Congress, the Soviet leaders have been plagued with the decline of public faith in the party and its leadership. For example, the role of the present leaders during Stalin's regime has been questioned in both public and party meetings.

With the improvement in living standards and the appearance on the market of new and desirable evidences of the good life, the Soviet populace is developing wants which the regime can only satisfy very slowly. Soviet resources are scarce, and the regime must decide whether it will put its money into industry, consumer goods, or the military establishment. Last summer's military buildup by the West has imposed a military buildup upon the Soviet Union, and the strain has been evident. This is not to say that the U.S.S.R. verges on bankruptcy, but I do suggest that Soviet leaders have to exercise some degree of circumspection in avoiding situations which call for abrupt increases in military spending.

#### *Disappointments in Developing Nations*

It must by now be apparent to the Soviets that the determination of the anticolonial, developing peoples to revise if not shed their old relations with Europe is not necessarily synonymous with a desire to become wards or satellites of the U.S.S.R. It is true, of course, that the coming of independence to a multiplicity of nations in the Southern Hemisphere of the world has greatly increased Soviet influence and Soviet presence there. Yet country after country, Guinea being the most recent and perhaps most dramatic example, has sought, after the initial flirtation, to curb excessive Soviet ambitions and to revert to something of a middle course between what it regards as the two major cold-war contenders.

This does not mean that the U.S.S.R. has given up or will give up its ambitions in the developing, "nonaligned" areas. It does mean that the realization of these ambitions will probably be pursued by more sophisticated, less dogmatic, and more deliberate means. Moscow will still seek to prove

that it is the real and only friend of these countries, that only Soviet assistance is genuinely disinterested, that the Communist economic model is more relevant than the free-enterprise model of the West. And Moscow will still seek, depending on circumstances, to build local Communist movements—through the training of cadres, the issuance of guidelines, the formation of front groups—which at some propitious moment can lay claim to a role in the governments of these countries and ultimately take them over. But there can be little question that compared to the seemingly justified great expectations of the period of, say, 1955–1957, Soviet prospects have sobered. The reordering that has been going on in the developing world, while changing and often diminishing Western influence, has not led to the massive introduction of Soviet influence that seemed in prospect only 5 or 6 years ago.

This complex picture of the realities confronting Moscow today as it pursues its "immutable" goal of communizing the world is a far cry from the simplistic view of the bloc as a monolithic movement surging irresistibly to victory. In fact, no such movement ever existed. It certainly does not exist under Khrushchev. Even the relatively rosy prospects he appeared to enjoy a few years ago were in fact not real. The complex influences at work were simply more effectively concealed from our view, partly by our willingness to be intimidated by some of the myths which Soviet propaganda itself has perpetuated.

I now come to my central point. Our increased awareness that the Communist world has problems too does not reduce the size of the Communist challenge. It may, indeed, increase the magnitude of that challenge. While we can draw some comfort from the fact that Khrushchev and his Communist colleagues are finding out that they are not totally free agents in pursuing their ideologically inspired goals, we must at the same time remember that the Soviet threat to the West is not therefore less real.

Khrushchev, at least, has demonstrated an ability to adjust to changing conditions—to take a page from our book, as it were—and to become more flexible and pragmatic himself. His blend of ideology and pragmatism may not be as revisionist as the Chinese Communists think, but it is a long way from doctrinaire inflexibility. Despite any disappointment he may feel in the pace

of Communist (and particularly Soviet) advances during the past few years, he is clearly determined to press on toward Communist victory at home and abroad. To the extent that doctrinaire visions are subordinated to a more pragmatic approach in his conduct of Soviet foreign policy, Khrushchev may in fact represent an increasingly dangerous and broad-gaged threat to the West—a threat which is more rather than less difficult to combat.

It is at precisely this point that we come to the strangest irony of all: the possibility that Khrushchev, the world's professional dogmatist, should increasingly become in fact a practicing pragmatist, while some of us Americans, the world's leading pragmatists, should entangle ourselves emotionally in unproductive dogmas of full-time, amateur anticommunism.

### **Implications for the West**

There are many implications for the West in what we have just been discussing. I should like to suggest some of them indirectly, by putting my comments in the framework of this other subject which I have just mentioned. It is a subject of growing public interest, the problem of amateur anticommunism.

Let me set the stage for what I am about to say.

#### *Cold-War Battle Fatigue*

We are entering a period of history when the burdens of the formulation and conduct of United States foreign policy are descending on all of us—not just the comparative handful of Americans in the State Department, or in the Foreign Service, or in the Government, but all of us. In countless ways we Americans, and other people all over the world, are increasingly engaged in foreign policy. We are thinking, arguing, proposing, campaigning, traveling, talking, and making and receiving impressions. Foreign visitors are increasingly in our midst, taking our pulse as a nation or a community or a college. Each of us is increasingly representing the United States to foreign eyes as much as any diplomat we send abroad.

Just at this time, when all our individual thoughts and actions are taking on new international significance, there has grown up in certain quarters an attitude which can best be described as “cold-war battle fatigue.” In a sense this attitude is entirely understandable. There

seems to be no end to the Soviet challenge, to cold-war tensions, to new and renewed crises, to the demands and needs of others. Some of us are tired of all this, and we long for shortcut answers. In its most extreme forms this cold-war battle fatigue results in proposals to withdraw from the United Nations, abandon our allies, raise our tariffs, eliminate the income tax, slash the budget, and go to war at the drop of a hat with anyone who disagrees.

In a way it would be un-American not to be frustrated by the prospect of a generation of uncertainty and indecision. In the past we Americans have been accustomed to think that everything will come out all right in the end; that the Pilgrims had a rough first winter but managed to survive; that Valley Forge inevitably was followed by Yorktown; that Daniel Boone and the Pony Express always got through the forest; that we never came to a river we couldn't bridge, a depression we couldn't pull out of, a war we couldn't win.

Today the implications for these assumptions in foreign affairs are no longer self-apparent. On balance, a good case can be made that the alternative to coexistence is no existence. The problems staring us all in the face for the rest of this century are not as simple as the Great Simplifiers among us apparently think.

#### *Amateur Anticommunism*

Now these same people are usually the most active amateur anti-Communists among us too—not the most effective but the most active. By an amateur anti-Communist I mean those among us who are the most virtuous in their militancy, the most vociferous at Birch Society rallies, the most self-confident and strident in their predictions of what the Communists will do next, the most trigger-happy when it comes to brandishing thermonuclear weapons.

I suggest that these amateur anti-Communists may have little or no relevance to the dimensions of the Soviet challenge that actually exists. I suggest that they can have an inhibiting and disabling impact on the creation and implementation of effective anti-Communist policy in the West. They can lead policies into blind alleys; they can cause diplomatic weapons to misfire.

The Great Simplifiers—the amateur anti-Communists—in fact leave all the really challenging questions unanswered.

How do we evaluate the changes now going on in the Soviet Union? The amateur anti-Communists can't help us.

Will Khrushchev's successors be better or worse? The amateur anti-Communists aren't interested.

What is the spectrum of pressures, incentives, rejections, inducements, and initiatives which we can bring to bear on Soviet foreign policy?

What are the fundamental and what are the peripheral areas in our own policy vis-a-vis the Soviet Union?

How do we change the Kremlin's calculations about our future?

How do we create those conditions in the free world which will convince Soviet leaders that their use of pressure will not help them?

How many rigidities are necessary to keep a policy "firm"? How rigid does the Soviet Union want our policies to be?

To none of these questions do the amateur anti-Communists have any constructive comments or suggestions.

They cannot contemplate the gradual possibility of a fractionalized Communist world without going to pieces themselves.

They are uncomfortable over any notions of complexity or movement inside the Sino-Soviet bloc.

They turn aside when confronted with the actual problems of the Sino-Soviet rift, of formal unity and actual collision, of surface agreement and subsurface fratricide.

Their arguments all point to direct and cataclysmic military action: they undercut the role of policies designed to prevent catastrophe.

They say they would rather be dead than Red. Most of us would prefer to be neither.

When informed of intricacies—that in Iraq, for example, it is possible that there is a Soviet Communist Party, a Chinese Communist Party, and a local Communist Party—the amateur anti-Communists are simply helpless.

They don't know what to do with countries that are supposed to be going Communist and wind up being independent—like Iraq, Egypt, Guinea, and the Congo.

When it comes to the tactical use of American power—a sophisticated application of pressures, toughness here, relative accommodation here, negotiations there, initiatives somewhere else—once

more the amateur anti-Communists have few if any recommendations.

When we consider the advantages of a differentiated foreign policy—the manipulation of military, economic, and diplomatic power ourselves to modify actions of the Soviets, to influence their internal allocation of resources, to exert leverage—again there is no helpful advice from the amateur anti-Communists.

By taking comfort in selections from Lenin, the amateurs concentrate full time on the ultimate Communist objective of world domination. In so doing they cut themselves off from the much more important objective of engrossing the Soviets in tactical questions which may help over time to divert them from their long-range strategy.

When we discuss the need for a policy differentiated toward the entire Sino-Soviet bloc, and not just the U.S.S.R., the amateur anti-Communists become positively unhappy. They wish no one to disturb their confidence that the 1 billion people who live under Communist governments are identical, monolithic, mass-minded men. It is unsettling when Tito departs from the Moscow line. It is perplexing when Albania sasses back. It is bewildering when only 10 percent of Polish farmers are collectivized after all these years. It is upsetting when Stalin is dug up and reburied. For the amateur anti-Communist all this is explainable only in terms of gigantic and diabolical trickery by the Kremlin masters: they have no policy suggestions, except to marvel at it all.

When they look at Laos they are the first to cry appeasement. When they look at South Vietnam, where, tragically, some Americans have been and may yet be killed, they talk as if they are determined that we shall fight no more wars except enormous ones.

In fact, they do everything they can to assure that every public question is badly posed.

They wait to see what the Communists will do; if the Communists are for it, they are against it.

They consistently think of the U.S.S.R. as embarked on the highest kind of adventurism, with no appreciation of the obvious Soviet effort to choose low risks over high ones.

They seem unaware of the significant narrowing of choices which has confronted American policy in recent years, unaware that one of our greatest objectives must be to broaden our range of policy choice, achieve a greater freedom for action, burst

through the constricting bonds which some of our inherited policies have given us.

They fail to realize that nothing in history is really inevitable until after it happens.

In short, the amateur anti-Communists are conspicuously unhelpful in meeting the real Communist challenge or in changing it. As the Judge Advocate General of the Navy said the other day, they are about as useful as amateur brain surgeons.

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Now there are obviously many things which we will want to do which may not please or satisfy the Soviet Union.

We will want to point out to them that it is easier to coexist if you like each other.

We will want to make it abundantly clear to them that coexistence can take many forms and that we do not take kindly to the kind the Krenlin has in mind.

We will want to make it perfectly apparent that we intend to be neither Red nor dead, but that if the very worst comes to the very worst and the nuclear race gets out of hand, it might be possible for them to be both Red and dead.

With imagination, persistence, and skill we will want to make it abundantly clear that America, indeed all of the West, is on the move again, that not all the initiatives will be Communist but that we will be pursuing an increasing variety of initiatives of our own, and that they can expect to have to react to us—to our new defense policy, which gives us the means to respond to limited aggressions as well as general war; to our new disarmament policy, which proffers a detailed treaty we are prepared to sign; to our deep and enduring commitment to the freedom of West Berlin and Southeast Asia; to the prospect of an ever stronger and freer system of world trade; to the rapid economic development of the southern continents; to an active and energetic American diplomacy.

“... our basic goal remains the same:” said President Kennedy in his state of the Union message earlier this year;<sup>2</sup> “a peaceful world community of free and independent states, free to choose their own future and their own system so long as it does not threaten the freedom of others. Some may choose forms and ways that we would not

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<sup>2</sup> For text, see BULLETIN of Jan. 29, 1962, p. 159.

choose for ourselves, but it is not for us that they are choosing. We can welcome diversity—the Communists cannot. For we offer a world of choice—they offer the world of coercion.”

We are confident that, as we move in these directions, our open society with all its democracy and discussion will still be more in tune with the 20th century than their closed society with all its advanced space boosters and obsolete political creeds.

There is finally, however, when all is said and done, at least one good thing about the Soviet challenge and its implications for the West: We simply cannot ignore this apocalyptic appeal, this false vision of a classless society, this hollow cry of brotherhood, this empty claim of a system based on justice. We shall have no relief from this challenge, and we deserve none.

We in the West will expose the hypocrisy of the Communists most convincingly when we genuinely end our own—when all of us Americans, and not only our Government, help actively to lead the world of freedom into the paths of responsible change—when each of us accepts, as Count Folke Bernadotte so conspicuously did, full membership in the human race—the poor old human race, so largely poor, so largely sick, so largely hungry, and so largely colored.

Only then will each of us be personally qualified, as Bernadotte and others like him were before us, to go out into our generation to stand for the truths that man's future on earth need not be canceled; that his political ingenuity may still rescue him from ruin; that his moral and ethical standards still are here; that some things, like war and injustice, may seem everlasting, but that these things are everlastingly wrong.

## **U.S. Helps Afghanistan Fight Locust Menace**

Press release 342 dated May 29

Following an urgent request by the Royal Government of Afghanistan for assistance in combating a severe locust menace in western Afghanistan, the U.S. Government dispatched a U.S. Air Force spraying plane of the C-123 type to the affected area. The menace is described by Afghan officials

as the worst in 21 years. The aircraft is specially equipped for antiloeust spraying operations. In addition a Cessna-type aircraft also equipped for spraying is proceeding from Iran to Afghanistan. Both aircraft had been participating in U.S. Government antiloeust assistance efforts in Iran. The C-123 arrived in Kandahar on May 25 and was met by the Royal Afghan Minister of Agriculture and other Afghan and U.S. officials.

The antiloeust operation in western Afghanistan is being directed by officials of the Government of

Afghanistan in cooperation with American AID officials. Because of the ability of the C-123 to spray extended acreage the operations are expected to be completed in a relatively short time. It is hoped that immediate and effective action and Afghan-American cooperation will limit the menace and prevent spreading to neighboring countries. The prompt U.S. response to the Afghan request was within the context of continuing friendly interest of the United States in Afghanistan's welfare and development.

## **The Role of Trade Policy: Continuation of U.S. Leadership**

*by C. Griffith Johnson*

*Assistant Secretary for Economic Affairs<sup>1</sup>*

I am particularly pleased to be able to speak before this conference, whose theme is "Pittsburgh's Competitive Position in Tomorrow's World Trade." The theme itself highlights two specific aspects of today's world which I believe should be given the most careful attention: The first is its focus on the position of a single community or area, reflecting a lively and legitimate interest in the future prospects of that community within the Nation's economy as a whole. The second underscores a growing awareness by this community of the increasing role which foreign trade is likely to play in shaping those future prospects. This focus and this awareness are indicative of what I hope will become a trend throughout the Nation in the coming months for communities like Pittsburgh. The focus on the community is altogether appropriate and essential in promoting effective planning by the members of the community for the future.

The awareness of the importance of international trade as a principal factor in that planning

means that this community, and many others like it, will accept and take advantage of the existence of foreign markets and competition as a fundamental fact of contemporary economic life. It is a fitting complement to the national role which our country has been called upon to play on the world scene. It signals the fact that we as a nation, down to the individual factory and farm, have come of age as a responsible world power—in an economic as well as a political and military sense. I would like to discuss the implications of this development as reflected in the theme of this conference.

It is almost superfluous to state to this gathering that exports play a significant role in the commercial life of a large number of individual establishments in the Pittsburgh area. Each of you here representing a particular company which engages in foreign trade is fully aware of his own company's export interest, but perhaps it would be useful to try to translate this individual interest into its meaning for the Pittsburgh area as a whole. In 1960 exports of manufactured goods from Allegheny County amounted to approximately \$135 million. Some 86 county firms em-

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<sup>1</sup>Address made before the 16th annual Pittsburgh World Trade Conference at Pittsburgh, Pa., on May 23 (press release 330 dated May 22).

ploying about 60 percent of the total number of workers engaged in manufacturing here each exported more than \$25,000 worth of goods. Of these the leaders were in the fields of primary metal industries, machinery, fabricated metal products, and transportation equipment. Foreign exports from these industries alone accounted for approximately \$60 million of the county's total. Exports from the 86 establishments mentioned above represented nearly 5 percent of the total value of their shipments in 1960.

However, the statistical enumeration of the value of shipments from Pittsburgh directly entering into world trade by no means gives a full picture of this area's interest in a thriving American export trade. For years Pittsburgh has been known as the steel capital of the world. It would be difficult indeed for me to find a single industrial export of consequence which did not require steel as a major element in its fabrication. This is particularly true in transportation and construction equipment, two of our country's leading export categories. Last year, for example, one major manufacturer of earth-moving equipment exported nearly 50 percent of its total domestic production. The export market for American-made agricultural equipment is similarly significant. Finally, American automotive exports including parts have consistently been strong, to a point where, in the peak year for imports into this country of foreign-made cars, in 1957, the automotive industry was still able to report a substantial net export surplus. I do not have to remind anyone here how much Pittsburgh's steel industry—and, therefore, the greater Pittsburgh community as a whole—relies on the demand for steel which is generated by the transportation industry alone. A healthy export market for these industries is, therefore, a market in which a large segment of Pittsburgh's industry shares even though its shipments are to Detroit instead of Düsseldorf or Darwin.

### **Potential Foreign Markets**

These few figures highlight how important foreign markets are to almost every branch of industry in this area and how significant a factor they are in determining the level of prosperity which this community enjoys.

Beyond this obvious fact lies an implication of even greater importance—the potential market beyond our shores for the kind of advanced indus-

trial manufactures for which the greater Pittsburgh area is justifiably world famous. Many of the goods produced here are those which we refer to as being on the “leading edge” or “growth sector” of the American economy. These are the products which are more often of high unit value, in greatest demand in other industrialized countries, and in scarce supply in many other areas of the world. The products I have in mind are exemplified by such categories as railway transportation equipment, rolling mill machinery, and metal-cutting machine tools. These products—and they are only a few of many produced here—are basic to the industrial development of any economy and will doubtless be in substantial demand throughout the world for many years to come.

At the same time I do not have to remind anyone here that the existence of demand by no means guarantees a sale. There still remain in many countries of the world substantial barriers to trade in these and other products. The administration and the Congress are gravely concerned about these barriers, in whatever form they may take, and the State Department has made and is making every effort to reduce them. Recent years have witnessed very great success in our efforts, largely through the activities made possible under the trade agreements program and helped by the rapid recovery and growth in Western Europe. Now, however, we are faced with new circumstances, to cope with which existing powers and, indeed, past policies and concepts are not adequate.

The European Common Market, for example, will impose a duty of 10 percent on imports of rolling mills from outside suppliers. The Common Market may become increasingly competitive in the years ahead in this type of equipment and in many other lines which are of significant interest to firms in this area. With the elimination of customs duties within Europe, and as European industry increases its efficiency through the development of large productive facilities to serve the rapidly growing internal market, levels of import duties, which may have been acceptable to importers of American equipment before, may eventually become prohibitive. Our share in these increasingly prosperous markets may very well be appreciably reduced if we are unable to bargain their tariff barriers down to an acceptable minimum.

However, it is not only our markets in Europe

which are threatened by the new growth of European productive capacity. Our markets in all parts of the world where we have traditionally enjoyed an advantage because of the economies derived from large-scale production will be subjected to increasing competitive pressure from industries of comparable efficiency and scale now developing in Europe. I have no doubt that some of you may even now be feeling the pressure of this competition in, for example, Latin America.

To meet this competition and maintain our position in the export markets which American business now enjoys a variety of actions will be necessary. Some of these must be taken by Government, and I will turn to this aspect in a moment, but private industry has of course the principal role to play. Conferences such as this can be of great assistance in considering actions and policies oriented toward increasing our share in expanding world markets and also in advising on the kind and direction of Government policies which can provide the best framework within which the goals can be met.

#### **Effect of Imports on the Economy**

I would like to turn now to a consideration of the other side of the coin—imports, and their effect on the area's economy.

Pittsburgh industry is heavily oriented toward the manufacture of metals and metal products. These industries could not of course exist without imports of certain types of basic metals which are either in short supply or do not exist at all in the United States. While the necessity for such imports is not in dispute, I think it is useful to remember that over 60 percent of our nation's total imports are not competitive with domestic production.

What, then, is there to be said for the remainder which are competitive and whose competitive effects may be particularly strong on Pittsburgh's production? For years many people have deemed it necessary to go on the defensive when discussing imports which compete with domestic suppliers. There was even a tendency to regard these imports, and by extension those who were supposedly responsible for them, as rather un-American. Such an attitude is not only a distortion of the facts but is also a disservice to our true national interest. Imports—and I speak here of com-

petitive imports—are not only necessary but desirable.

Our imports provide foreign countries with the financial means with which to buy American exports. But beyond this, imports fulfill a useful and desirable service to the American economy. They help expand the area of choice available to the consumer. By offering certain goods at lower prices, they facilitate specialization by American industry in products which it can produce most efficiently. They are a useful tool in holding domestic inflationary forces to a minimum—an objective which I think all of us can support. Finally, they are a highly effective stimulus to our own productive efficiency by providing a source of competition to domestic industries which may have tended to become complacent in a protected environment. I might say parenthetically that we have seen in certain responses which have already appeared within Europe a convincing demonstration of this last and often ignored contribution of imports to economic efficiency.

This is the case for imports in general. What about imports of particular products which compete directly with specific industries here in Pittsburgh? First, I might note that we are all by no means unaware of the fact that certain of your industries are being subjected to substantial competition. We know very well, for example, that our imports of steel-mill products now exceed our exports. Another Pittsburgh industry of significant importance, the sheet-glass industry, has recently sought and been awarded relief from excessive import competition. However, I believe it is important that we maintain a sense of perspective on this question. The steel industry as a whole is not being threatened by import competition—gross imports as a whole last year represented less than 5 percent of supply. Certain limited areas of the industry are feeling these effects far more than others. The United States, and Pittsburgh in particular, is still a substantial net exporter of products made from steel.

The proposed Trade Expansion Act, now before the Congress,<sup>2</sup> was devised with an awareness of the fact of import competition and a responsibility to react constructively to it. It accepts the fact that imports can make a positive contribution to

<sup>2</sup> For text of President Kennedy's message to Congress, see BULLETIN of Feb. 12, 1962, p. 231.

our own economic development and seeks to facilitate the occasional serious adjustments which may be made necessary by increased imports. This assistance is not designed to be a substitute for the adjustments which private industry is best qualified to make for itself but only to be available where it is truly needed. The difference from past approaches is in the recognition that imports can and do play a useful role in our national economic welfare. It is, in effect, an expression of our national maturity and a response consistent with our position of free-world leadership.

Before I leave the subject of import competition, I would like to address a few remarks to a very popular whipping boy: the "low-wage import." The argument is thoroughly familiar to all of you, and I will not repeat it now. I would simply like to call your attention again to a fact which is sometimes ignored in discussing this subject. In addition to wages the costs of raw materials, capital equipment, energy, administrative overhead, transportation, and sales promotion all figure in the final selling price of any product. Furthermore, few will disagree that the productivity of the American worker is in many cases substantially greater than that of his foreign counterpart. If these other factors are important in determining the price of an American product, they are also important in determining the price of a similar foreign product. In most countries throughout the world the sum of all these costs is in fact more often greater for the foreign product than for the American. Finally, so-called low-wage imports rarely, if ever, compete with the production of our most efficient, high-wage industries. On the whole, such imports threaten markets which are held by industries paying wages below the national average. Conversely, our high-wage industries, of which many in the Pittsburgh area are excellent examples and in which one should logically expect the competition of low-wage imports to be keenest, are in fact our most competitive.

This is proved by the fact that American exports are not only competitive in third-country markets but are also often more competitive in a given low-wage country's own internal market. I do not by any means intend to minimize the influence of wages on cost, but it should not be forgotten that wages are only one factor in the final cost and competitive position of individual items. Furthermore, as foreign nations develop eco-

nomically, we can expect the prevailing wage rates in those countries to increase. We already have seen this in the case of several European countries where, over the past 10 years, the rate of increase in wages has exceeded our own by substantial amounts. By exercising prudent moderation in our own wage and price policies, we can make possible the maintenance of our competitive position in world and domestic markets.

### **Goals of Our New Trade Policies**

I should like to turn now to some comments on our proposed trade policies as exemplified in the Trade Expansion Act. Since the last extension of the Trade Agreements Act in 1958, several events have taken place in different parts of the world which have combined to introduce a new dimension into the consideration of American trade policy. Taken together these events have precipitated a situation which makes a liberal expansionary policy a matter of primary political importance. Perhaps more than at any other time in our history, trade policy has assumed a unique position in the context of our overall foreign policy considerations. The most striking of these events has been the successful development of the European Common Market—a success exceeding the anticipations of even the most optimistic of its original proponents. This success has in turn precipitated another event exercising significant influence on our foreign as well as commercial policy considerations. It was surely one of the major factors causing the United Kingdom to lay aside a policy of detachment from Continental affairs which had served it for centuries and to apply for negotiations which could lead to a commitment to Europe more profound than any in its history.

This decision by the United Kingdom has implications not only for other nations in Europe but has caused major reassessments of policy by countries throughout the world, both within and outside the Commonwealth. These events have also created a necessity for us to reexamine and recast our own foreign trade policy in order to keep abreast of current events and to anticipate future developments.

Since World War II one of the major objectives of our Atlantic policy has been the creation of a strong and united Europe able to resist Soviet and Communist pressures, with Germany firmly linked to this larger union. Europe could then serve as

an equal partner of the United States in the achievement of our common goals: the defense of the free world, the expansion of trade, economic growth, assistance to the developing nations in attaining the level of economic and political strength that will give them self-respect and independence. The Common Market will clearly represent an economic and trading unit of size and importance comparable to that of the United States and thus will create a new entity in Europe with the potential of playing an effective role in an Atlantic partnership of equals committed to the achievement of great common objectives.

An enduring relationship is not forged by legal instruments alone. One of the most fundamental aspects of that relationship is the flow of goods and services among ourselves. As long as unnecessary and overly restrictive barriers hamper this flow, there can be no genuinely effective relationship and the seeds of discord and division will remain. In the context of the modern world, threatened on two fronts by the menace of Communist imperialism and the failure of two-thirds of the world's population to achieve a decent standard of living, our capacity to achieve genuine economic cooperation will be of fundamental importance. Our national commitment to a liberal trade policy will be a basic expression of our faith in the future of the free world.

However, the creation of a strong Atlantic partnership is far from enough. Limiting our efforts to this restricted area would only serve to wall up the Atlantic community within an ultimately untenable bastion of isolationism. It is of primary importance that our posture be an open one, inviting all free nations to participate in working out the complicated relationships involved in creating a prosperous world community of free peoples. Our trade policies must be defined in such a way as to insure that our friends everywhere, who are prepared to accept the obligations of such participation, also have full opportunity to share in the fruits. This we propose to do through the extension of any reductions in our mutual barriers to trade to all those who would participate and by taking special measures where appropriate, such as in commodity arrangements, to help the less developed countries around the globe obtain equal access to world markets and be made capable of sharing in the promise of the future.

### **Tools To Implement Trade Program**

With these goals and imperatives before us, the administration has fashioned this year a new definition of American trade policy: the Trade Expansion Act of 1962. It has been described as the most fundamental reconstruction of foreign trade policy since the original Trade Agreements Act of 1934, yet its provisions are no more radical for this new decade than were the Marshall plan, the North Atlantic Treaty, or the Monroe, Truman, and Eisenhower Doctrines for their days.

In substance it remains a mandate to reduce trade barriers, under appropriate safeguards and through appropriate stages, just as its predecessors were. Where it differs from preceding mandates is in the special provisions for tariff reduction by broad categories and total elimination of tariffs in limited areas, and in the concept of national responsibility to promote adjustment for injuries caused by actions in the national interest.

Adjustment assistance is a new departure in the concept of protection against import competition, but it is a logical development in our new approach to trade policy if we are to realize our objective of an expanded, interdependent world trading system. If adjustment assistance should fail and abnormal dislocations should ensue, the conventional methods of protective assistance, such as increased tariffs, remain available for use under accelerated procedures for their application. Under the new system the President will be able to select any one or several of a variety of methods to help soften the effects of increased import competition. However, the objective of this type of assistance, as well as the former, must be and is to promote adjustment and not to prevent change. Others have learned through bitter experience that a country which is immune to change is a country vulnerable to defeat. The insidious nature of encroaching protectionism is not readily apparent. It lies in the hidden barriers it builds against economic progress and in the gradual erosion of relative industrial efficiency.

In order to implement this new approach to trade policy, the President has requested of the Congress an authority whose key characteristic is flexibility. This flexibility as well as the increased authority is needed for a very simple reason—to enable U.S. negotiators to bargain effectively in the interests of this country. The last general round of tariff negotiations at Geneva

## Department Presents Views on Chinese Refugees in Hong Kong

*Statement by W. Averell Harriman  
Assistant Secretary for Far Eastern Affairs*<sup>1</sup>

was an ample demonstration of this fact. In the face of an offer to reduce across the board the tariffs of the Common Market on industrial products, we were hampered by a host of provisions in the present Trade Agreements Act severely limiting our ability to make reciprocal reductions. This resulted in the withdrawal of the Common Market's offer in a number of key areas and products which would have been of great benefit to American exporters.

The time for this kind of bargaining has passed. We are faced today with an economic entity across the seas which, if present negotiations succeed, will be considerably larger than our own. Within this dynamic concept, new challenges to our trade and commerce are developing. If we cannot move, and move swiftly, to meet these challenges, our stature as a nation will slowly shrink. This is a reality of which this community and the Nation should be fully aware, and, being aware, it should lend its support to the efforts being made to sharpen our trade policy tools and to the subsequent efforts which will be made at the bargaining tables.

If we move forward with new policies and powers which are meaningful and adequate, we have every reason to expect a new stimulus to growth on a scale not seen before. Lower trade barriers in the industrialized nations of the world will mean increased export opportunities for our farms and industries. A more closely knit world trading system will also provide increased stimulus to industrial and agricultural efficiency, and therefore prosperity, here at home.

The implications for the world as a whole and for our major foreign policy objectives are equally clear and compelling. Reduction of trade barriers will bind the free-world community together in a close relationship of mutual advantage. By opening up the markets of the industrialized countries on a nondiscriminatory basis, it will stimulate greater export opportunities for the less developed countries and thereby contribute more—and more soundly—than outside financial aid to the development and expansion of their economies. An open and nondiscriminatory free-world trading system will be the ultimate answer to the Communist prediction that the democracies of the West will ultimately collapse under the accumulated weight of economic warfare.

Beginning about the first of May the number of Chinese refugees trying to enter Hong Kong increased spectacularly. Each week for years past, dozens or perhaps hundreds had been making the attempt, often at the risk of being shot by the Communist border guards. For reasons we do not know, the Communist guards suddenly stopped trying to prevent border crossings. News of this sort spreads rapidly in China. Where dozens had been, there were tens of thousands.

This drew the spotlight of public attention to the Hong Kong border. But it was not a new situation. Since 1948 hundreds of thousands of Chinese refugees have fled to Hong Kong, first to escape the advancing Communist troops and later to escape the hopeless life which Communist leaders imposed on China. This flow has brought to Hong Kong over a million of its 3 million people.

In Hong Kong these refugees have been resettled and provided with medical assistance, housing, and educational facilities. The Government and people of Hong Kong have accomplished this primarily through their own efforts and from their own resources, and they deserve the free world's praise and thanks for it. Most of the refugees have found jobs to support themselves in Hong Kong's rapidly expanding private-enterprise economy. Most important of all, the Hong Kong Government has treated them on the same footing as other residents and has insured them the opportunity to live their own lives in freedom.

The people and Government of the United States have long been aware of the Hong Kong

<sup>1</sup>Made before the Subcommittee on Refugees and Escapees of the Senate Judiciary Committee on May 29 (press release 344).

refugee situation. American voluntary agencies operating in Hong Kong have, since 1954, distributed surplus food with a value of over \$30 million under Public Law 480, title III. These agencies have also contributed clothing, health supplies, and other necessities to meet immediate needs of the refugees and help them support themselves. These contributions apart from food provided under P.L. 480 represent the direct gifts of individual Americans and amount to millions of dollars each year. Under the Far East refugee program the United States Government has provided funds and other help amounting to about \$8 million for resettlement, medical aid, housing, education, vocational training, and community centers. The American people can justly take pride in this effort. At the same time we should remember that it is a small fraction of what the Hong Kong Government has spent to provide new housing, schools, health services, and such basic needs as water supplies for the increased population.

It now appears that the spectacular flow of border crossers has stopped, at least for the time being. Perhaps the Chinese Communist authorities could no longer tolerate this revelation to the outside world that so many Chinese people wish to leave "People's China." Smaller numbers of them will probably continue to escape as was the case in the past years. The needs of the refugees in Hong Kong will continue. I am sure the American people will continue to help.

As the President stated last Wednesday [May 23], we are making arrangements as rapidly as possible for several thousand Chinese refugees to come to the United States. It is evident that resettlement of Chinese refugees here and in other countries can in some degree help the situation, and in addition to what we can do in this direction ourselves we would consider sympathetically requests to help other countries take in numbers of these refugees. We are in touch with the Chinese Government in Taipei to learn more about its proposal to resettle numbers of Chinese refugees on Taiwan.

We must remember that the increased flow of Chinese refugees into Hong Kong is but a small aspect of a vast problem. The root of this problem is in China. Before the Communists seized power in mainland China, Chinese people on a number of occasions went to Hong Kong to escape disasters in their home areas. On those oc-

casions the disasters were local and temporary, and when they had passed the refugees almost all went home again. What today's refugees have fled is the cumulative result of 12 years of Communist rule. There is no sign that the recent border crossings came about because conditions where these people lived had taken a sudden turn for the worse. They were not starving. In fact, they did not show physical evidence of malnutrition. But most of them are farmers, and they were well aware that what Communists had done to agriculture in China was a worse disaster than the most severe natural calamities they had seen or heard of. Others were industrial workers largely from Canton. They had lost their jobs because the collapse of agriculture has severely affected industry. They had learned that the Communist authorities planned to send perhaps 200,000 of them to the farm villages. They might have jobs of a sort there but the main purpose would be to have them fed there, relieving the city authorities of this responsibility.

The Chinese are an eminently pragmatic people. They believed that life in Hong Kong would be better than what they could foresee in the Chinese Communists' promises. They saw a chance to try to get into Hong Kong, and they took it. Hundreds of thousands of other Chinese would, by all accounts, do the same if they could. This is the most telling commentary possible on what the Chinese people think of the Communist system in action.

We can be sure, I believe, that the Hong Kong Government will continue to give safe haven to numbers of escapees from Communist China, as they have in the past, and to the extent possible integrate them into the Hong Kong economy. For our part we should continue our assistance to this humane endeavor.

## **Congressional Documents Relating to Foreign Policy**

### **87th Congress, 2d Session**

**The Political Stakes in East-West Trade: A Report on a Factfinding Trip to the U.S.S.R. and Eastern Europe.** Submitted to the Subcommittee on Foreign Economic Policy of the Joint Economic Committee by Senator Jacob K. Javits, February 2, 1962. 19 pp. [Joint Committee print]

**Purchase of United Nations Bonds.** Hearings before the Senate Foreign Relations Committee, February 6-19, 1962. 325 pp.

**INTERNATIONAL ORGANIZATIONS AND CONFERENCES**

**Calendar of International Conferences and Meetings<sup>1</sup>**

**Adjourned During May 1962**

U.N. Committee on Information From Non-Self-Governing Territories: 13th Session	New York . . . . .	Apr. 23-May 23
U.N. ECAFE Regional Seminar on the Development of Ground Water Resources.	Bangkok . . . . .	Apr. 24-May 8
U.N. Economic Commission for Europe: 17th Session . . . . .	Geneva . . . . .	Apr. 24-May 10
U.N. ECOSOC Statistical Commission: 12th Session . . . . .	New York . . . . .	Apr. 24-May 11
FAO Committee on Commodity Problems: 35th Session . . . . .	Rome . . . . .	Apr. 25-May 4
ITU CCIR Study Group V (Propagation) . . . . .	Geneva . . . . .	Apr. 25-May 4
ITU CCIR Study Group VII (Standard Frequencies and Time Signals) . . . . .	Geneva . . . . .	Apr. 25-May 4
CENTO Ministerial Council: 10th Meeting . . . . .	London . . . . .	Apr. 30-May 1
Caribbean Organization: Joint Meeting of Planners and Planning Experts and Standing Advisory Committee of the Caribbean Plan.	San Juan . . . . .	May 1-8
GATT Committee III on Expansion of International Trade . . . . .	Geneva . . . . .	May 1-11
NATO Ministerial Council . . . . .	Athens . . . . .	May 4-6
ICAO Limited European Mediterranean Aeronautical Fixed Telecommunications Network Panel.	Paris . . . . .	May 4-7
OECD Committee on Scientific Research: <i>Ad Hoc</i> Meeting on Research Cooperation.	Paris . . . . .	May 7(1 day)
OECD Development Assistance Committee: Coordinating Group on Thailand.	Paris . . . . .	May 7(1 day)
OECD Economic Policy Committee: Working Party on Costs of Production and Prices.	Paris . . . . .	May 7-8
IMCO Maritime Safety Committee: Subcommittee on Code of Signals . . . . .	London . . . . .	May 7-11
NATO Planning Board for Ocean Shipping: 14th Meeting . . . . .	Washington . . . . .	May 7-11
International Seed Testing Association: 13th Congress . . . . .	Lisbon . . . . .	May 7-12
U.N. ECOSOC Commission on International Commodity Trade and FAO Committee on Commodity Problems (joint session).	Rome . . . . .	May 7-14
FAO Inter-American Meeting on Animal Production and Health: 5th Meeting.	Santiago . . . . .	May 7-18
GATT Committee on Balance-of-Payments Restrictions . . . . .	Geneva . . . . .	May 7-18
ITU CCIR Study Group II (Receivers) . . . . .	Geneva . . . . .	May 7-18
ILO Chemical Industries Committee: 6th Session . . . . .	Geneva . . . . .	May 7-18
15th International Film Festival . . . . .	Cannes . . . . .	May 7-21
ITU CCIR Study Group VI (Ionospheric Propagation) . . . . .	Geneva . . . . .	May 7-23
OECD Development Assistance Committee: Working Group on Aid to Colombia.	Paris . . . . .	May 8(1 day)
ANZUS Council . . . . .	Canberra . . . . .	May 8-9
NATO Civil Defense Committee . . . . .	Paris . . . . .	May 8-9
U.N. ECAFE Committee for Coordination of Investigations of the Lower Mekong Basin.	Bangkok . . . . .	May 8-11
U.N. ECOSOC Commission on Narcotic Drugs: Committee on Illicit Traffic . . . . .	Geneva . . . . .	May 8-11
International Fisheries Convention of 1946: 10th Meeting . . . . .	Hamburg . . . . .	May 8-12
8th International Hydrographic Conference . . . . .	Monte Carlo . . . . .	May 8-15
U.N. ECOSOC Commission on Human Rights: Seminar on Status of Women in Family Law.	Tokyo . . . . .	May 8-21
15th World Health Assembly . . . . .	Geneva . . . . .	May 8-26
OECD Development Assistance Committee: Group on Multilateral Investment Guarantees.	Paris . . . . .	May 9 (1 day)
International Cotton Advisory Committee: Committee on Extra-Long Staple Cotton and Study Group on Prospective Trends in Cotton Practice.	Washington . . . . .	May 9-12
OECD Development Assistance Committee: Aid to Northeast Brazil . . . . .	Paris . . . . .	May 11 (1 day)
International Court of Justice Hearings for an Advisory Opinion on "Financial Obligations of Members of the United Nations."	The Hague . . . . .	May 11-21

<sup>1</sup>Prepared in the Office of International Conferences May 31, 1962. Following is a list of abbreviations: ANZUS, Australia-New Zealand-United States; CCIR, Comité consultatif international des radio communications; CENTO, Central Treaty Organization; 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, Intergovernmental Committee on European Migration; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; ITU, International Telecommunication Union; NATO, North Atlantic Treaty Organization; OECD, Organization for Economic Cooperation and Development; SHAPE, Supreme Headquarters Allied Powers Europe; 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.

**Calendar of International Conferences and Meetings—Continued**

**Adjourned During May 1962—Continued**

GATT Panel of Experts on Residual Import Restrictions . . . . .	Geneva . . . . .	May 14-16
Executive Committee of the Program of the U.N. High Commissioner for Refugees: 7th Session.	Geneva . . . . .	May 14-22
International Cotton Advisory Committee: 21st Plenary Meeting . . . . .	Washington . . . . .	May 14-23
U.N. ECOSOC Commission on International Commodity Trade: 10th Session .	Rome . . . . .	May 14-23
Diplomatic Conference on Maritime Law: 11th Session (resumed)	Brussels . . . . .	May 14-25
UNESCO Meeting of Experts on Teacher Training . . . . .	Manila . . . . .	May 14-25
OECD Development Assistance Committee: Coordinating Group on East Africa.	Paris . . . . .	May 15 (1 day)
ICEM Council: Special Meeting of the 17th Session . . . . .	Geneva . . . . .	May 15-19
Inter-American Tropical Tuna Commission: Annual Meeting	Quito . . . . .	May 16-18
OECD Committee on Restrictive Business Practices . . . . .	Paris . . . . .	May 16-18
NATO Civil Aviation Planning Committee . . . . .	Paris . . . . .	May 17-18
Revision Committee of the Central Rhine Commission . . . . .	Brussels . . . . .	May 21-22
GATT Working Party on Marketing of Meat . . . . .	Geneva . . . . .	May 21-23
U.N. ECE Conference of European Statisticians: Working Group on Industrial Statistics.	Geneva . . . . .	May 21-25
U.N. Special Fund: 8th Session of Governing Council . . . . .	New York . . . . .	May 21-28
GATT Council of Representatives . . . . .	Geneva . . . . .	May 21-30
OECD Agriculture Committee . . . . .	Paris . . . . .	May 22-23
OECD Development Assistance Committee: Annual Review Meeting	Paris . . . . .	May 22-24
FAO Cocoa Study Group: 5th Session . . . . .	Montreux . . . . .	May 22-28
OECD Industries Committee . . . . .	Paris . . . . .	May 24-25
OECD Manpower Committee . . . . .	Paris . . . . .	May 24-25
GATT Working Party on Relations With Poland . . . . .	Geneva . . . . .	May 25-29
UNICEF Committee on Administrative Budget . . . . .	New York . . . . .	May 28-29
OECD Development Assistance Committee: Aid to Argentina and Brazil .	Paris . . . . .	May 28-30
NATO Manpower Planning Committee . . . . .	Paris . . . . .	May 28-30
OECD Committee for Scientific Research . . . . .	Paris . . . . .	May 28-30
SHAPE Medical Conference . . . . .	Paris . . . . .	May 28-30
OECD Economic Policy Committee: Working Party III (Balance of Payments)	Paris . . . . .	May 29-30
WHO Executive Board: 30th Session . . . . .	Geneva . . . . .	May 29-30

**In Session as of May 31, 1962**

Conference on Discontinuance of Nuclear Weapon Tests (not meeting) . . . .	Geneva . . . . .	Oct. 31, 1958-
5th Round of GATT Tariff Negotiations . . . . .	Geneva . . . . .	Sept. 1, 1960-
International Conference for the Settlement of the Laotian Question . . . .	Geneva . . . . .	May 16, 1961-
U.N. General Assembly: 16th Session (recessed Feb. 23, 1962, until June 1962)	New York . . . . .	Sept. 19, 1961-
Conference of the Eighteen-Nation Committee on Disarmament . . . . .	Geneva . . . . .	Mar. 14, 1962-
ITU Administrative Council: 17th Session . . . . .	Geneva . . . . .	May 5-
UNESCO Executive Board: 61st Session . . . . .	Paris . . . . .	May 8-
U.N. ECOSOC Commission on Narcotic Drugs: 17th Session . . . . .	Geneva . . . . .	May 14-
International Northwest Atlantic Fisheries Commission: Standing Committee on Research and Statistics.	Moscow . . . . .	May 24-
International Lead and Zinc Study Group: 6th Session (resumed) . . . . .	Geneva . . . . .	May 28-
International Rubber Study Group: 16th Meeting . . . . .	Washington . . . . .	May 28-
International North Pacific Fisheries Commission: Working Parties on Oceanography of the Subarctic Waters of the North Pacific and Offshore Distribution of Salmon.	Tokyo . . . . .	May 28-
U.N. Committee on the Peaceful Uses of Outer Space: Technical and Legal Subcommittees.	Geneva . . . . .	May 28-
IMCO Maritime Safety Committee: Subcommittee on Subdivision and Stability	London . . . . .	May 28-
ILO Governing Body: 152d Session (and its committees) . . . . .	Geneva . . . . .	May 28-
U.N. ECAFE Railway Subcommittee and Working Party of Railway Signaling and Operating Officials.	Melbourne . . . . .	May 29-
WMO Executive Committee: 14th Session . . . . .	Geneva . . . . .	May 29-
UNICEF Program Committee . . . . .	New York . . . . .	May 31-
U.N. Trusteeship Council: 29th Session . . . . .	New York . . . . .	May 31-

## International Commodity Problems

*by W. Michael Blumenthal*  
*Deputy Assistant Secretary for Economic Affairs*<sup>1</sup>

A year ago I outlined to this Commission the views of my Government with regard to the problems of international commodity trade. I reported that the United States was about to embark on an expanded program of work in this area and, if you will permit me to recall, I underlined that this effort reflected our recognition of the importance of commodity problems in relationship to sound economic development, our determination to cooperate with other governments in the search for equitable solutions, and our willingness to consider sympathetically any reasonable proposals for the improvement of conditions in world commodity trade. Finally, Mr. Chairman, I said, "The U.S. Government intends not only to cooperate with other nations in the search for practical solutions for the problems of commodity trade, but hopes to be able to contribute ideas and a measure of initiative in this endeavor."

Over 1 year of intensive work is now behind us. In implementing President Kennedy's commodity program we have gained considerable experience and, in close cooperation with other governments, we have made real progress.

Yet, while work has gone forward in various international forums and meetings, while new approaches have been established and existing organs strengthened, conditions in certain commodity markets have in fact worsened during the year. Analysis of the reasons for these undesirable developments points up clearly the great obstacles

that must be overcome, the underlying fundamental problems that must be faced, and the time and effort required to achieve lasting improvements. It is imperative that all of us work together to reverse this trend. My Government, Mr. Chairman, is ready to do so. We believe that what is needed, above all, is a common approach—an agreed-upon set of principles upon which to define a true world commodity policy to which the major producing and consuming countries of the world can subscribe.

Mr. Chairman, I propose to return to this concept of a world commodity policy in a moment, for my Government would like to suggest a few of the basic approaches which in our opinion must be incorporated into this common strategy. To begin with, however, I would like to review the major events of the past year, as seen by my Government, and to describe the direction in which we have been moving.

### **The Problem of Coffee**

One of the principal commodities toward which we directed our attention during the past year is coffee. The reasons are obvious. Coffee is second only to petroleum in its importance in world trade. Moreover, within the inter-American Alliance for Progress, there are 15 nations to which coffee is of great interest, and in Africa and Asia numerous other countries derive important benefits from coffee exports.

The problems that beset trade in coffee are particularly severe and disturbing ones. An enormous imbalance exists at present between production and probable demand. Vast stocks overhang the market and exercise a persistent depressing effect

<sup>1</sup>This is a condensed version of a statement presented by Mr. Blumenthal before the 10th session of the United Nations Commission on International Commodity Trade at Rome on May 16.

on prices. We estimate that almost twice as much coffee is produced each year in the world as can be exported, and the outlook is for a continued accumulation of surpluses unless determined efforts are made to correct the situation. There is little hope that the price decline in coffee can be arrested until this fundamental situation is faced resolutely by producing and consuming countries.

In the view of my Government the situation indicates the desirability—indeed the necessity—of attempting to negotiate a global producer-consumer agreement, designed to deal with the underlying causes. As long ago as August of last year we therefore announced our intention to promote such an agreement and our willingness to become a member, assuming that a sound scheme could be negotiated. We have worked actively toward this goal since that announcement.

In the Coffee Study Group we have tried to help the work move steadily forward toward a worldwide negotiating conference under the auspices of the United Nations. Such a conference has now been scheduled for July 9, and a draft agreement has been prepared. The draft breaks new ground in the history of commodity agreements, because it includes provisions designed to bring about production controls and to expedite economic diversification in coffee-producing areas.

There is another development with regard to coffee which is of significance. This is the plan to establish a Seasonal Marketing Fund in Central America, to which my Government has pledged its financial support, conditional upon a strengthening of production and marketing controls in the countries concerned. The Fund is intended to help the producing countries in the region to space their coffee marketings more evenly throughout the year. The project is significant in our view in that its implementation would enhance the chances for the successful operation of the broader international agreement and because it seems to us a good example of the kind of nondiscriminatory regional cooperation which can be a valuable adjunct to worldwide schemes.

### **The Cocoa Problem**

We have also, in common with other governments, devoted a good deal of thought and attention to the world cocoa problem. No two commodity situations are alike, and the situation in

cocoa differs markedly from that in coffee. There has not been as serious a gap between supply and demand and, to date, such excess supplies as have materialized have been absorbed into consumers' stocks. Moreover, the rate of growth in consumption over the last few years has been more than satisfactory. In fact, increases in U.S. consumption of cocoa have averaged 9.3 percent over the last 2 years, and 1962 promises to be almost as good.

Yet we feel that a situation may be developing in cocoa that will bear careful watching. In the last few years production has increased more quickly than consumption and prices have fallen. At this point the outlook is unclear. Experience of the past few years suggests that the lower prices brought about by higher production may lead to further increases in consumption. Because some danger signals have appeared, however, we have actively supported the idea of exploring various means of international cooperation within the Cocoa Study Group, and we participated last June in the work of a committee which prepared a draft of a possible producer-consumer agreement. Whether it is feasible and desirable to attempt a formal agreement in this case and at this time will be among the matters discussed by the Cocoa Study Group at its meeting next week in Switzerland.

### **Other International Study Groups**

Our work on individual commodity problems has not been confined to the coffee and cocoa markets. At the Punta del Este conference in August 1961,<sup>2</sup> the U.S. Government also announced its readiness to begin discussions with the International Tin Council concerning the terms of possible U.S. accession to that agreement.

Lest there be some misunderstanding on this point, Mr. Chairman, let me emphasize that the commodity policy of the U.S. Government is by no means exclusively, or for that matter primarily, directed toward the promotion of commodity agreements. As we said last year, we believe that each situation must be studied on its merits and that a variety of techniques—sometimes several used in combination—may be needed to cope with particular problems.

<sup>2</sup> For background, see BULLETIN of Sept. 11, 1961, p. 459.

In some cases the most fruitful form of international cooperation may be simply the regular exchange of information and views in international study groups. We believe that the activities of the International Rubber Study Group are an excellent case in point. This group is one of the oldest in the commodity field and one of the first to demonstrate the possibilities of this type of organization. The group has done a great deal of valuable work on improving statistics and developing short-term forecasts and long-term projections of production and consumption. Because of the need for natural rubber to remain competitive with synthetic rubber, a price stabilization agreement would not serve the long-term interests of producers. Indeed, the threat of synthetic competition has already become a matter of grave and immediate concern. In this situation, international action can most usefully be directed to an exchange of ideas on research and development to help natural rubber maintain its competitive standing.

Incidentally, rubber as well as tin may remind us that the United States holds large strategic stockpiles of many primary commodities bought on world markets in earlier periods and now generally in excess of needs. These excess inventories, which in the aggregate are very large, present serious problems for my Government. When disposals are undertaken, however, it is our established policy to manage them in such a way as to take full account of the interests of the primary producing countries concerned, avoiding disruption of world commodity markets. Before deciding finally upon any disposal plan, we consult with the countries concerned and give most careful consideration to their views.

These have been some of the highlights of the work regarding individual commodities in which the U.S. Government has actively participated since we last met a year ago. It is of course not an all-inclusive list. I did not, for example, mention our participation in the other study groups and in the international wheat and sugar agreements or our contacts with the banana-producing countries of the world. In our approach to all these problems we have attempted to proceed on a pragmatic, case-by-case basis, intent on cooperating to the fullest extent possible with all interested countries in improving the condition of individual markets.

### Compensatory Financing

Finally, we have moved quickly and far within the past year in considering compensatory financing as a stabilization technique. Let me say emphatically, Mr. Chairman, that the U.S. Government attaches a great deal of importance to the idea of sound compensatory financing and is prepared to give most serious consideration to workable proposals. Last year this Commission gave preliminary consideration to the U.N. experts' report<sup>3</sup> on the subject, identified certain issues requiring close examination, and otherwise laid the groundwork for a thoroughgoing discussion of the subject at this present session. Since that time, my Government, like many others, has given much thought to this question. Our aim has been to seek a mechanism which would free the producing countries from the disruptive and sometimes crippling consequences of severe cyclical and other short-term declines in export receipts. It has been our view that such a mechanism could be a decidedly useful supplement to the efforts to stabilize export receipts through action on individual commodities and to the assistance which the International Monetary Fund gives to countries in balance-of-payments difficulties of a more general character.

To press toward a solution of this problem, we established a special task force composed of experts from various U.S. Government agencies, some of whom then participated actively in the work of a Group of Experts set up pursuant to a resolution of the Punta del Este conference. Mr. Chairman, I commend to the careful attention of all my colleagues here the report<sup>4</sup> of this Group of Experts, to which you referred in your opening statement and to which Mr. de Seynes [Philippe de Seynes, Under-Secretary of the U.N. for Economic and Social Affairs] also referred in his address to the joint session last week. This report has been forwarded to the CICT. My Government has come to the tentative conclusion that a general, basically automatic compensatory financing scheme of the type described in this report may be both desirable and feasible.

However, let me say that while we strongly hope that something useful can be achieved in this area, we remain openminded concerning what

<sup>3</sup> U.N. doc. E/CN.13/40; E/3447.

<sup>4</sup> OAS doc. 59 (English rev. 4).

type of mechanism would be most appropriate. Indeed, we look forward to a thoroughgoing discussion by our colleagues on the various possibilities.

At the same time we are persuaded that a mechanism of the type proposed by the experts of the Organization of American States contains a number of features which seem to be inherently preferable to the U.N. experts' proposal. For one thing, the inter-American approach achieves a separation of the aid and trade concepts and deals only with the problem of cyclical and other short-term instability. In addition, the scheme is automatic and self-financing and, once established, can stand on its own feet. Moreover, we believe that such a scheme lends itself readily to coordination with the closely related activities of the IMF, as well as with national marketing boards and stabilization funds now in operation. For these and other reasons it may, in the end, have the best chance of finding general acceptance by the various countries concerned.

Mr. Chairman, I would like to emphasize that we regard compensatory financing as a supplementary technique to deal solely with the short-term problems of fluctuations in world commodity markets. This technique alone will not do the job. It must be coupled with work on the long-term, structural problems affecting particular commodities and with the effort to help the developing countries expand and diversify their export earnings.

It would be our suggestion that a discussion of various compensatory financing ideas by this session of the Commission might be followed by the appointment of a small group of governmental experts from member countries. This group would have the task of evaluating in depth the various proposals discussed here and, if possible, of reporting its findings back to this Commission later in the year.

I would also like to suggest that we consider asking the International Monetary Fund to look more deeply into the various ideas on compensatory financing discussed here, with the possible objective of presenting its own views on this subject. In any case, it would be most useful if the CICT expert group, if it is to be established, would work in close collaboration with the IMF staff.

Mr. Chairman, ladies and gentlemen, this Commission of the United Nations has now been functioning for more than 7 years, and many of you

individually have been concerned with commodity problems even longer. It seems to me that from our deliberations and work there is beginning to emerge a considerable measure of agreement, or common understanding, concerning the essential nature of the problems of primary commodity trade and concerning the general character of the solutions to be sought during the current decade—which we want to make a Decade of Development.

#### **A Common Policy for the Decade of Development**

What should be the outline of a common policy on commodities for the sixties—a policy fitted to the Decade of Development? Let me suggest a first sketch.

First, we should give attention, on a commodity-by-commodity basis, to the correction of long-term structural defects on individual markets. In many cases this implies a concerted attack on existing imbalances between world production and foreseeable world demand. On the demand side, it is imperative to expand markets wherever possible, to work toward lowering trade barriers, and to modify national measures which limit market access or inhibit consumption. Through the large-scale application of research and modern market development techniques, further progress could also be made.

My Government, as you know, is now seeking legislative authority to enter into negotiations for the reduction of tariffs on a broad front. We hope to make use of the proposed negotiating authority in such a way as to enlarge the markets for the export products of the less developed countries.

On the supply side, for those commodities where there is a large surplus of current production, capacity, or stocks over foreseeable consumption, there is a need to reduce production or, more broadly, to transfer manpower and other resources to other lines of production—with emphasis, of course, on diversification and industrialization in the less developed exporting countries.

Second, we should recognize the close connection between balancing demand and supply in individual commodity markets and development planning and economic assistance. These measures must be coordinated closely. The ultimate solution for many commodity problems lies in diversification and economic development—in lessening the dependence on primary commodity exports; in raising productivity and lowering costs to make primary products as competitive as

possible; in developing new lines of production in place of primary commodities in heavy oversupply; and in creating alternative opportunities for workers who become unemployed.

What is needed is not to raise artificially the prices of primary commodities from one day to the next but to get at the root of the problem and speed up our efforts to lessen the dependence of the developing countries upon these products, to be more competitive in world markets, and thereby to restore the proper balance of world production and demand. That is the proper way to get at the price question.

We must find ways, then, of coordinating work on commodities and work on economic development on a broad front. Each individual commodity problem must be approached in these terms. Existing international institutions concerned with both sets of problems must be examined to determine whether they are adequate for this purpose or whether different structures are needed to facilitate coordination.

Third, we should attempt to approach our work on individual commodity market situations in a worldwide context. The solutions adopted should, wherever possible, be global ones, for the problems are global in nature and the interests of all producing and consuming countries are involved. This implies that the solutions must be nondiscriminatory and that we must seek to distribute equitably the burdens and the benefits flowing from consumer-producer cooperation. Limited solutions of a regional nature, which provide relief to some at the expense of others, should be avoided. After all, we learned long ago the futility of attempting to export our problems to our neighbors. In fact, the whole approach of consumer-producer cooperation is based on a clear recognition of the necessity for responsible rather than selfish action, to protect the longrun interests of all. Discrimination breeds counterdiscrimination and in the end creates more problems than it solves.

Fourth, we should leave room for and encourage that kind of regional cooperation and coordination of national commodity policies which strengthens and supports global commodity approaches. National marketing boards, the Seasonal Marketing Fund in Central America, or other schemes which are not discriminatory and which facilitate the operation of worldwide plans, are most useful and should be encouraged.

Fifth, we should supplement our work on the long-term structural problems of individual commodity markets with an attack on the short-term instabilities in foreign exchange earnings resulting from cyclical and other shortrun fluctuations. Compensatory financing is perhaps the principal device to be considered for dealing with this problem. Here again we believe that the approach should be a worldwide one and that the interests of all producing and consuming countries must be taken into account.

Sixth, and finally, I would add that, if we are to make the most of our opportunities, we must guard against the confusion of purpose and dissipation of energy which will result if the present tendency toward proliferation of international commodity activities is not curbed. The number of groups and meetings is growing apace. This is not unwelcome where it has meant a broadening of the total scope of the international effort, as, for example, the creation of study groups for additional products which warrant attention. Many of the new activities, however, have covered the same range of products or the same general problems under study in other international bodies. I am convinced that, if we are to make the progress we desire, we must begin to concentrate our efforts upon particular aspects of the problem in particular forums.

It was in line with this philosophy that my Government favored having the results of the inter-American study of compensatory financing made available to the CICT. Because of our concern over the current tendency we also intend to propose, at the next session of the Economic and Social Council, that the Secretary-General, in consultation with the secretariats of other interested bodies, report on the possibilities of making our efforts in the commodity field more productive through better coordination and perhaps some degree of consolidation of existing activities.

Mr. Chairman, we live in a world of paradoxes, a world of plenty amidst poverty, of surpluses amidst deep needs. We speak of an excess supply of commodities, yet we all know that in relation to people's wants there is no excess supply of goods. We have today not too many goods but often too many of the wrong goods. It is the task of world economic development to match needs and wants, to erase hunger with ample foods, and to eradicate ignorance and disease.

This is the noble task of our time—to work together for world economic development and in so doing to remove forever the paradox of plenty amidst poverty.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Copyright

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Ratification deposited:* Canada, May 10, 1962.

*Accession deposited:* Ghana, May 22, 1962.

Protocol 1 to the universal copyright convention concerning the application of that convention to the works of stateless persons and refugees. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Accession deposited:* Ghana, May 22, 1962.

Protocol 2 to the universal copyright convention concerning the application of that convention to the works of certain international organizations. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Accession deposited:* Ghana, May 22, 1962.

Protocol 3 to the universal copyright convention concerning the effective date of instruments of ratification or acceptance or accession to that convention. Done at Geneva September 6, 1952. Entered into force August 19, 1954. TIAS 3324.

*Ratification deposited:* Canada, May 10, 1962.

*Accession deposited:* Ghana, May 22, 1962.

##### Shipping

Convention on the Intergovernmental Maritime Consultative Organization. Signed at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.

*Acceptance deposited:* Korea, April 10, 1962.

##### Telecommunications

International telecommunication convention with six annexes. Done at Geneva December 21, 1959. Entered into force January 1, 1961; for the United States October 23, 1961. TIAS 4892.

*Ratifications deposited:* Argentina and Vatican City, April 18, 1962.

##### 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:* Yemen, February 8, 1962.

*Acceptance deposited:* Yemen, April 2, 1962.

#### BILATERAL

##### Belgium

Agreement for cooperation on the uses of atomic energy for mutual defense purposes. Signed at Brussels May 17, 1962. Enters into force on the date on which each Government shall have received from the other written notification that it has complied with all legal requirements for entry into force.

##### Brazil

Amendment to the agreement of August 3, 1955, as amended (TIAS 3303, 4255, and 4539), concerning civil uses of atomic energy. Signed at Washington May 28, 1962. Enters into force on the date on which each Government shall have received from the other written notification that it has complied with all statutory and constitutional requirements for entry into force.

##### China

Amendment to the agreement of July 18, 1955, as amended (TIAS 3307, 4176, and 4514), concerning civil uses of atomic energy. Signed at Washington May 31, 1962. Enters into force on the date on which each Government shall have received from the other written notification that it has complied with all statutory and constitutional requirements for entry into force.

##### Guatemala

Agricultural trade agreement. Signed at Washington May 21, 1962. Entered into force May 21, 1962.

##### Portugal

Amendment to the agreement of July 21, 1955, as amended (TIAS 3317, 3899, and 4519), concerning civil uses of atomic energy. Signed at Washington May 28, 1962. Enters into force on the date on which each Government shall have received from the other written notification that it has complied with all statutory and constitutional requirements for entry into force.

##### Thailand

Amendment to the agreement of March 13, 1956, as amended (TIAS 3522, 3842, and 4533), concerning civil uses of atomic energy. Signed at Washington May 31, 1962. Enters into force on the date on which each Government shall have received from the other written notification that it has complied with all statutory and constitutional requirements for entry into force.

##### United Arab Republic

Agreement amending the agricultural commodities agreement of February 10, 1962, as amended (TIAS 4947 and 4991). Effected by exchange of notes at Cairo May 21, 1962. Entered into force May 21, 1962.

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†343	5/29	Cleveland: "Good Case in the Congo,"
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*345	5/31	Program for visit of President of Cyprus.
*346	5/31	Cultural exchange (U.S.S.R.).
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*348	6/1	Coombs: "The College and the World."
*349	6/1	Morgan sworn in as FSI Director (biographic details).
350	6/1	Kuwait credentials (rewrite).
†351	6/1	Galbraith: "The Approach to Poverty."
†352	6/1	Bohlen: "The Importance of Foreign Relations."
†353	6/1	Report of the Advisory Committee on U.S. Policy Toward the IAEA.

\*Not printed.

† Held for a later issue of the BULLETIN.

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THE DEPARTMENT OF STATE

# Bulletin

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# The Changing Role of the American Ambassador

by Under Secretary McGhee<sup>1</sup>

I am deeply appreciative of the honor of being asked to give the address for the fourth graduation exercises of the Senior Seminar in Foreign Policy. It is very appropriate, indeed, that officers of your rank and quality should spend a year in thoughtful study and discussion in depth of the problems you will face when you return to active service.

Since most of you will, at some time, represent our country as ambassador, I should like to discuss with you this evening the new and changing role of the American ambassador—in short, his diplomatic style.

One might say that diplomacy is the art of managing relations between countries. The dictionary defines “style” as “the quality which gives distinct character and excellency to artistic expression.”

United States diplomatic style, then, would concern those aspects of our current dealings with other countries which, hopefully, reflect this distinct character and excellence. It is a style which should reflect the positive thrust of our policy, which should result from the positive bent of our people and should represent a sharp break with the passive role that diplomacy was generally thought to play in the past.

## Historic Concept of Ambassador

The classic concept of the ambassador is that of the personal representative of his sovereign at the seat of another “prince.” His task was once described in a handbook for the French diplomatic

service at the time of Louis XIV as that of negotiating with princes.

To perform this task successfully, the ambassador was required to have those qualities suitable to the personal representative of his sovereign at the seat of another prince; wealth, birth, and breeding. Patience enough “to suffer fools gladly” was regarded as an important quality. The ambassador was enjoined to cultivate the seven diplomatic virtues: truthfulness, precision, calm, good temper, patience, modesty, and loyalty.

In the great period of personal diplomacy in Europe up to the time of the Congress of Vienna, these virtues and this concept of the role were sufficient and accurate. With communications tenuous in the extreme, and with relations between governments limited in the main to war and diplomacy, the ambassador was more than a link between rulers; rather he was the *alter ego* of his sovereign abroad.

In the 1830's, in a rapidly industrializing England, the role of the ambassador began to undergo a major change. As England reached out for markets in the world, and as the Government became increasingly responsive to the needs of the new industrial class, the tools of diplomacy were used to help create conditions in which trade could flourish. The ambassador, while still dealing with “princes,” was doing so at least in part as the representative of a broad range of his countrymen's interests—including their commercial and economic interests.

In France, during the same period, the ambassador became the apostle of the best in French culture. He devoted increasing attention to the projection of what we would today call the “im-

<sup>1</sup> Address made at the graduation exercises of the Senior Seminar in Foreign Policy of the Foreign Service Institute at Washington, D.C., on June 8 (press release 71).

age" of his nation abroad. While his English counterpart was concerned with trade and commerce, the French ambassador involved himself and his nation in a widening variety of cultural and educational endeavors, including archeology and the fine arts.

In times of peace in our own country, until the First World War, the task of the ambassador was a rather limited one. It was largely to protect the relatively small group of private American citizens engaged abroad in business or philanthropic activities—and to keep out of trouble the few American tourists who ventured abroad. In many places this task was accomplished by an honorary consul, who may or may not have been an American. Even in the key European capitals, the ambassador was usually a passive collector of information and opinions rather than an active participant.

### **The American Ambassador Today**

World War I changed this. In Europe and the Far East the United States accepted the challenge of Hitler and his allies; the American ambassador became in his country the symbol of resistance to this threat and, after the war, the symbol of reconstruction and hope for the future.

After World War II the United States had to assume the leadership of the free world in meeting the challenge of Communist imperialism—seeking to prey on nations devastated by war. We could not meet this challenge merely by reacting to it. Something more was required. We had to have our own positive concept of the kind of world that we were trying to build. The United States ambassador thus came to be the representative of a vast range of American governmental activities designed to create a new world order.

An American ambassador today is still performing many traditional roles. He must negotiate treaties and executive agreements and maintain existing alliances and friendly relations. He must arrange for concerted political action, attempt to gain support in the United Nations or in *démarches* to other governments. He must react to common issues involving war and peace and must make arrangements when necessary for military support or assistance. He must oversee the normal conduct of trade and personal and cultural exchange. He must carry on the traditional representational functions and seek to create a

sympathetic atmosphere which will be conducive to the success of his many tasks. He must work to create a favorable image of the United States and of himself as its representative.

The great new task of American policy today, however, is to hasten the progress of the less developed nations. Unless these countries can fulfill their aspirations within the world community, the stability and cohesion of the free world will be in continuing jeopardy. Unless they can progress toward their goals through peaceful and orderly methods, they may well succumb to extremist appeals and leaders whose purposes and programs will be in conflict with those of the free-world community.

These countries—which include a large part of the free world's surface and encompass the majority of its population—are the crucible within which the world of the future will be forged. It is the role of the American ambassador in these countries that I wish principally to speak to you about this evening. For it is in these countries that the break between the passive diplomacy of the past and the positive role of the ambassador today is most clearly evident.

It is in these countries that the contest between the Communist efforts to shape the new world order and our own concept of that order will be decided. And the decision will hinge in good part on the vigor and success which we attain in a business in which we have had considerable experience: the business of development.

### **The Business of Development**

One of the great tasks of our generation is the attack on poverty, ignorance, and disease—which have afflicted mankind throughout history. Our response to the challenge of development has become, in our time, a great crusade in the light of which most historical movements pale.

All over the free world governments are rising to the demands of this task. In Latin America, Africa, and Asia governments are devoting resources and manpower to the basic task of nation building on a scale never dreamed of before.

These governments need our assistance. That assistance is extended in a wide variety of ways: through diplomacy, the stationing of our military forces, military assistance, informational activities, exchange programs of all kinds, help in educational and cultural advancement, people-to-people activities, assistance in economic programing,

technical assistance, provision of capital, provision of agricultural surpluses, and the application of trade and commodity price stabilization policies. We are engaged in these and a variety of other actions capable of affecting the orientation of men and institutions within these societies toward the problems they face.

Some of these instruments are wholly at the disposal of the United States Government, while others can be utilized fully only with the cooperation of private institutions (such as business enterprises, trade unions, universities, etc.) or through international organizations. Each has its own advantages, drawbacks, and side effects, which may be as significant as their direct impact.

In view of the variety and complexity of these instruments, it is of crucial importance that they be closely concerted to common ends. A conscious and determined effort must be made to develop, for each less developed country, a country plan or system of priorities for the use of these instruments based on:

- A unified and realistic concept of the forces at work within that country and the ways in which these forces can be influenced or motivated over any period of time.
- A clear understanding of the desired pace and direction of modernization based on the limits and possibilities set by the particular country's stage of political, social, and economic development.
- A realistic understanding of the possible effect of the various instruments of action available to us in promoting our objectives.
- A system for focusing and orchestrating these instruments so that our limited influence is maximized.

#### **Coordination of U.S. Programs**

In the preparation of this system of priorities, and in coordinating and concerting United States programs so as to insure its effective execution, the American ambassador plays a vital role. Indeed this is his central task in most of the less developed countries of the free world today.

In the early days after World War II many of the United States programs designed to support development were carried on independently in the host country. In some cases this resulted in administrative confusion, duplication, and waste. We have now learned that we can best accomplish our purposes in a country by placing all of

the many activities in the charge of the ambassador.

The resulting scope of his domain is vast indeed. To take the field of aid alone: The 80 United States Aid Missions abroad are staffed by 6,100 Americans and 8,500 foreign nationals, for a total of almost 15,000 persons who are working to hasten progress in fields that cover the whole spectrum of human endeavor. Their work involves literally hundreds of different skills, from linguistics to chemistry, from medicine to hotel management.

In Jordan our technicians helped to develop tourist facilities to cope with visitors to the Holy Places; in Afghanistan we are helping to train managers and technical people to run an airline; in Iran we helped to develop new teaching materials so children could more readily learn to read Persian; in the Sudan we mapped out new roads to open up the countryside; in Pakistan we helped to combat the problem of the salting up of land as a result of poor drainage. All over the free world we have helped emerging peoples actively to seek out and solve an amazing range of problems, helping to conduct what might well be termed a "university of the world."

The American ambassador must supervise United States participation in all these ventures. In so doing he must bear in mind, however, that basic responsibility for their success or failure rests—and must continue to rest—on the host country. The essence of the free-world community we are seeking to create is that each of its members is fully independent, free to seek progress in the ways that are most congenial to its people and its traditions. Indeed this is how progress is most likely to be achieved—by people who have assumed responsibility for their own destiny and are seeking vigorously to discharge it.

If these countries wish expert counsel, however, the American ambassador must be ready to help them get it—from United States missions, from such international agencies as the World Bank or the International Monetary Fund, or from private foundations, depending on the host country's needs and desires. And he must himself be able to discuss and consider with these countries the variety of issues which are likely to arise in the execution of United States programs for helping that country:

Should primary or university education receive priority?

Is public health more urgent than curative medicine?

Should roads or dams be built first?

Should private American firms or Government agencies assume responsibility for the fulfillment of U.S. aid contracts?

The American ambassador must therefore understand these problems and indeed the broader obstacles—including lack of adequate institutions, the opposition of vested interests, and the effect of fear and suspicion—which innovators face in any country. He must recognize that success in coping with these obstacles depends on the emergence of political leaders, government administrators, military leaders, businessmen, trade union officials, and others determined to achieve progress—with all this involves. He must have in mind the measures that are likely to promote that emergence.

He must seek to insure that our economic, cultural, and political programs vis-a-vis the less developed countries are systematically geared to this end. Programs for the exchange of persons and information can help to widen the intellectual horizons of potential leaders. Projects and programs to encourage private enterprise can strengthen the growth of a progressive business class. Assistance in education can promote the emergence of innovation-minded groups. Other measures may insure exposure to appropriate external influence of groups which play a key role in modernization, including the military.

In all these ways we should seek to promote and enhance the entrepreneurial spirit which is an indispensable component of modernization. It is a practical lesson of our postwar experience that a consensus among ourselves and those who take a serious view of the modernization process within their nations is one of the strongest bases for common action. This also makes possible a common perspective on even larger issues.

The Marshall plan was carried through by this kind of alliance between Americans and groups of men in each country, sometimes few in number, who were determined to work toward a revival of their national economies. A major immediate objective in the carrying out of our policy toward the underdeveloped areas must therefore be to help to identify such men in each country and support them.

The American ambassador must also focus on the obstacles to the fulfillment of his task which must be overcome in his own Government. He must press Washington for prompt action and for decision, rapidly and sensitively made, to meet the unfolding requirements of the country to which he is accredited. He must insure that the job gets done and that the conflicts of priority and criteria are resolved, back here in Washington no less than in the field.

In so doing he must be attentive to the needs of tomorrow as well as today. The interests of neither the United States nor the host country will be promoted by aid programs which do not face up to this challenge. This is not just a question of conflict between political and economic aid criteria. All of our aid has both its political and economic aspects. It seeks to achieve overall—or what might be termed political—progress through economic means. It is rather a question of making sure that our aid, in responding to the economic and political needs of the moment, does so in ways which contribute also to the long-term development goals that we and the host country share.

#### **The "Development Man"**

Development has thus become the central task of the American ambassador in less developed countries. He is not a negotiator with princes but rather the representative of one whole society to another: the representative of a vast country dedicated, with all its talents and resources, to helping emerging nations master the wide-ranging problems which confront a newcomer to the age of growth.

Indeed, if one could stereotype the American ambassador, as we have stereotyped his British and French predecessors, he would be today the technician of modernization—the "development man." He is not a passive reporter but a man of action, who assists the government to which he is accredited in finding the means to get on with the job.

I describe this as an American style of diplomacy because it is a crystallization of what the world sees—and rightly so—as the best characteristics of the American.

Throughout the world America is known as a land in which people have successfully found ways to take full advantage of their abundant natural

resources. Through skill, energy, and resourcefulness our people have developed a high standard of living. A restless, self-critical search for better means of doing the job, and a confidence that doing so will make for a better future, have become our hallmarks.

Happily it is precisely these qualities which are needed in many parts of the world today. In representing these qualities, the American ambassador becomes both the representative of our way of life and the crucial catalyst in assisting others to help themselves. He fulfills the entirely new concept of foreign policy which is required in helping the less developed countries meet the desperate challenge which they face.

We must break with the passive role of the past, in which diplomats registered the changes that soldiers, explorers, and industrialists achieved. Now diplomats themselves are harbingers of change—among the innovators and leaders in the march toward progress.

The American ambassador must be the spearhead of this positive and constructive thrust. He brings with him the tools to get on with the job. He represents a vast array of energy and resources, which is dedicated to this task. He must master thoroughly the complex subject of development. He must understand how to project rates of growth. He must be able to visualize the opportunities that can come from desalination of water or the communications satellite. He must be a man who can actively manage, not merely preside over, the manifold work of the various United States agencies in the country to which he is accredited—a man to whom the government of that country can confidently turn for advice and counsel.

In short, he must be a man who can get the job done—a man with a sense of urgency, a man whom nothing defeats, a man who “can do” in the best and most traditionally American sense of that term.

In training our diplomats for this demanding task, we must rise, as other Americans have risen before us, to the challenge of our times. Lincoln’s judgment that the dogmas of the quiet past are no longer adequate to the needs of the present is as valid now as it was a century ago. A changing world requires a changing role for the American

ambassador if the basic purposes of our foreign policy are to be achieved.

This changing role is, indeed, already being recognized and fulfilled by members of the Foreign Service in the furthest reaches of the free world. Your colleagues there have already become pioneers of the emerging community of free nations, as surely as our forefathers here were pioneers. In joining their ranks, you go to posts of honor in the great struggle that this country is waging for a better world.

## **President Kennedy and President of Cyprus Hold Talks at Washington**

*His Beatitude Archbishop Makarios, President of the Republic of Cyprus, visited the United States June 5-9 as a Presidential guest. Following is the text of a joint communique released at Washington on June 6 at the close of President Makarios' 2-day visit there.*

White House press release dated June 6

President Kennedy and President Makarios have had an extremely cordial discussion during the past two days on topics of mutual interest to their governments. The visit of Archbishop Makarios afforded an opportunity for the two Presidents to renew their acquaintance and to review a variety of subjects of common concern.

Their talks included a review of major international issues, as well as a discussion of the Government of Cyprus' efforts to achieve economic and social progress. President Kennedy restated American interest in the development program of Cyprus that is now taking shape and in assisting in its implementation.

Secretary of State Dean Rusk and Foreign Minister Spyros Kyprianou also participated in the talks, as did the Cypriot Ambassador to the United States, Zenon Rossides, and the American Ambassador to Cyprus, Fraser Wilkins.

The friendly and comprehensive exchange of views between President Kennedy and Archbishop Makarios has strengthened the bonds of friendship between their two countries, which are based on their common objectives of peace and progress.

## The Importance of Foreign Relations

*by Charles E. Bohlen*

*Special Assistant to the Secretary of State*<sup>1</sup>

I must first of all express my deep personal appreciation for the honor that you have just conferred upon me.<sup>2</sup> I take it also to be an honor conveyed upon the Foreign Service of the United States—to which I have had the pleasure and the privilege to belong since 1929.

The importance of foreign relations to the well-being and, indeed, the survival of our country is a relatively recent development. Thirty-five years ago this was not the case in regard to the United States. When I joined the Foreign Service on March 1, 1929, this country had already lapsed back, after our brief involvement in World War I, to the traditional and comfortable practice of isolationism. Foreign affairs was a matter of interest to scholars, historians, and others in the academic world and to a relative handful of Government officials.

In 1929 the cost to the American taxpayer of American foreign relations was minute. The budget of the State Department was \$14½ million. The total membership in the Foreign Service was 1,612. It was extremely difficult in those days to elicit any great interest from the Congress of the United States in the conduct of our foreign policy. We had no political commitments or alliances with any country in the world. It is true we had a very small number of military positions abroad—in the Philippines and in the Panama Canal and in a few islands of the Pacific. We were operating in accordance with the great American tradition which had been set by the Founding Fathers of this country. In his farewell

speech in 1796, George Washington, our first President, had warned this country against the dangers of entangling alliances. We had faithfully followed this precept throughout our entire history. We had, it is true, been a participant and a very important one in the final victory of World War I and, in effect, had been active in Latin America. But then, so strong was this tradition, so virtually uninterested was this country in the development of the outside world, that we easily and without great anxiety or concern drifted back into the comfortable and traditional posture of isolationism.

In 1929 the world was a remarkably different place than it is today. The United States enjoyed a degree of security from foreign attack perhaps unequalled by any great power in history. We were protected by two broad oceans; we had friendly neighbors to the north and south of us who had neither the power nor the inclination to trouble our relations from the point of view of national security. Over and above this, the commanding positions of the world were held by European democracies whose basic philosophy in regard to the relationship of man to state and to the organization of human society was sufficiently close to our own as to constitute no inherent menace, much less danger, to the security and well-being of the United States. Our energies were directed inward and devoted to the development of this continent, to the perfection of our industry, and to grappling with the problems of our own society, with little or no thought as to the consequences of the developments abroad.

The total budget of the United States in 1929 was \$3.3 billion. Our expenditure on military affairs was under \$1 billion. We were, in effect,

<sup>1</sup> Address made at commencement exercises at Wesleyan University, Middletown, Conn., on June 3 (press release 352 dated June 1).

<sup>2</sup> Ambassador Bohlen received an honorary degree of Doctor of Laws.

n unarmed nation, confident in those days that our geographic distance and other natural defenses would keep this country safe and secure. We also operated, although we were only dimly conscious of it, under the power of the British fleet, which after World War I effectively maintained the seaborne communications of the world. 1929 was 4 years before the rise of Hitler. The Soviet Union was just embarking on the first of its 5-year plans, designed to promote under forced draft the industrialization of a backward, semiliterate, and agricultural country. Communism to the people of the United States was merely a term to describe the philosophy that animated this vast country and the political movements in other parts of the world. In 1929 it was not a matter of any current concern to the United States.

Since that period, just 33 years ago, the changes in the world both quantitative and qualitative have been breathtaking in their extent. We have seen the rise of fascism, which led to the worst and most destructive war humanity has ever known. We have seen the growth of Soviet power and the extension of its sway over the nations of Eastern Europe and over the mainland of China. We have seen the breakdown of the great colonial empires of the Western European democracies and the emergence of over 42 new countries, most of them within the last decade.

### **U.S. Involvement in International Scene**

I could talk at length in regard to the physical and political changes that have occurred in the world during this period. But perhaps the most important and certainly the closest to the sentiments and lives of the American people has been the change effected in our attitude toward foreign affairs and our involvement in the international scene. This change has not come about by the direct choice of the American people. It was forced on us by changes in the outside world. Yet the effect on the consciousness of the American people has been nonetheless as profound and radical. The situation that I briefly described in regard to 1929 prevailed with only slight modifications up to the outbreak of World War II. Then, within the space of less than 5 years, this country found itself quite literally catapulted from a position of maximum security in which foreign relations cou'd be treated as a luxury, de-

manding no sacrifice or effort on the part of our people, into a situation of virtually total responsibility. There was little time in this process for national consciousness to catch up with events; and, indeed, even in this day—June 3, 1962—it is by no means certain that this process has been completed, and it is on this aspect of our foreign relations that I wish particularly to dwell today.

Since 1939 we have been involved in a great war, but, in contrast to World War I, this war did not afford us the luxury of returning to our well-worn channel of isolationism. On the contrary, when victory was finally achieved over Germany and Japan—in August 1945—we were confronted with a choice, new in its essence to the American people but nonetheless vital for our future. We had the choice of either responding to the challenges brought to this country by the dislocations and devastations of wars or of turning our backs on the world and resuming our parochial activities—indifferent to the fate of other countries. We, I am proud to say, as a people, elected the first alternative. But in so doing we involved ourselves in courses of action, programs, commitments, expenditures, and dangers which could only have been dimly perceived by the people of the United States when peace came in 1945. And I would like to emphasize here that this choice was not made because of any impulses coming from within American society. We needed no extra territory for its own sake; we did not need the acquisition of favorite positions for economic reasons since the requirements of our economy could be well satisfied by the normal processes of change. The story of the road that we have taken can perhaps best be illustrated in figures. This process has been immensely costly to the United States, but I think few at this date would question that the choice made was the right one. Let us compare for a moment the annual expenditures of the year 1929 with those of 1962.

In 1929 the gross national product of the United States was \$104 billion. In 1961 it was \$528 billion. This fivefold increase in GNP has brought with it a considerable change in the composition of the social structure of the United States. I shall not attempt to outline in what form these social changes have occurred, nor how and why they occurred. They do not belong to the main theme of my talk.

During this same period, there has been an even greater increase in the Federal budget of the

United States. In 1929 the budget was approximately \$3.3 billion. In 1961 it was \$81.5 billion. At a time when the gross national product was increasing almost 5 times, the budget increased almost 24 times. Foreign affairs represents, by far, the chief reason for the greater increase of budgetary expenses in the period I am speaking about. The largest single item of our budget, constituting over 60 percent of the total, has been the cost of maintaining our military defenses in adequate shape to meet the threats to our national security and to permit the discharge of our international obligations in this field under postwar conditions. Additional heavy items of annual expenditures may also be written off to foreign affairs. The continuing cost of foreign aid, both military and economic, has run at the rate of about \$4 billion a year; the administrative costs of the maintenance of the State Department establishments abroad, the cost of the aid missions, and the USIA [United States Information Agency] budget add up to close to another billion dollars. In short, if the expenditures relating to our new position in the world were eliminated from the budget, we would find it in about the same ratio of increase as our national income.

I have cited these figures merely to show you in concrete form the cost to the American taxpayer of the changed world situation and our involvement in it; and I must say, looking into the future I see at the moment little grounds for believing that our official expenditures in the foreign field will be greatly reduced.

### **Changes Affecting Foreign Policy**

In addition to the revolutionary change in the position and responsibilities of the United States in regard to the outside world, there have been a number of profound and continuing changes which affect our foreign policy and our commitments in the world which are worth special mention. These revolutions—for these changes are fully entitled to this overworked word—are interconnected and interacting in their effect upon our foreign policy and our operations abroad.

The first of these, and perhaps the most important, has been the enormous growth in technical and scientific knowledge. The past 30-odd years have seen enormous strides and breakthroughs in almost every field of human knowledge and scien-

tific achievement. The growth of technology and science has been particularly noticeable in the field of military development. The discovery of the secrets of fission and fusion has radically and profoundly altered the circumstances of the conduct of foreign relations. This influence has been concealed rather than overt but is nonetheless real. The recognition of the enormous power of the nuclear weapons, and the realization that a global nuclear war would have no winners but would be an immeasurable catastrophe for humanity as a whole, has tended to instill a greater sense of caution in regard to the use of force in international affairs on the part of the governments possessing the weapon.

I might add the qualification that this does not apply to guerrilla warfare or acts of subversion involving the use of force. It does, however, apply to what is known as traditional warfare; namely, the use of the national forces of the country for armed military aggression against its neighbors. It also does not apply, in the same degree, to the policies and acts of governments *not* in possession of the nuclear weapon. But, in relation to the United States and the Soviet Union in particular, both of whom possess vast scores of atomic weapons, the consequences of nuclear war operate as a sort of brake on the traditional use of force in international affairs. Insofar as the United States is concerned, we are, of course, firmly committed to the principles of the Charter of the United Nations, which precludes the use of force as a means of settling disputes or quarrels.

In addition, however, we have thoroughly absorbed the meaning of the existence of nuclear weapons and the care resulting therefrom which must be used in dealing with international problems. There is every reason to believe that the leaders of the Soviet Union, who must be as aware as we are of the destructive power of nuclear warfare, have drawn comparable lessons in their effect on the conduct of foreign affairs. Both nations are on record as stating their recognition of the meaning of the immense advances in weapon technology, and, more important than public declarations, both nations have demonstrated in practice that they indeed recognize this new factor in international affairs. This prudence or restraint is not embodied in any formal agreement between the United States and the Soviet Union. But it most certainly is a factor conditioning their

tions in regard to the handling of international disputes.

To some who perhaps have not assimilated the meaning and the significance of modern weapons, his restraint and prudence may sometimes appear to them to be brought about by timidity and lack of boldness in our foreign policy. This is certainly not the case, and I am sure that you will agree that prudence and coolheadedness are merely the elementary signs of a mature realization of the dangers inherent in any reckless use of the military factor in the world as it is today. It certainly underlay the willingness of the Communist powers to accept an armistice in Korea. It certainly lay behind the United States' willingness to accept an armistice in place of the more attractive and popular slogan of complete victory. It was this consideration, also, that underlay the Geneva Accords of 1954 in regard to Indochina. It undoubtedly is a powerful factor governing the attitude of countries directly or indirectly involved in the situation in Laos. It also plays its part in the question of Berlin and Germany. These weapons would, of course, be used to repel any attack on the United States or its allies.

Another change which might be also described as revolutionary has been the emergence of over 100 new nations into complete independence and nationhood in the last decade. This has presented the United States and other countries of the world with a whole range of new problems and new tasks. These countries, without exception, have emerged from under the colonial domination of the Western European democracies. The transition has, in most cases, been painful, and in many accompanied by armed action. The process has not yet been completed. But at the present time, while the ready slogan of anticolonialism is still a powerful factor in the attitude of these new countries, particularly in relation to colonial possessions which have not yet traveled the road to independence, there are very heartening signs of a growth of maturity and stability in the attitudes and policies of many of these new nations, particularly in Africa. Five years ago the Communists unquestionably had high hopes for these countries, seeking to play upon and exacerbate their anticolonial feelings, their resentment at past domination by the white races of the world, but more recently it has become evident that these Communist hopes were misplaced and have indeed miscalculated.

These countries are so proud and sensitive in regard to their newly won independence that they are not disposed to accept the domination of Moscow, which is inherent in the whole Communist organization. They do not propose to substitute new masters for the old and show every indication of a firm intention to maintain their independence of action and their right to organize their own countries according to their own traditions and not at the dictate of a foreign ideology.

Another revolutionary change which, in effect, stems from the immense scientific and technological advance which we have seen during this period has been the influence of the growth of modern methods of communication. Radio alone has transformed the political life of many of these countries commonly called underdeveloped. The radio has perhaps been the greatest single instrument for bringing the mass of the people into some form of political activity. In the past political power was very much the province of a very small section of the population, who through inherited position and education were able to run their countries without much regard for public opinion. The radio, by placing loudspeakers in every bazaar, has made mass public opinion in these countries of infinitely greater importance than it was previously. The wider dissemination of information has by no means in every case brought with it greater understanding or maturity, but it is a fact of the modern world and one to which we pay the greatest attention. This process will inevitably continue into the future and render more complex, and perhaps difficult, the conduct of our foreign policy.

Another change which is also qualitative in its aspect is what is popularly called the population explosion in the world. The increase in population, particularly among the underdeveloped nations of the world, is a fundamental and extremely important factor affecting international affairs. This has been primarily due to the advance in medical science, which has drastically reduced the death rate in many countries, without any corresponding reduction in the birth rate. I do not pretend here to give you any answer to the question, which is a most complicated and intricate one, but I merely wish to call attention to the profound effect that this great increase in the number of human beings in the world will have on the future.

The industrialized nations of the world are not exempt in any way from this process, but the rate

of growth of population in the underdeveloped areas of the world has gone far ahead of the rate in the more advanced countries. This is a world and not a national problem.

I have mentioned here four areas of change, each of which has had or will have a very definite effect upon the foreign policies and foreign relations of the United States. There is one further element of change which might be mentioned in this same general connection. It arises, in part, from the growth of information and the wider dissemination of economic ideas. This might be called the "revolution of rising expectations" and has a considerable effect upon the attitudes of the underdeveloped areas. The peoples of these areas are increasingly aware that change and development are dependent upon the work of human beings, that there is no law of nature or God which condemns people to subsistence levels. This element may produce a contest between achievement in this field and the political consequences of the people's expectations. This sentiment is related to a problem in the world today which may loom larger and larger as time passes. The division of the world between countries with advanced industrial technology and all of the benefits to the people arising from this fact and the economic development of those countries which do not have this advantage may well become one of the central problems of our times. It is, in essence, the problem of rich nations and poor nations. Despite the quantity of aid which the United States, and increasingly the countries of Western Europe, are providing to assist in the development of these countries, the gap between the two tends to widen rather than narrow.

#### **Conduct of Relations With Free-World Countries**

I have discussed so far certain generalized changes which have occurred in the world scene in the last 30-odd years, particularly since the end of World War II. I would now, however, like to devote a few minutes to the description of how these changes have affected the conduct of American foreign relations. In the first place the postwar period has seen a vast expansion of active American involvement in foreign affairs. In 1929, for example, reflecting our posture of political isolationism, the guidelines of our diplomacy were those of an observer, an analyst, and a reporter. Perhaps the most fundamental

conviction of the United States Government in the prewar period was to avoid involvement, to avoid any action which might create the impression of American commitment or, in fact, any form of direct involvement in the great issues of the day. I do not wish to overemphasize the aspect of isolationism in the United States because there were a number of areas, particularly Latin America, where our policy was far from passive. Indeed, viewed in retrospect, our actions in Latin America seem to smack too often of intervention. But, in general, in regard to the great issues of the 1930's the United States was an observer, not a participant.

Since the war we have been a very active participant in every respect, and this has led to a vast increase in the number of officials abroad representing the United States in one capacity or another. In 1929, as I have remarked, there were only 1,612 members of the American Foreign Service. Their functions were limited, their tasks relatively light. Their chief duty, in addition to those of observance and reporting that I have mentioned, was the transaction of relatively routine matters of business with the governments to which they were accredited. This, of necessity, restricted their contacts and activities in any given country. With the sudden change in the United States position in the world and the descent upon this country of a whole new series of responsibilities, the role of the Foreign Service and of our representation abroad was greatly expanded. At the present time there are in the Foreign Service of various categories some 6,660 officers—American citizens—staffing our embassies and consulates in the field. In addition the AID [Agency for International Development] and Information Agency personnel add almost another 6,000. And, finally, the number of our military stationed abroad at various bases throughout the world represent approximately 1 million men. It is true that approximately 40 percent of the number abroad are not permanently stationed in any one place and are either on board ship or attached to mobile activities. But essentially these million men represent an extremely vital element of American involvement in the world.

Furthermore, the character of our representation has also radically changed. Our officials abroad have to deal with an infinitely greater variety of problems than was true of their fore-runners in the Foreign Service. While it is still

true that the chief function of our Foreign Service personnel stationed abroad—and this is particularly true of the top personnel, ambassadors, ministers, and other senior officials—is the transaction of business with the government to which they are accredited, this is by no means the only function of our personnel abroad. Our involvement with these countries, through allied association or other forms of commitment, places on the shoulders of our Foreign Service personnel a very wide range of responsibilities. Apart from the administration of aid programs and the dissemination of information, Foreign Service personnel itself has greatly broadened representation responsibilities. An ambassador in any given country has executive powers as the chief representative of the President. He has responsibility for the activities and attitudes of all American officials stationed in that country, is in direct charge of the totality of American programs there, and any failure of any subordinate officials will be directly charged to his account.

In short, the duties, responsibilities, and functions of American diplomatic representatives in the countries of the free world are more arduous and complex than they ever have been before in our history. There is no reason to believe that these will be reduced or lightened in the future.

#### **Conduct of Relations With Communist Countries**

What I have been speaking about earlier—the fundamental changes that have occurred in the world scene and the increased responsibilities of American diplomats—relates primarily to our relationships with the non-Communist countries of the world. In our relations with Communist countries, and particularly the Soviet Union, there has been no radical alteration insofar as dealing directly with them is concerned. Ever since we recognized the Soviet Union in 1933, the relations with that country have always been special and extremely limited in their scope. This derives from the authoritarian nature of Soviet society, which has been duplicated in other countries of Eastern Europe. The reasons for this are manifold and stem largely from the ideological aspect of the Communist countries.

These nations are organized along lines which are specifically designed to prevent the infiltration of external influences. The activities of foreign representatives in those countries, in most in-

stances, are very limited as to contact, and the possibility of getting before the masses of people any accurate or true account of the purposes and aims of United States policy very difficult. All media of information are controlled by a central authority—the party—and nothing appears in the Soviet press that does not have its approval. Radio communications into the Soviet Union are still selectively jammed, and it is up to the party hierarchy to determine which ones and what subjects can be permitted to be heard by Soviet citizens.

But still, despite the seemingly unchanging nature of Communist dictatorships, there are evident signs of evolution and future change. These signs are still sufficiently imprecise and vague, and it would be a brave man who would predict the direction in which they will tend. But certainly the presence of the Communist powers constitutes perhaps the chief element in the world scene which is of concern to the United States. It is because of the activities of these countries and the growth of Soviet power, especially in the field of military technology, that we spend 60 percent of our national budget for defense.

In recent years there have been signs of a certain diversity of impulse from the various members of the bloc; and here in this field I would warn against the danger of oversimplification. While it is true that on major issues of foreign policy the Communist countries assume identical positions, a perceptive glance at incipient tendencies making for change is necessary if we are to follow the eventual evolution of the Communist bloc countries. Our treatment of these countries, as a matter of policy, is not identical in every respect. There was a time in the United States when the view was popularly held that we had to deal with a monolithic bloc mechanically perfected and animated by a single ideology whose one purpose was the extension of their system over the world at almost whatever cost. This view, I am glad to say, has recently been considerably modified, largely by events themselves within the Communist bloc. It is, of course, still true that the official ideology is basically and fundamentally hostile to our concept of the organization of society. It is still true that this ideology is pursued without any reference to the dictates of humanity or ethics. But it is also true that the leaders of the Soviet Union, as I indicated earlier, seem to be equally

conscious of the devastating consequences which would follow a general nuclear war.

It is difficult, if not impossible, to tell what will be the course of events within the Communist bloc. One thing, however, is certain. Change has not been repealed by the Communist system. It is entirely possible, if peace could be preserved without surrender by the United States and its allies, that these countries, while remaining officially followers of the standard ideology, will, with the process of time, begin to emerge more and more as distinct national personalities.

Our diplomacy in regard to the Communist bloc represents in itself a very special problem. The function of diplomats behind the Iron Curtain does not permit the same range of activities which I have mentioned earlier in respect of diplomacy in regard to friendly countries, whether allied or neutral. The scope of diplomacy is strictly limited in Communist countries, and in the last analysis comes down entirely to the dealings between governments. No American diplomat behind the Iron Curtain has any opportunity to propagate American views to the peoples of those countries. But here again the development of our existing exchange programs with the Soviet Union, for example, will undoubtedly, over a long period of time, indirectly and slowly but nonetheless inevitably, bring about a greater dissemination of the truth about the United States.

I shall not speak of the specific foreign policy issues that we have with the Soviet Union today beyond mentioning that that of Berlin and Germany is unquestionably the most potentially serious and difficult. It is the one place in the world where the armed forces of the contending powers are face to face and where a miscalculation or a serious slip could start off a chain of action and reaction which would have great consequences. This subject, as you know, is under current discussion by the Secretary of State with the Soviet Ambassador in Washington.

#### **Informed Citizenry Essential**

I have sought today to describe to you the vast changes that have come about in the relationships between the United States and the outside world, but I have hardly done more than scratched the surface. But a number of conclusions can be

drawn from these changes. The first is that, having embarked, as befits our power and responsibility in the world, with our primary objective the well-being and security of the people of the United States, this process will not be reversed. We are full participants in the international scene, and how we conduct ourselves in the world is a matter of the utmost and intimate preoccupation of all American citizens. In a democracy no policy or course of action can hope to succeed unless it enjoys a large measure of popular support. This is particularly true in regard to the current policies of the United States, almost every one of which requires considerable outlay of money, which, in turn, means that congressional action is necessary for their implementation.

The second conclusion that I would offer is that change is still on the march in the world. In fact one of the great functions and one of the priceless advantages of democracy is that a society can adjust relatively tranquilly to change. Change that is held back over a long period of time produces pressures which eventually erupt into revolutions or other forms of violence. The American people in this swiftly moving world will be required to adjust to new conditions, new circumstances, and, indeed, new crises, and the lives of every one of you of the graduating class of Wesleyan will be affected by changes which may occur at great distance from our shores, for foreign affairs in the present world today, as distinct from domestic events, carry with them the very survival of the United States. In domestic matters this country under its Constitution has shown during the 175 years of its existence that we have the ability to adapt our society to change. We must demonstrate that we have the same capacity to deal with changes in the foreign field. For in contradiction to domestic affairs, given the present state of the world, a major mistake or miscalculation in foreign affairs could produce incalculable consequences for the well-being and security of our own people.

I would, therefore, say to you that a deep and informed interest in foreign affairs is a requisite for all American citizens and particularly for those of your generation. Without it, our diplomacy will not be successful. With it, there is no reason for us to fear the future.

## The Practice of Peace

by Harlan Cleveland

*Assistant Secretary for International Organization Affairs*<sup>1</sup>

Listen for a moment to the public debate about American foreign policy. Note the spastic reactions to familiar Communist ploys, the complaints that 20-year problems remain unsolved at the end of the first fiscal year, the doubts about the alliances we have created and the United Nations system we have nurtured. Listen especially to the gloomy prophecies of those who are anxious to win but reluctant to train for the race, who pine for "victory" but cannot define it and would prefer not to pay for it.

It seems that the fortunate history which led us to world leadership did not necessarily build into us the qualities of great leadership—which are foresight, persistence, toughness, maturity, and a certain unwarranted optimism. We are quite capable of developing these qualities: for Americans, we are bound to believe, nothing is impossible. The story is told in India of a cow being chased by a tiger. The cow came to a tree, from which a monkey called down: "Climb up, climb up." The cow said she could not climb a tree. The monkey replied, "This is one tree you've gotta climb." This business of world leadership is something we've just gotta learn to do.

We can isolate from the public debate several themes which in my judgment are obstacles to the effective use of our own power:

There is a self-induced pessimism, resulting from a chronic tendency to overestimate the Communists and underestimate the quality of our own foreign policies.

There is the feeling of frustration which follows the discovery that leading the free world is hard and thankless work.

There is the school of thought, miscalled "realistic," that underestimates the power of ideas and especially the power of the idea of freedom.

And there is the illusion that foreign policy issues are comfortably two-sided, that we're either up or we're down, and that something called victory can be something called total.

There is, I think, a more rational (and more complicated) way to look at American foreign policy, a more rational basis for the self-confidence we regard as characteristically American. William James called it the "pure inward willingness to face the world" and "find a zest in it." Let's face the world together for a few moments tonight and see if *we* can find a zest in it.

### **Dangerous But Exhilarating World**

The world we face is first of all exhilarating—because it's an exceedingly dangerous world. There are dangers of guerrilla war spreading into larger conventional war; of conventional war spreading into nuclear war; of nuclear war being set off by accident or act of insanity.

There are other dangers. There is the danger of Communist subversion—diminished now in Europe, active in Asia, just beginning in Africa and Latin America. There is the danger of violence if certain countries do not reform old and corrupt systems which stand in the way of progress in the people's living. There is the danger to racial minorities as dominant racial majorities experiment with the levers of political power in

<sup>1</sup> Address made at the Founders' Award dinner at the New School for Social Research, New York, N.Y., on May 28 (press release 340).

newly independent nations. There is the danger that some nations may try to catch up with the 20th century so fast that the machinery of government just breaks down or is delivered in desperation to Communist scavengers or men on horseback. So it's a dangerous world, all right.

Second, whatever you have heard or read to the contrary, the United States is not "losing the cold war." The cold war still is a standoff, but leaning our way. How it goes from here on depends more on what *we* do than on what *they* do.

Russia is powerful and dangerous. Communist China is big and dangerous. And Communist parties in some places still are a threat. But the facts of the matter are :

That not one of the 40 countries which have become independent since World War II has chosen communism as a system of government;

That most nations—including some quite weak nations—have proved to be highly allergic to Communist propaganda;

That Communist parties throughout the world have lost strength in many more places than they have gained strength during the past 10 years;

That the betrayal of the Cuban revolution to communism after Castro took over has resulted in the Castro government's being thrown out of inter-American society; and

That, in general, nationalism and the drive for independence have turned out to be much more powerful political forces than communism.

Third, there obviously are troubles in the Communist world. We do not yet know all that they mean for us. They may well contribute to the dangers of an already dangerous world. But at least they mean that Communist ideology is not the monolithic force it was once assumed to be.

Fourth, the non-Communist world is growing in strength and unity. There is a fission in the Communist bloc, but in Europe and the Atlantic community the trend of the fifties and sixties is not fission but fusion. In the Western Hemisphere a newly awakened community, cemented not by coercion but by consent, is beginning to set a continent and a quarter on fire with a revolution of modernization. In Africa and Asia the former leaders of independence movements are spending less time shouting for independence abroad and more time trying to make it mean something at home.

## **Making Peace Operational**

All this is good news. Much of the good news is the direct result of American leadership, American resources, American initiative. The lesson from experience in the postwar world is a lesson in how to make peace operational. We have helped invent a remarkable variety of techniques to help leaders modernize their national economies. And we have helped invent, also, an extraordinary range of ways in which the international community can be physically present with firefighting equipment when the flames from brush fires lick at the foundations of civilization itself.

Look around the world and you see 75 members of the United Nations furnishing nation-building help to 110 member countries and territories. Look around the world and you see the international community present, always with United States support, wherever there is danger of spontaneous combustion—or arson :

In the Middle East, a United Nations team of truce supervisors has been on the job for 14 years, ready to show up on a moment's notice if fighting breaks out again. During the recent incident on the shores of the Sea of Galilee, that team showed up in the middle of the night and an action which started at midnight had been brought to a cease-fire by 7:30 a.m.

Down in the Gaza Strip and at the mouth of the Gulf of Aqaba, the United Nations Emergency Force keeps up a ceaseless, 24-hour patrol by foot, jeep, and small aircraft—a peace watch now in its sixth year.

In Korea United Nations machinery is still on the armistice line negotiated 9 years ago.

In West New Guinea hostilities sputter between Indonesian parachutists and Dutch patrols—while a U.N. moderator (who happens to be a trustee of the New School) is working hard to bring the parties back to the negotiating table.

In Kashmir U.N. observers try to preserve a 12-year-old truce, and the Security Council will meet again soon to see what sense can be made of an emotional quarrel between two ancient peoples that should be friends.

In Berlin a 15-year stalemate is still frozen hard, but there is talk of yet another piece of international machinery, an authority to guarantee access into West Berlin.

In Viet-Nam, in the most flammable spot on earth, an International Control Commission is

considering a charge that the Communists of North Viet-Nam have engaged in subversion and overt aggression.

In the Congo an international mission of 17,000 soldiers and 420 civilian advisers is trying to raise up a Congo nation while preventing civil war and mediating the constitutional issues that the leaders are warring about.

In Geneva disarmament negotiations talk on, and new talks began today on an international arrangement in outer space. After several months of this, the sounds from Geneva are a little less strident, a little more like the dialog of men negotiating about reality.

In short, the practice of peace has become very operational indeed. We are beginning to learn from experience, and such learning is, after all, the basis of the wisest teachings of the wisest men in the history of civilization.

### Discomforts of Power

But there are still a dozen major rows in the world's nursery, and we are in the middle of each of them, as party to the conflict if it stems from Communist ambitions, or as behind-the-scenes peacemaker if it's a matter of domestic relations inside the free world. The exercise of power is a busy life, we find—and a frustrating one.

We know from the study of administration that the high executive in business or government looks very powerful from the outside: he can do anything he likes—or so his friends think. But as he rises in responsibility, he himself is mostly conscious of the limitations on his power, the importunities of his friends, the "shivs" of his competitors, and the brickbats of his critics.

Something like this has happened to us as a nation. We worked hard for national greatness and awoke in the first half of this century to find we had arrived. And suddenly it seems that greatness is a great deal of trouble, is dreadfully expensive, is likely as not to invite a stream of sour criticism. If we take a few thousands of Chinese refugees, some people want to know why we don't take a few millions; if we vote 3 billion for foreign aid, there are some who think it should have been 4 billion; if we put up a third of the cost of a U.N. project, there are those who do not see why we should not put up half.

Frustrated by the natural frustrations of greatness, fearful of their own fears, bored by the loneliness of power, some Americans are willing to shuck off the role of leadership by acting in ways that guarantee nobody will follow our lead. But in a world where those who believe in coercion will win if those who believe in freedom falter, the alternative of "ostrich-like forgetfulness" (William James again) is just no longer available. We are going to have the discomforts of power anyway: we might as well enjoy its exhilarations too.

When we meet in Washington on some new crisis each week, there is nearly always somebody who will say—or write in a newspaper column the next day—"Lord, do we have to be in the middle of this one too?" The answer is nearly always, yes, we have to be in the middle of this one too. For we cannot escape the reach of our own power, and the middle of things is precisely where power is always exercised.

### Extending Freedom's Writ

Why are we doing better than most Americans seem to think we are doing? The reason is that we are putting our considerable power behind the persuasive, self-advertising idea that people should have a say in their own destiny.

All manifestations of man's inhumanity to man arouse the deepest concern of the United States. The case could not be otherwise with us.

By actions as well as words, we tried from the beginning of our newly won independence to make ourselves the advocates of the poor against oppression, of freedom in an age of arbitrary power, of tolerance in an age of persecution, of the humane virtues among men accustomed to sacrificing them to brute rule. By our victory in the American Revolution we won a charter of *liberty* from the hands of power. But we did not stop there. By our practical instincts in the American Constitutional Convention we used our charter of liberty to *grant* power to a charter of *responsibility* to do the hard work of liberty. Thus we tried over the years to abolish caste and monopoly. We took in the immigrant and the hopeless—not too many, but a great many. We conjured great cities and states out of prairies and forests. We equalized educational opportunities and so narrowed the gap at the start of life's contests. We extemporized

governments on frontiers until mature governments could harden in the mold of responsible power.

In all this striving we often strayed. Yet when we strayed—as we did in the case of the American Negro—moral forces within the American conscience refused to give the Nation any rest until wrongs were righted. Today the weight of American public opinion, and the full force of the Federal Government, are behind a winning drive to invest the American Negro with all the attributes of effective first-class citizenship and to integrate him fully, if belatedly, into the social fabric of America.

Because we have undergone and are undergoing these trials within the United States, our Government is alive to the similar yearnings of others. This is why the national purpose of the United States is to support an orderly, rapid, and peaceful process for eliminating conditions where one people can dominate a second people against its will. Our further purpose is to enlarge the meaning of self-determination so that political independence, which is only a first step toward freedom, will be used not for new varieties of oppression but to give all peoples a chance to affect their own destiny—in legal, economic, social, ethnic, cultural, and religious matters as well.

This larger meaning of self-determination, we regret to see, is in trouble the world over. There are white people who are denying its bill of rights to colored people and to other whites alike. There are colored people who would deny its bill of rights to white people and to other colored people alike. We see groups of all races who are willing to use their political party, economic class, social rank, religious sect, or the weight of their majority numbers to push other people around.

We don't like the idea that above the law there is a lawgiver from whom there is no appeal and no refuge. We never have liked that idea here at home, and so we have mostly gotten rid of systems that provide freedom only for the powerful to exploit the weak. We don't like it in the Communist dictatorships. And we don't go for it in Africa or Asia or Latin America either.

Whatever it's called, people all over the world seem to recognize freedom when they see it—and shy away from slavery even when it's called freedom. So they go on struggling, blindly sometimes and bloodily, and we go on trying to help them.

We hope, of course, they will not forget that when the going was rough we were working hard to enlarge the area in which the writ of our Declaration of Independence might run—it speaks, you will recall, not of Americans but of “all men.” But we would help anyhow, because we believe down very deep that for all men freedom works better, and also feels better, than coercion.

When it comes to freedom's writ we Americans have just enough unwarranted optimism to believe that the future must inevitably be better than the past. And it will, too, *if* we remember that the inevitable is but another name for hard work in vineyards with short names and long futures—like nuclear deterrence, counterinsurgency, and Berlin; like disarmament, international peace-keeping, and the governance of outer space; like the Common Market, nation-building, foreign aid, and the United Nations.

### **A New Kind of Victory**

If we develop the foresight to think about the future in decades, not just in weeks or fiscal years; if we show the maturity to reject easy answers which won't work; if we have the toughness of nerve to be cool in chronic crisis; and if we acquire the persistence to stick everlastingly at it—we shall certainly get where we want to go.

Where *do* we want to go? America is called to prophesy, a wise man said on television a few weeks ago. The raw material of prophecy lies all about us.

What we see emerging from these complex and often frustrating activities is a series of overlapping communities of consent—a unified Europe, a developing hemisphere, an Atlantic partnership, a growing consensus among the nations that rim the Pacific Ocean. We see the shared values and purposes of these nations matched by growing bonds of association with the younger nations in the older cradles of civilization. We see the Communists sometimes impeding but never for long obstructing the building of nations and their coalescing into free communities. We see the United Nations as the umbrella for institutions that reflect this wider community of the free, the U.N. Charter as a noble expression of the beliefs we ourselves hold.

Somewhere along the line we see new leaders of communism facing with realism the fact that their old dream of a Communist “one world” is an ob-

solete and therefore perilous delusion. They may then persist for a further time in trying to insulate themselves from the unifying forces of science, education, and modern industry. Eventually, I am persuaded, they must open their society to the overwhelming benefits and requirements of a hopelessly interdependent world.

Then the Soviet Union may even decide to join the United Nations in fact, and not in name only. And at that moment I am sure the United States will eagerly vie for the honor of sponsoring the Soviet application for full membership in the world community.

When the world of consent has thus seduced the world of coercion, we will be face to face with a new kind of victory.

It won't be "total"—the real world can never be described with absolute words; real goals are never fully achieved.

It won't be cheap—but, as Emerson reminded us, economy does not consist in saving the coal but in using the time while it burns.

But it will be the kind of victory that has rational meaning in the nuclear age. It will not be won by killing or impoverishing others. It will be the best of all possible victories, for it can be shared with all mankind.

## **President Congratulates Venezuela on Firm Defense of Democracy**

*Following is the text of a letter delivered on June 5 to President Rómulo Betancourt of Venezuela by U.S. Ambassador C. Allan Stewart.*

Press release 365 dated June 6

JUNE 5, 1962

MR. PRESIDENT: I should like, through you, to extend my congratulations and those of the people of this country to the people, government and armed forces of Venezuela for their action in preserving constitutional democracy against those who have attempted to overthrow your freely elected government.

The preservation and strengthening of freely elected constitutional government is the aspiration of all the peoples of the Americas and progress in this continent under the Alianza Para El Progreso depends in large measure in effecting change through peaceful and democratic means and avoid-

ing violent interruptions of the constitutional process.

We deeply deplore the loss of life and other heavy casualties which were caused in your country by recent insurrections and extend our condolences to those bereaved.

JOHN F. KENNEDY

## **U.S. Expresses Concern at Threat of Renewed Violence in Algeria**

*Department Statement<sup>1</sup>*

The United States considers the accords reached at Evian as the charter of the new Algeria. The accords bear witness to the statesmanship of the French Government under General de Gaulle and to the political maturity of the FLN [*Forces de la libération nationale*] leadership. They contain the essential ingredients of a bright future for Algeria, cooperation between the two communities, and cooperation between France and Algeria. We believe this cooperation to be particularly important because we live in a world where the pace of development has become infinitely more rapid than at any time in the past. Simply to remain in step with this pace requires a major effort. Newly independent countries face the additional problem of having to catch up with this accelerated pace. This demands an almost superhuman effort and requires among other things the full utilization of all the resources—spiritual, human, and material—of the society. With these considerations in mind, the free world stands aghast at the callous announcement on the part of the OAS [*Organisation de l'armée secrète*], as reported in today's press, that the merciless killing of innocent peoples will be resumed on a schedule beginning at midnight June 5 unless they obtain a "satisfactory response" from negotiations now allegedly in progress between certain French elements and Algerian nationalists. Such wanton murder has no excuse, no justification, and can lead only to a sadder future. Humanity recognizes no extenuating circumstances in this brutal violence against defenseless men, women, and children and fervently hopes that the senseless killing which has already cost so many lives may not be taken up again.

<sup>1</sup> Read to news correspondents on June 4 by Lincoln White, Director, Office of News.

## The Approach to Poverty

by *John Kenneth Galbraith*  
*Ambassador to India*<sup>1</sup>

Among the enterprises currently attracting the energies of man, one of considerable moment is his effort to launch himself across space. A second, less grand, rather less costly, but not perhaps less important, is the effort to improve the position of those who will stay behind. My purpose here is to consider the way in which we are tackling the second of these tasks and the possibility for improvement. That such a possibility exists is evident from a fairly cursory comparison of the conquest of poverty with the conquest of space.

The latter, we take for granted, will be approached only after the most comprehensive consideration of the problem to be solved. In the case of travel to the moon the energy requisite for escape from the earth, protection from radiation, extremes of temperature, tedium, and other hazards and discomforts en route, the arrangement of an unclimactic arrival, provision for a return journey by those unattracted by permanent settlement, and, quite literally, a thousand other matters are all, one is assured, the subject of the most minute calculation. Nor is anything that is vital slighted because of a shortage of money. The knowledge that such care is being exercised will, one imagines, substantially lessen, even if it does not entirely eliminate, the personal misgivings of the first passengers.

Our approach to poverty is more casual. All prophets of the commonplace agree that its amelioration is also an important task. Especially in this season of commencement speeches we are regularly so reminded. But, remarkably, we have no agreed view or even any strong consensus as to why

poverty exists. Over the last two centuries we have had an active and increasingly sophisticated discussion of the forces which influence economic growth, that is to say increases in total and per capita income and well-being. Without exception, this discussion—of incentives to effort, means for encouraging saving and capital formation, ways of promoting technological advance—applies to societies that are in process of growth. But the central feature of the poverty-ridden community is the absence of any tendency to improvement. Instead there is stagnation in output and income, and this perpetuates itself year after year and from generation to generation. One cannot extend the analysis of the advancing society to this stagnation. Of this stagnation, we have no analysis.

### Commonly Accepted Causes of Poverty

What we do have is an astonishing number of assumptions as to what is wrong. It is these assumptions—many of them unexamined, many of them self-contradictory, and all of them of limited applicability—on which, at least until recently, we have had to base our remedial action. One consequence is that within the next few years men will reach the moon, and hopefully all who are worthy, righteous, and good citizens will return, while the most acute problem of this planet will remain unsolved. If these strictures seem severe, let me list the causes to which, depending on ideology, personal preference, convenience, and even pure accident, we regularly attribute the poverty of nations.

1. The people are poor because they prefer it that way. Poverty, in more formidable language, reflects the value system of the people.

<sup>1</sup> Address made at commencement exercises at Lewis and Clark College, Portland, Oreg., on June 3 (press release 351 dated June 1).

This is persuasive. Few Americans have looked at an Asian or African country without reflecting on the favorable effect of a little American drive. Nor is the tendency ours alone. Visitors to the Central Asian republics of the Soviet Union are told (by Russians) that the people are relatively backward because they are very easygoing. Yet there can scarcely be a country in the world where the desire for economic improvement does not exist or where, indeed, it is not a political imperative. We need also to remember that Kipling's Englishman dismissed the sorry state of the country with an easy wave of his hand and the statement: "The natives are bloody lazy, you know." When it is so couched, we indignantly reject such spurious anthropology.

2. The country is naturally poor.

This is the explanation which comes most readily to our tongue. It seems the obvious answer where the soil is sparse and unwatered, the forests thin, and the subsoil barren. How could Bedouins or Navajos be rich? But this is an explanation which badly explains the wealth of Switzerland or the relative wealth of Israel, both states that are poor in natural resources. It leads one to wonder why West Virginia, a State phenomenally rich in natural resources, should have incomes far below those of the arid and barren West.

3. The country is poor because it has been kept in a state of colonial oppression.

Over great parts of the world this is the most evocative of explanations. The British, French, and Dutch were in business not for the benefit of their subject peoples but for the benefit of themselves. So the welfare of the colonial peoples was ignored, and they still pay for these centuries of indifference, exploitation, and rejection. Moreover, in an awkward inversion of historical process, certain of the least progressive of the colonial regimes lasted the best. The greatest neglect was the longest endured. Yet again there are obvious difficulties with this explanation. In many parts of the world—Latin America comes immediately to mind—colonialism is far in the past but poverty continues. And elsewhere—in Australia, Canada, Ireland, the United States—colonial rule did not exclude a considerable measure of contemporary prosperity. British India—that part of India in which British administration was the most comprehensive and lasted for the longest time—is today measurably the most progressive part of the subcontinent.

4. Poverty is the consequence of class exploitation.

The counterpart of the poverty of the many is the great opulence of the few. The second is the cause of the first. This explanation is suggested by arithmetic and supported by a formidable dialectic. And it is difficult to understand why an Andean peasant, or his counterpart in Central America or the Middle East, should seek to enhance his income by irrigation, improved seed, or acceptable livestock when he has learned that anything in excess of subsistence will be appropriated by the landlord, tax collector, moneylender, or merchant. Yet the world has much poverty without evident exploiters. In India and Pakistan there are millions of small landowning peasants who are very poor but whose poverty cannot be related to the enrichment of any landlord, moneylender, tax collector, or other visible oppressor.

5. Poverty is caused by insufficient capital.

This seems almost self-evident. Low income allows of no saving. Without saving and investment, there can be no economic advance; so poverty is self-perpetuating. Yet in the Middle East as also in South America—Venezuela is particularly a case in point—oil provides a rich source of revenue and capital is not scarce. But the vast majority of the people remain exceedingly poor.

6. Overpopulation is the cause of poverty.

In many countries it is plain that an insufficient revenue must be divided between an excessively large number of claimants. In the typical village of India there is rarely enough work to go around. Fewer hands could and would do the same work. If the population were smaller, each person would have a greater share. Yet elsewhere, were some of the people spirited away to another planet, per capita income would not rise. Everyone works at full capacity for the little he gets. If the individual went, so would his contribution. Others would produce no more; so the share of each would remain the same. And, as a matter of practical observation, though poverty is often associated with dense population, it is also often associated with sparse population. The Amazon basin is very sparsely populated and very poor. Southern Brazil is much more densely populated and much more prosperous.

7. Poverty is caused by poor economic policy.

The poor country is infirm in its commitment to free enterprise or, alternatively, to socialism. Inflation is the enemy of economic advance, or alter-

natively, the fault lies with excessively orthodox efforts at economic stabilization.

Experience with the less developed lands does induce respect for well-considered economic policy. But it is evident that these explanations involve an awkward measure of internal contradiction. Moreover, the most prominent fact about the very poor country is not that it has free enterprise or socialism but that it has nothing. And inflation, which is chronic in many of the poor lands, is invariably a symptom of much more deeply seated disorders—specifically of too many unproductive claims on limited income and of governments that are inherently incapable of curbing the demands of competing groups.

#### 8. Poverty is caused by ignorance.

There is no largely literate population in the world which is poor, and there is no illiterate population that is otherwise. Yet here one encounters the question of how a poor and illiterate people goes about providing themselves with a school system. Whence will come the resources? So considered, poverty is a cause of ignorance as well as a result.

#### People the Common Denominator of Progress

The list of commonly accepted causes of poverty is by no means complete. We regularly attribute some role to the slow rate of transfer of technological knowledge. People remain with primitive and poverty-inducing methods of agriculture and industry because they have not been apprised of anything better. Alaric, the Fourth Crusade, Genghis Khan, and the brothers Pizarro showed that war, rapine, and predacity, if practiced with sufficient enthusiasm, can have an enduring effect on income. The communities which were the principal objects of their attention have been poor ever since. One could go on.

But the point is sufficiently clear. We have a great many causes of poverty, nearly all in some measure convincing but all limited in their application. To prescribe on the basis of any one of these causes must obviously be dangerous. If ignorance is the cause of poverty, capital for power plants or even plows will miss the point. If it is caused by the oppression of landlords, provision of improved seed will do no good. No one should urge a population policy if overpopulation is not the problem. And all other gains can obviously be annulled if population is the problem. It will

do little good to control inflation if stabilization serves only to reveal the underlying problems of the society in even harsher form.

What then is our course?

First, we must see poverty as the product of a plurality of causes. And several causes will normally operate in any country. This will vary with culture and historical antecedents. So we should expect that between Latin America, the Asian subcontinent, Africa, the Middle East, the difference in the admixture of cause will be very great. There are some advantages in this diversity. It means that any argument over the causes of poverty can readily be resolved by agreeing that all are right.

It follows from the diversity of causes that we must take an eclectic view of remedies. Especially we must not allow dogma to govern our prescription. One of our advantages, potentially at least, over the Soviet design for economic development is a greater freedom from controlling doctrine and hence a greater capacity to accommodate remedies to cause. We must protect that advantage.

Nor should we select remedies for their convenience. There are some presumptive remedies for poverty that come much more readily to hand than others. Technical assistance is easier to provide to farmers than land reform. A hydroelectric power project is easier to launch than a sound system of elementary education. To provide an effective system of public administration for people newly emerging from colonial rule is peculiarly baffling. Yet if a bad land system, mass illiteracy, a corrupt, incompetent, or exiguous public administration—or all three—are the heart of the matter, the provision of technical aid or the damming of rivers will do little good. Given other causes, these may do great good.

Yet some generalization about the problem of poverty is inescapable. In pleading for a clinical examination of each case, one could easily be urging endless study and delay in a world that is clamoring for action. And there is one generalization with which we are at least reasonably safe: People are the one common denominator of progress. So, *paucis verbis*, no improvement is possible with unimproved people, and advance is inevitable when people are liberated and educated.

This is also a proposition of which, one can report with some pleasure, there is growing recognition. Thanks in considerable part to the ener-

getic advocacy of Senator [Hubert H.] Humphrey, there has been a growing recognition of the urgency of education for economic development. It would be wrong to write down the importance of roads, railroads, power plants, mills, and the other familiar furniture of economic development. At some stages of development—the stage that India and Pakistan have now reached for example—they are central to the strategy of development. But we are coming to realize, I think, that there is a certain sterility in economic monuments that stand as isolated islands in a sea of illiteracy. Conquest of this comes first.

Similarly the Alliance for Progress has recognized that economic liberation is a frequent first step to economic advance. Until people have a part in economic progress, there will be no eco-

nomie progress. No doubt it will take time to convince everyone, both at home and abroad, of this often inconvenient fact. And some, no doubt, will continue to urge that no boat be rocked, that we buy our way around reform, or to hope that privilege, however unstable, will at least last their lifetime. Nevertheless, recognition of the indispensability of social justice for social progress is a major step.

This is modest reassurance. In the techniques of problem solving, those who are tackling the tasks of space travel are unquestionably well in advance of those of us who continue to grovel in the problems of this planet. So, if we are modest about our achievements in the attack on poverty, we should realize, as Winston Churchill once said, that we have much to be modest about.

## Trade Policy Choices Facing the United States

*by Joseph D. Coppock*

*Director, Foreign Economic Advisory Staff<sup>1</sup>*

It is most gratifying to meet with an industry association which is genuinely interested in the national question of the foreign trade policy of the United States.

Present-day politics and economics place a great burden on the business-man. He knows that he has to run a profitable business, if he is going to run one at all. He also knows that he has to keep constantly informed on public policies and even to make sound judgments on them. Our form of political and economic organization requires that responsible business people wear two hats. One hat is obviously that of managers or owners of enterprises. The other hat is that of conscientious participants in the political process.

The chances are very high that public questions are viewed differently, according to the hat the person is wearing. What is good for a particular

firm or industry might or might not be good for the country; and what is good for the country might or might not be good for a particular firm or industry. Most of us can appreciate this proposition more with reference to other people's businesses than we can with reference to our own. For example, you gentlemen in a manufacturing industry no doubt see clearly that a national agricultural policy of high price supports, import embargoes, and absence of production controls commends itself more to some U.S. farmers than to buyers of farm products and taxpayers. My point is that the businessman occupies such an important place in our society that he must wear both his business hat and his citizen hat, even though they are often of different sizes.

In the history of the United States few issues have generated more domestic political heat than foreign trade policy, the tariff in particular. The Constitution prohibits export taxes; so the field of debate has been confined largely to import tariffs.

<sup>1</sup> Address made before the Work Glove Institute at Chicago, Ill., on June 7 (press release 359 dated June 5).

## U.S. Tariff History

Let me give you a quick rundown on U.S. tariff history. There is nothing quite like history to put contemporary events in perspective. The Constitution abolished all State tariffs. In 1789 Congress enacted, at the suggestion of Alexander Hamilton, the first Secretary of the Treasury, a general 5-percent tariff, though rates were as high as 15 percent for some favored industries. It brought in some revenue for the new Federal Government, it made imports more expensive, and it shielded some industries in some degree from foreign competition. In 1812 all duties were doubled for wartime revenue purposes. The long Napoleonic Wars had disrupted much American trade with Europe; so many war-baby industries had developed between about 1795 and 1815. The resumption of peacetime exports from Europe brought a cry for increased tariff protection. This was the real beginning of the bitter debate on the tariff which was one of the factors dividing the North and the South for the next half century. The South sold its cotton and tobacco at world prices and saw no reason why it should have to pay higher than world prices for its manufactures. Incidentally, the Middle West was with the South on this issue until the Civil War.

The Tariff Act of 1816 raised duties to an average of about 20 percent, with woolen and cotton textiles—the expanding New England industries—at 25 percent. The year 1824 saw additional protection for textiles, iron products, lead, and glass and a new duty on raw wool. The Act of 1828 put the average of duties between 45 and 49 percent, the highest level reached before the Civil War. In 1832 South Carolina first applied Calhoun's nullification doctrine against this so-called "Tariff of Abominations." Rates were generally lower until 1861.

During this present period of the Civil War Centennial you have no doubt refreshed your knowledge of the political alliance that gave rise to the Republican Party and Lincoln's victory in 1860. Midwestern Republicans accepted higher tariffs in return for Eastern support of the homestead system of free, nonslave farmland and various other benefits for the northern Mississippi Valley. For the next half century—until 1913—the tariffs were generally high, with the average rate on dutiable imports running between 39 and 48 percent. There were acts in 1861, 1864, 1870,

1872, 1875, 1883, 1890, 1894, 1897, and 1909. Congress ran into quite a problem in 1883. Even though practically all of the special Civil War taxes had been repealed, and even though the national debt was almost paid off, the tariff kept bringing in more revenue than Congress could conscientiously spend. The pressures for maintaining the high tariff were very strong. Congress gradually found ways of increasing Government expenditures, however. The first billion-dollar Congress was that of 1890. Our problems have never been the same since.

The Wilson victory in 1912 was interpreted as a mandate for lower tariffs, among other things. The Underwood Law of 1913 lowered many duties, so that the average on dutiable imports was 27 percent and for all imports, including those on the free list, 9 percent. Over half of our imports came in free of import taxes during this period. (Of course, if the rates are high enough on the dutiable items to prohibit imports of them, all actual imports come in at a zero rate!) This reduction in 1913 did not mean much in practice, however, because the First World War soon disrupted our import trade and served the purpose of a protective tariff for many industries, just as the Napoleonic Wars had a century earlier. The Republican administrations of the 1920's resumed their traditional high-tariff policy. Average rates on dutiable goods rose to 39 percent in 1922 and to 53 percent—the highest ever—in 1930.

In the next few years, in the depths of the Great Depression, when practically every adult American was pondering the state of the economy, a widespread view gradually developed that the time had come for a basic change in U.S. tariff policy. Although Cordell Hull of Tennessee, the Secretary of State, was the leading exponent of this view, both Republicans and Democrats supported it. The Trade Agreements Act was first enacted in June of 1934 and has been renewed, with modifications, 11 times. The act gave the President limited power to negotiate trade-barrier reductions with other countries on a reciprocal basis. In these 28 years the average rate of duty has dropped to 12 percent on dutiable imports and 7 percent on total imports. The tariffs of other important trading countries have been similarly reduced.

These averages, though indicative of trends, disguise the restrictiveness of high tariff rates because they are obtained by weighting the rates of particular classes of items by the value of imports. Thus

a 100-percent tariff which effectively prohibited imports would not get into the average at all. Eighteen percent of our more than 5,000 tariff classifications have duties of 30 percent or more. The median rate is about 13 percent.

### **World Economic Situation**

Now let us get away from history for a while and look at the contemporary world trade and economic situation. Total exports among the non-Communist countries of the world are currently running at the annual rate of about \$120 billion. Exports of Communist countries amount to something over \$10 billion. These are exports of goods, valued f.o.b., and thus exclude income from shipping, financial transactions, tourist expenditures, and other services. U.S. goods exports amount to around \$21 billion—one-sixth of the world total. Germany with \$13 billion and the United Kingdom with \$11 billion are next highest. Our exports go to all parts of the world, except to mainland China and nearby Communist areas, where they have been barred since the Korean conflict. They include a vast array of goods, including the products of your industry.

Total sales of goods *and* services to foreigners amount to about 5 percent of U.S. gross national product; exports of goods amount to about 8 percent of movable products. For particular industries and for particular areas of the country the percentage differs greatly from the average. For many firms, exports make the difference between profit and loss. About 3,500,000 American workers depend directly on exports; many more are affected indirectly by them.

When we get to thinking about exports we sometimes forget about imports, but every item exported from one country is imported by some other country—unless it falls in the ocean. This means that total world exports and total world imports are always equal, that there cannot be an increase in world exports without there being an equal increase in world imports. Such perfect equality does not have to hold, and does not hold, for each country, however, in a world of more than two countries. U.S. goods imports are currently about \$16 billion a year, about one-eighth of the free-world total. These imports are about 4 percent of the U.S. gross annual income. They come from all over the world, except for mainland China, and they consist of a wide variety of products. They range from such household staples as coffee, sugar,

and bananas to primary industrial commodities such as oil, iron ore, and rubber, to manufactured goods as varied as dress gloves and diesel engines. These imports add variety to our consumption, make possible some kinds of production, facilitate other kinds of production, provide competition for some domestic industries, help restrain inflation, and provide the means by which foreigners can pay for most of our exports.

Parenthetically, you might wonder how foreigners can pay for \$21 billion worth of exports *from* the United States with only \$16 billion worth of exports *to* the United States. One way, of course, would be for them to draw down dollar deposits or other assets they had built up in previous periods. This is not the explanation in this case, however. There are three factors. First, foreigners had about \$1 billion net earnings on services. Second, Government grants and private remittances amounted to over \$2.5 billion. Third, Government and private loans and investments—net—made up the balance of the \$5 billion.

You might also wonder whether it makes good sense for the United States to furnish a greater value of goods and services to other countries than it receives. There are two justifications for this excess of exports at the present time. One is that part of the excess constitutes our aid programs—military and other—to selected foreign countries. The other is that investment funds are more plentiful in the United States than elsewhere, illustrated most conspicuously by the lower interest rates here; so some foreigners find it advantageous to borrow here and some Americans find it advantageous to invest abroad. The excess of exports over imports enables this country to provide aid and investment funds to other countries without changing the previous net debtor-creditor relationship between this country and other countries.

### **World Political Situation**

Now let me say something about the world political situation. This is relevant to U.S. trade policy because our foreign trade is inevitably a part of our foreign political relations, just as it is inevitably a part of our economic life. Though not directly comparable, its political significance is almost certainly greater than its economic significance. Since the collapse of the German and Japanese Empires in 1945, there has been a new configuration of world politics. The Soviet Union chose not to cooperate with its Western wartime

allies and with the Chinese Government of Chiang Kai-shek, but rather to maintain its hold over wartime conquests and to extend its control wherever possible. This imperialism necessitated the creation of several defensive alliances, organized mainly by the United States and including World War II enemies as well as old allies. Behind this defensive shield, supported in the last analysis by U.S. nuclear power, the countries of the non-Communist world have tried to work out their destinies during this past decade and a half.

Aside from these alliances there have been two outstanding political developments in the non-Communist or free world during this period. The first has been the rapid decline of the colonial system in Asia and Africa and the emergence of numerous independent national states. Even the vestigial colonial controls in the Western Hemisphere are being dismantled. Much of the international political trouble of the postwar period has been in connection with the liquidation of the old colonial empires in Asia and Africa and with the efforts of the Russians to establish a new one in Eastern Europe.

The second outstanding political development has been the emergence of new forms of political association among nations. The United Nations is the most comprehensive and general, of course. But there are regional associations, inside and outside of the U.N. framework, such as the U.N. Economic Commission for Asia and the Far East and the Organization of American States; and there are functional organizations such as the International Monetary Fund and the Contracting Parties to the General Agreement on Tariffs and Trade (GATT). Countries which do not have such formal external links tend to feel excluded, perhaps even fearful at times.

One of the most important international organizations that has emerged is the European Economic Community, widely known as the Common Market. This organization, in operation since January 1, 1958, is more than a set of high-sounding declarations and annual meetings. It is actually in the process of integrating the economic life of the six member countries—France, Germany, Italy, and the Lowlands cluster of Belgium, Netherlands, and Luxembourg. Of most immediate consequence for the United States, it is in the process of eliminating all internal tariffs and establishing a single external tariff toward the rest of the world.

The Common Market is a step toward the political federation of Western Europe, whether or not the United Kingdom and other countries become members. Even without such political federation, cooperation among these countries will make Western Europe a great political-economic-military force in the world, comparable with the United States and the Soviet Union.

#### **Adaptability of U.S. Economy**

I have painted the world trade picture and the world political picture in broad strokes. These pictures are the backdrop against which present and future U.S. trade policy has to be evaluated and determined. *This country is not helpless with respect to its foreign trade policy.* It is within our power to expand our purchases and our sales abroad, just as it is within our power to contract them. Buying and selling is always a two-sided affair, however, as you well know. There has to be a buyer if one is going to sell; there has to be a seller if one is going to buy. My point is that the United States can take the initiative in expanding or contracting trade. We have the economic resources to produce salable products and to market them to advantage; we have the economic resources to enable us to utilize effectively goods from abroad and to do without some of them in case of necessity. Our economy is adaptable. In short, the United States really does have trade policy choices, as indicated in the title of this talk—"Trade Policy Choices Facing the United States."

Let me exaggerate the range of choices for a moment, just to make a couple of points emphatically. Conceivably the U.S. Government could stop all foreign trade, as President Thomas Jefferson almost did in 1807, during the Napoleonic Wars. The industries in the United States dependent on exports and on imports would suffer tremendous dislocations, much greater than those endured in connection with World War II. Industries in other countries dependent upon U.S. markets and U.S. imports would be similarly disturbed. Consumption levels would decline drastically. The financial distress would be terrible. Only the Communist countries would be practically unaffected, since our trade links with them are nominal. (The Soviet Union has the lowest ratio of foreign trade to national income of any country in the world.) The political consequences would be equally bad. We would be rejecting the

entire free world. Our participation in most international economic organizations would become meaningless. It is not difficult to imagine what would happen to our military alliances.

Enough of that gloom. Take the other hypothetical extreme of complete abandonment of tariffs and other controls over our foreign trade. The first thought that naturally rushes to our minds is that there would be a flood of imports, which would undersell American firms in many lines, bringing losses and unemployment. This presupposes a great mass of foreign wares crowded on their docks waiting to be dumped on us Americans. This is unrealistic, of course, but no doubt some lines of production would feel additional competition.

With the elimination of restrictions on imports of cotton and wheat, for example, the Commodity Credit Corporation would have to buy large quantities of these commodities in order to maintain prices. What would the foreigners do with the additional dollars they earned from these sales? They might hold them, they might invest them here or pay off debts, they might trade them for other currencies, or they might spend them on U.S. products. There is no way of knowing for sure what they would do with these additional dollars, but the chances are that many would be spent promptly on U.S. products, so that profits and employment would increase in some lines of business. Also, under this extreme assumption, there would no longer be any control over our exports to Communist countries. Hence these countries would be free to buy what they wanted from us with the dollars currently available to them and, of course, to acquire more dollars by selling here. Our policy of partial economic quarantine of the Communist bloc would be at an end.

### **Trade Expansion Act of 1962**

So much for this extremist speculation. It is obvious that the United States is not going to adopt either of these extremes. The actual policy question is posed by the proposed Trade Expansion Act of 1962, now before Congress.<sup>2</sup>

<sup>2</sup> For text of President Kennedy's message to Congress on trade, see BULLETIN of Feb. 12, 1962, p. 231.

This bill, H.R. 9900, authorizes the President to make reductions in our tariffs in return for similar reductions by other countries. In general, he could negotiate reductions of up to 50 percent of the July 1, 1962, rates, though for the few commodities in which the United States and the European Economic Community carry on most of the international trade, and for a few other commodities, the reductions of duties could go to zero. The purpose of this extra authority is, of course, to enable the President to bargain with the European Economic Community for better access to this growing market. The Common Market is still in its formative stages; so now is the time to do the bargaining.

This proposed act provides for positive assistance to firms and workers that might be unfavorably affected by trade barrier reductions. It also provides that reductions would be made in easy steps, generally over a period of 5 years. For example, if a tariff of 25 percent on a \$1 item were to be reduced to 15 percent, the tariff would drop from 25 cents to 23 cents to 21 cents to 19 cents to 17 cents to 15 cents in 5 years. These features can mean a great deal to firms and workers that might have to make sizable changes in their activities.

The practical policy issue is whether this bill is to be passed substantially as proposed or whether it is to be amended in ways which would deprive the President of the power to bargain effectively and firmly with other countries. If it should be so amended, the United States would find it increasingly difficult to provide its share of the economic sinews of the Atlantic alliance and increasingly difficult to help the many less developed countries improve their economic lot and resist the blandishments of communism. Our leadership of the free world would be weakened.

In contrast, if Congress gives the President the authority to negotiate for lower trade barriers, the United States will be able to take the lead, commensurate with its power, in strengthening the economic bonds among the members of the North Atlantic Treaty Organization and in promoting the economic development of the other free countries. On top of these political-military benefits, we will reap the economic gains from trade.

## The Common Market and United States Agriculture

*by Leonard Weiss*

*Director, Office of International Trade and Finance*<sup>1</sup>

I am very happy to have the opportunity to speak to you on the Common Market and its implications for U.S. agriculture. I am doubly pleased to be here, since Chicago is my hometown. I was born and reared here, and it is always a pleasure to return.

### General Background

Before getting into particular aspects of the Common Market with respect to agriculture, I believe it would be useful to make some general comments on the character and implications of the Common Market so that we can more fully appreciate its significance in relation to American interests, including agriculture.

The European Economic Community (EEC), more popularly referred to as the Common Market, came into being on January 1, 1958, pursuant to the Treaty of Rome. It presently consists of six full members: France, Italy, Western Germany, Belgium, the Netherlands, and Luxembourg. In addition, Greece has concluded an agreement with the EEC providing for full economic integration, but over a longer period than for the present members because Greece has not reached the same level of economic development. The United Kingdom, Ireland, Denmark, and Norway have applied for membership. Negotiations for the accession of the United Kingdom to the Common Market are intensively under way. The Common Market thus already consists of an important and collectively powerful group of states and is likely to be enlarged.

On the economic level the EEC is to be an eco-

nomie union of the participating states, under which the present national economies of the members will be amalgamated into a single economic entity. The process of amalgamation is now under way in a so-called transitional period which is to end by 1970 or possibly sooner. By the end of this period there will be a full-fledged customs union, with a common commercial policy. The member states will eliminate all tariffs on trade between themselves and will maintain against outside countries a single tariff covering the whole area. Capital, labor, and services will be free to move throughout the Community. Common or harmonized internal economic policies and rules will apply to such matters as agriculture, which I will discuss in greater detail later, transportation, conditions of competition including antimonopoly provisions, taxation and other fiscal questions, and social policies including those relating to employment, mobility of workers, labor legislation and working conditions, and regulation of trade unions and collective bargaining.

To implement this economic union, the EEC treaty has set up a number of common institutions. It has a Council of Ministers, which is composed of representatives of the member states and which serves as the highest decision-making body. It has a Commission of nine members appointed by the member states, which serves as the principal executive organ and represents the Community as a whole rather than the constituent states. It has a Parliamentary Assembly, which is composed of representatives chosen by the Parliaments of the EEC states and which is consulted by the Council and Commission on a wide variety of subjects. Finally, it has a Court of Justice, which interprets the Treaty of Rome and

<sup>1</sup> Address made before the National Agricultural Credit Committee at Chicago, Ill., on May 28 (press release 337 dated May 25).

the implementing regulations in the event of disputes.

The EEC thus affects the fundamental aspects of economic life in the member states. It is much more than a simple customs union, which is generally the first thing which comes to people's minds when they think of the EEC.

The Common Market is also much more than an economic entity. Its ultimate goal is political unity, and, building on the success of their move toward full economic union, the members of the EEC are currently seeking means of closer political cooperation among themselves. The first and principal interest of the United States in the Common Market lies in this prospect of a strong and united Europe able to resist Soviet and Communist pressures, with Germany firmly linked to this larger union. Europe could then serve as an equal partner of the United States in the achievement of our common goals.

### **Economic Potential**

The Common Market has already demonstrated its strength and vitality. It has a population of 170 million people, which would increase to 223 million with the accession of the United Kingdom and which would then exceed the population of the United States by 22 percent. Trade of the Common Market countries with each other has increased more than with the outside world. Intra-area imports rose from \$7 billion in 1958 to \$12 billion in 1961, an increase of approximately 70 percent. More than two-thirds of the total EEC increase in imports is accounted for by intra-EEC trade. In the 4 years since the formation of the EEC, 1958-1961, the growth in the gross national product of the EEC was approximately double that of the United States, some 21 percent for the EEC as compared to 11 percent for the United States.

The EEC is a vast and growing market. It is moving into an age of mass consumption similar to that of the United States. The EEC's consumption of such goods as automobiles, television sets, refrigerators, washing machines, and other household appliances is now only a fraction of that of the United States and is at a point where the United States was a decade or more ago. With increased growth and economic activity and rising levels of income, the demand within the EEC for such products is bound to increase enormously.

This growing market will also be a changing market as tariffs are removed among the members of the EEC and they adopt the common external tariff. The prospect of such changes has created considerable apprehension throughout the world as many countries fear their export markets will be reduced. As a consequence a number of countries which are unwilling or unable to accept the full obligations of membership in the Common Market are seeking special arrangements in order to obtain more favorable access for their products. Turkey, Austria, Sweden, Switzerland, and Spain have applied for some form of "association" with the Common Market, and Israel has also asked for special arrangements for its trade. Other states may follow suit.

Given the number and broad range of countries and areas which may be affected by the changes—and some of the countries whose trade is most heavily concentrated in the EEC and U.K. are geographically far removed—the most appropriate solution would appear to lie in measures which will maintain and improve access to the Common Market on a multilateral and nondiscriminatory basis. This would mean we could compete in the EEC market on an equal footing with all other nonmember states. One of the major objectives of the trade legislation now before Congress, which I shall discuss later, is to enable us to obtain, on a nondiscriminatory basis, a lowering, and in some instances elimination, of the external trade barriers of the Common Market so that any problems of adjustment, both ours and those of other countries, can be reduced to a minimum and all countries of the free world can share in the economic growth which would accompany the expansion of trade.

### **Implications for Agriculture**

I would now like to turn more specifically to the importance and implications of the Common Market for American agriculture.

The EEC is the largest market for our agricultural exports. In 1961 U.S. agricultural exports to the EEC were \$1.2 billion. They represented some 24 percent of our total agricultural exports to the world and 33 percent of our total exports to the EEC.

Some of our major agricultural exports to the Common Market are cotton, wheat, feed grains, tobacco, poultry, soybeans, tallow and lard, fruits and vegetables, and vegetable oils. In 1961 our

total exports of wheat and flour to the EEC amounted to \$180 million and of feed grains to \$187 million. Fourteen percent of our wheat and flour exports and 36 percent of our feed grain exports went to the EEC. In 1961 our exports of tobacco to the EEC amounted to \$97 million, representing 25 percent of our total exports of tobacco. In recent years our exports of poultry and eggs to the Common Market have climbed sharply, from \$4 million in 1958 to \$48 million in 1961. These were 51 percent of our poultry exports in 1961. In 1961 U.S. exports of raw cotton to the Community were \$238 million, soybeans \$122 million, and tallow and lard \$34 million. Twenty-seven percent of our cotton exports went to the EEC, 36 percent of our soybeans, and 21 percent of our tallow and lard.

While the EEC is thus an important agricultural market for us, there are a number of developments affecting our position there which must be taken into account. One is the technological revolution in agriculture which is under way in Europe. Just as the United States experienced a tremendous growth in agricultural production as a result of new scientific developments and the application of more effective techniques, so is Europe now undergoing a similar experience. Over the long pull we can expect Europe to produce more grains and other temperate-zone products with fewer and fewer farmers. Production is also expanding generally more than consumption so that Europe is becoming increasingly self-sufficient and less dependent on outside sources for its supplies. Though the vitality generated by the Common Market may accelerate this trend, it is one that would have existed even in the absence of the Common Market.

Another factor affecting our position is the common agricultural policy (CAP) of the EEC. After the most intense and difficult negotiations the member countries finally agreed in January of this year on a common agricultural policy. Basic decisions involving fundamental aspects of agricultural policy and practice in the member states were adopted. France, which potentially would gain most from the adoption of a single agricultural market, was adamant that some measure of agreement on a common agricultural policy had to be reached before the EEC moved to the second stage of the transition toward a full-blown customs union. Moving to the second stage has been

generally interpreted as the EEC's crossing the point of no return on its progression toward economic union. When one reflects on the difficulties which the United States as a single country has in developing and obtaining congressional and public acceptance of a farm program, one can appreciate the tremendous hurdles which had to be overcome in reconciling six countries, with major differences and interests among themselves, on a common policy. It is truly an historic achievement.

The CAP provides for a unified system of internal price support and for arrangements to prevent the system from being frustrated by imports. Common or "target" prices for most agricultural commodities produced in the EEC have been approved in principle, though the precise level of such prices remains a major issue yet to be resolved. The EEC will move to common prices in stages starting July 1, 1963. Pending the determination of price levels, the EEC has agreed that the high-price countries would not raise, and the low-price countries would not lower, their internal support levels. Thus the upper and lower limits within which future price decisions will be made have been set.

For many key agricultural commodities—covering about 70 percent of the domestic agricultural production in the EEC—the internal EEC market is to be protected by a system of variable import levies. These levies are designed to equalize EEC domestic prices and world market prices. Of commodities of export interest to the United States, wheat, feed grains, poultry, and rice are to be subject to the variable levy system. Levies on wheat, feed grains, and poultry will come into effect on July 1 of this year. With respect to commodities subject to the variable levy, the latter is supposed to be the only limitation on imports, and quantitative restrictions and other nontariff devices are prohibited except in limited, special circumstances.

How this variable levy system will affect opportunities for access to the EEC market depends upon how it is applied. Variable levies could be applied in an exceedingly restrictive manner to the detriment of imports. They could also be applied in a liberal manner so as to permit reasonable access for imports. The EEC has given assurances that the latter is their intention.

A test of whether this intention is achieved is the level of internal support prices which the EEC

finally determines. Should these be set too high, domestic production will be excessively stimulated and imports will be subject to more restrictive levies.

The U.S. Government is following this matter closely. It will do its utmost to persuade the EEC to follow a reasonable course and to insure that the interests of American agriculture are protected.

### **Geneva Tariff Negotiations**

One effort the U.S. Government has made to maintain and expand markets for U.S. exports in the EEC has been to obtain commitments from the EEC to reduce or otherwise limit the tariffs which it applies to the outside. In pursuance of this objective the United States concluded extensive tariff negotiations with the EEC at Geneva last March.<sup>2</sup>

In the agreement reached with the EEC, the latter made commitments on products accounting for approximately \$800 million of U.S. agricultural exports to the Common Market in 1960. These commitments cover such major items as cotton, soybeans, tallow, hides and skins, and certain fruit and vegetable products. On cotton and soybeans, duty-free bindings replace tariffs in some of the member countries. The United States also obtained a reduction in the common external tariff on tobacco. For this item, and other agricultural products about which the United States was dissatisfied with the extent of the EEC tariff concessions, the United States has made clear to the EEC that it intends to enter into further negotiations for further reductions in the external tariff of the EEC.

With respect to another group of products, principally grains and certain livestock products, which will be protected by variable levies instead of fixed tariffs, the United States sought to obtain adequate assurances of access to the EEC market. Because of the many problems which were still unsettled among the EEC countries themselves, it was not possible to work out during the Geneva negotiations definitive arrangements for access. Instead, interim arrangements, seeking to protect the existing U.S. trade position and providing for future negotiations to develop more definitive commitments for access, were worked out.

Specifically, the EEC agreed to interim arrangements for wheat, corn, grain sorghum, poultry,

and rice. U.S. exports of these commodities to the Common Market in 1960 amounted to \$214 million. For ordinary wheat, corn, grain sorghum, poultry, and rice the EEC agreed to negotiate further on these items with respect to trade access arrangements and to maintain existing national import systems on as favorable a basis as at present until a common policy is put into operation.

In the case of quality wheat the EEC agreed to negotiate further on trade access arrangements after the initiation of the common agricultural policy. Before this new system is put into operation, the member countries of the EEC agreed to continue to apply existing national import systems on as favorable a basis as at present. Further, the EEC agreed that when the common policy on wheat is put into operation, and throughout the period of negotiations then to take place, it will take corrective measures for any decline in U.S. exports of quality wheat resulting from the application of the common policy.

### **Future Negotiations and Proposed Trade Bill**

The maintenance or expansion of U.S. exports, industrial as well as agricultural, will depend to a major degree on future negotiations with the EEC to reduce its external tariff or otherwise to assure trade access. In the recent negotiations at Geneva the United States was seriously handicapped as a result of its lack of bargaining power. Under the present Trade Agreements Act the United States could make reductions of generally no greater than 20 percent, a completely inadequate amount to obtain the duty reductions necessary to offset the competitive disadvantage to our trade resulting from the complete elimination of duties among the EEC countries themselves. Furthermore, the highly selective, item-by-item negotiating process followed under the existing act meant that the United States was prepared to offer even the small duty reductions permitted under the present act with respect to only a limited proportion of its trade. Thus, for example, in the Geneva negotiations the United States made tariff concessions on only 20 percent of its total imports from all the 24 countries with which it negotiated. It made tariff concessions on only 35 percent of its imports from the EEC.

The Trade Expansion Act of 1962, which President Kennedy has recommended and which is now

<sup>2</sup> BULLETIN of Apr. 2, 1962, p. 561.

being considered by the Congress,<sup>3</sup> is designed to correct this situation. It would permit the President to reduce duties by 50 percent in negotiations with any free-world country. It would further permit the President, in negotiations with the EEC, to reduce duties under certain conditions by more than 50 percent or even to eliminate them completely. It would also enable the elimination of duties in other defined circumstances.

The proposed trade act specifically envisages the use of the authority granted therein to obtain tariff concessions for U.S. agricultural exports, particularly with reference to the EEC market. This objective is specifically recognized in the statement of purposes of the act. The act also explicitly authorizes the President in negotiations with the EEC to agree to mutual elimination of duties on an agricultural commodity if he determines that doing so will assure the maintenance or expansion of U.S. exports of such commodity. Beyond this special authority, it is envisaged that the various forms of bargaining power granted by the act will be used to obtain the best package of agricultural and nonagricultural concessions it is possible to conclude. Accordingly, with the passage of this legislation the hand of the President will be greatly strengthened in opening up markets for agricultural exports.

While enactment of the proposed trade bill is essential to provide the bargaining power necessary to protect and improve the market for U.S. agricultural products abroad, I would not wish to suggest that, even with such enactment, the road ahead is an easy one. There is perhaps no more difficult problem in the field of trade policy than that of agriculture. It will not be easy to overcome strongly entrenched interests abroad. If we are to be successful, our own policies and actions will have to be as reasonable and restrained as those we expect from others.

### **Conclusion**

Difficult problems lie ahead. Some readjustments in pattern of trade must be expected. These problems, however, can and must be met. While the solutions may not be easy, they are, in my judgment, achievable. In particular, if the President is given adequate legislative authority, further leverage can then be applied to advance

the interests of American agriculture. And in the end American agriculture, along with the rest of the American economy, will benefit from the impetus to growth and expanded economic activity which the Common Market will generate.

### **Goodwill Mission From Dahomey Visits United States**

The Department of State announced on June 8 (press release 374) that a goodwill mission from the Republic of Dahomey would visit the United States June 8-17. The goodwill mission is composed of: Oke Assogba, Minister of State in Charge of the Civil Service (chief of mission); Michel Ahouanmenou, Minister of Educational and Cultural Affairs; Issaka Dangou, Deputy in the National Assembly; and Louis Ignacio-Pinto, Dahomey Ambassador to the United States and the United Nations.

The mission will be in New York June 8-12, meeting with private investors, and in Washington, D.C., June 13-16, where they will call upon the President, the Secretary of State, and other Government officials.

The mission will also visit Georgetown University and has accepted an official invitation for a 2-day visit to Haiti, which will precede a trip to Puerto Rico, June 19-21, where they will observe "Operation Bootstrap," the Puerto Rican economic development program. After Puerto Rico the Dahomean officials will depart for an official visit in Brazil.

### **Trade Agreement Concessions Become Effective July 1**

The Department of State announced on June 7 (press release 369) that appropriate international action has been taken to bring into effect on July 1, 1962, United States schedules of tariff concessions resulting from recently completed negotiations with the European Economic Community and a number of individual countries.

In these reciprocal tariff negotiations the United States obtained concessions for its exports with an estimated 1960 trade value of \$1,575 million and granted concessions on imports similarly estimated at \$1,225.5 million. Most of the concessions will be put into effect in two or three stages, only the first stage becoming effective on July 1.

<sup>3</sup>For text of the President's message to Congress on trade, see *ibid.*, Feb. 12, 1962, p. 231.

Action has been taken to bring into effect the tariff concessions in the United States schedules to the interim bilateral trade agreements concluded on March 7, 1962, with the European Economic Community, the United Kingdom, and Canada; on March 6, 1962, with Japan; on March 5, 1962, with Denmark, Finland, Israel, New Zealand, Norway, Pakistan, Peru, Sweden, and Switzerland; and on June 6, 1962, with Haiti, all of which were negotiated at the 1960-61 tariff conference under the General Agreement on Tariffs and Trade. Action has also been taken to bring into effect on July 1, 1962, the tariff concessions in the United States schedule to the protocol for the accession of Portugal to the General Agreement, which are identical with the concessions in the United States schedule to the interim bilateral agreement concluded with Portugal on March 5, 1962.

A notification has been delivered designed to bring into effect on July 1, 1962, the tariff concessions in the United States schedule to the agreement of March 6, 1962, with Austria, but the entry into force of such concessions is dependent on the ratification of the agreement by the Government of Austria by that date.

Information has been received to the effect that the concessions negotiated with the United States by Peru and Portugal are already in effect and that those negotiated by Denmark, New Zealand, and Sweden will be put into effect on July 1, 1962. It is understood that some other parties to these agreements may also put their concessions into effect on July 1, or shortly thereafter, and that the others will probably be put into effect some time during the fall of 1962 or by the beginning of 1963. Under all the agreements the United States has the right to withdraw its concessions in the event of unreasonable delay by the other parties to the agreements.

An analysis of the concessions exchanged in these interim bilateral agreements, except that with Haiti under which the United States would reduce the duty on vetiver oil from 5 percent to 3 percent ad valorem, was released by the Department of State on March 7, 1962.<sup>1</sup> All of the agreements except those with Haiti and Japan were proclaimed by Proclamation 3468 of April 30, 1962.<sup>2</sup> As was indicated in the White House press release accompanying that proclamation, it is anticipated that a supplementary proclamation relating to

agreements not included in the April 30 proclamation will be issued later this month. Moreover, the proclamation of April 30, 1962, provides that the President shall formally notify the Secretary of the Treasury of the effective dates of the concessions in the United States schedules to these agreements.

The April 30 proclamation also proclaimed compensatory agreements with the Benelux countries, Denmark, Germany, Italy, Japan, and the United Kingdom and provided that the tariff concessions in the United States schedules to those agreements would become effective July 1, 1962, unless the President notified the Secretary of the Treasury of an earlier date. It is still anticipated that the effective date of these concessions will be July 1, 1962.

## **U.S. and Japan To Confer on Exports of Cotton Zipper Tape From Japan**

Press release 370 dated June 8

The Government of the United States has requested the Government of Japan to enter into consultations regarding the export of cotton zipper tape from Japan to the United States. This action has been taken pursuant to paragraph 18 of the United States-Japan bilateral cotton textile agreement.<sup>1</sup>

In the opinion of the Government of the United States, there exists a situation of excessive concentration of Japanese exports in this commodity to the United States to the detriment of the domestic industry. Such imports have risen steadily in recent years and totaled 667,000 pounds in 1961. Paragraph 18 of the agreement authorizes the U.S. Government in a situation of such excessive concentration to ask for consultations with the Government of Japan to determine an appropriate course of action that it is hoped will prevent disruption of the United States market as well as of the Japanese cotton zipper tape industry.

Discussions will commence in the near future in Washington. Pending agreement on further action, the Government of Japan has agreed to hold exports of cotton zipper tape to the United States at 110 percent of the export level of cotton zipper tape during the 12-month period May 1961-April 1962.

<sup>1</sup> For background, see BULLETIN of Apr. 2, 1962, p. 561.

<sup>2</sup> 27 Fed. Reg. 4235.

<sup>1</sup> For text, see BULLETIN of Oct. 2, 1961, p. 572.

## New Act Step Toward Modernization of Tariff Classification System

*Statement by President Kennedy, May 24*

White House press release dated May 25

In signing into law H.R. 10607 I am taking the first step toward the modernization of the U.S. tariff classification system since the Tariff Act of 1930, which was enacted by Congress well before our present concepts of world trade had been established and even before many of the modern materials which play so important a part in free-world commerce had been developed.

The new law, while it will change hundreds of items in our tariff classifications, was designed to have no general effect of either increasing or decreasing the level of U.S. tariffs.

Congress passed H.R. 10607 instead to establish tariff schedules that would be logical in arrangement and terminology, up-to-date in terms of the major present categories of commerce, and without the inconsistencies and anomalies that have crept into classification in the past 30 or more years.

The law embodies over 6 years of effort by the United States Tariff Commission, undertaken in response to the mandate from Congress under title I of the Customs Simplification Act of 1954.

The new tariff schedules will simplify the determination and application of rates of duty. This will benefit not only the importer, and the user of imported goods, but the domestic producer as well, who will have more certain and dependable knowledge of the tariff applying to the types of products he sells or the materials he buys. Finally, it will benefit the United States and other countries of the free world from whom we buy by providing sound and detailed statistics of an accuracy that we have heretofore been unable to achieve.

The new act makes it possible for the United States to respect its trade-agreement obligations by negotiating with other countries over the conversion of their present concessions to the language of the new schedules. The new schedules will not go into effect until the necessary steps in this direction have been taken.

In view of my previous statements concerning the critical importance of strengthening free-

world ties through greater trade, and my proposals for new trade legislation,<sup>1</sup> it should be obvious that today's act, which puts in our hands the technical instruments needed to more effectively administer U.S. tariffs, is a signal accomplishment on the path to our national and international objectives.

### THE CONGRESS

## Mr. Ball Replies to Senator Goldwater on Use of Word "Victory"

Press release 358 dated June 4

*Following is the text of a letter from Under Secretary Ball which was delivered on June 4 to Senator Barry Goldwater.*

JUNE 4, 1962

DEAR SENATOR GOLDWATER: Your statement on the Senate Floor of May 29, 1962 regarding the attitude of the Department of State toward the use of the word "victory" has been called to my attention. Your statement was apparently based on a story appearing in the *Evening Star*.

The language to which you refer was contained in a lengthy compilation of materials prepared in the State Department, intended to summarize the reasons for changes and deletions recommended by the State Department during the last two years in a number of speeches prepared for delivery by military officers.<sup>2</sup> As the *Evening Star* article states, this compilation was transmitted by a letter over my signature to the Special Preparedness Subcommittee of the Senate Armed Services Committee.

The language of the specific summary to which you draw attention was a completely erroneous summary of reasons stated at greater length in a memorandum drafted at the time the particular speech recommendation was made. The relevant portion of that memorandum appears in the following statement which I have submitted this morning to the Preparedness Subcommittee:

<sup>1</sup> For text of the President's message to Congress on trade, see BULLETIN of Feb. 12, 1962, p. 231.

<sup>2</sup> For background, see BULLETIN of Mar. 26, 1962, p. 513.

I should like expressly to answer the recent suggestion that the State Department has sought to discourage the use of the word "victory", and that this reflects an ideological attitude of the Department. This is definitely not the case, as is perfectly evident from excerpts taken at random from speeches made by State Department officials over the last year and a half which I ask your permission, Mr. Chairman, to have inserted in the record of this Committee.

Earlier in the hearings several instances were cited in which the word "victory" was eliminated from speeches of military officers. Our records indicate that in only two of these cases was this elimination recommended by the Department of State.

The reasons why the Department recommended such a change in each of these two cases were summarized in the material submitted to this Committee. In one of the two cases the summary was inartistically worded and gives a quite erroneous impression of the reviewer's intentions. This has resulted in a misunderstanding of the Department's attitude toward the employment of such words as "victory".

The recommended change in language occurred in a speech prepared for delivery on March 3, 1961, by Brigadier General John W. White before the National Security Forum in Columbus, Ohio. So that there will be no further confusion on this question I should like to read into the record the exact language of the explanatory memorandum submitted by the State Department reviewer to the Defense Department at the time this change of language was recommended—which you, Mr. Chairman, as a lawyer will recognize as the "best evidence". The change in question was the substitution of the phrase "defeat of Communist aggression" for the word "victory". The reviewer explained this, among other recommendations, as follows:

"Because this speech concerns predominantly the Cold War we have made several incidental changes of wording to reflect the fact that the Cold War is instigated and promoted by aggressive international communism. We consider that it is necessary to insure this impression throughout because (1) the Administration presently does not wish to give occasion for interpretation by foreign opinion that the U.S. is stimulating the Cold War from its side and, thus, aggravating rather than trying to reduce international tensions, and (2) because sentences could be quoted out-of-context in support of the Soviet propaganda claim that elements of the U.S. military in particular are continuing to whip up the Cold War fever."

As the Committee will note from this statement the recommended change did not reflect any reluctance to speak of "victory", but rather a desire to make clear that the Communist Bloc is responsible for the Cold War and that victory in the Cold War can be achieved only by the defeat of Communist aggression.

I can quite well understand your concern at the implications of the language quoted from the State Department materials. I assure you that that language reflects neither the views of the State Department nor of myself.

I should greatly appreciate it if you would have

this letter inserted in the *Congressional Record* so that the matter may be fully understood.

Sincerely yours,

GEORGE W. BALL

The Honorable  
BARRY GOLDWATER,  
*United States Senate.*

**INTERNATIONAL ORGANIZATIONS  
AND CONFERENCES**

**U.N. Releases Bunker Proposals  
for Settling West New Guinea Problem**

*The United Nations released to news correspondents on May 26 (U.N. Note No. 2600 dated May 25) the text of proposals by Ellsworth Bunker for the settlement of the West New Guinea problem. Mr. Bunker, a former U.S. Ambassador, is acting in a private capacity. These proposals had already been submitted to the Governments of Indonesia and the Netherlands and were referred to in recent appeals by Acting Secretary-General U Thant to the Prime Minister of the Netherlands and to the President of Indonesia. Following is the text of the proposals.*

**PROPOSALS FOR NEGOTIATIONS BETWEEN THE GOVERNMENTS OF INDONESIA AND THE NETHERLANDS**

1. The Governments of Indonesia and the Netherlands would each sign separate agreements or a single agreement which would be presented to the Acting Secretary-General of the United Nations.

2. The Government of the Netherlands would stipulate the transfer of administrative authority over West New Guinea to a temporary executive authority under the Acting Secretary-General of the United Nations at a specified date. The Acting Secretary-General of the United Nations would appoint a mutually acceptable, non-Indonesian administrator who would undertake to administer the territory for a period of not less than one year but not more than two. This administrator would arrange for the termination of Netherlands administration under circumstances that will provide the inhabitants of the territory

the opportunity to exercise freedom of choice in accordance with paragraph 4 below. This administrator would replace top Dutch officials with short-term, one year non-Indonesian and non-Dutch officials hired on a contract basis.

3. The temporary executive authority under the Acting Secretary-General of the United Nations would administer West New Guinea during the first year with the assistance of non-Indonesian and non-Dutch personnel. Beginning the second year the Acting Secretary-General of the United Nations would replace United Nations officials with Indonesian officials, it being understood that by the end of the second year full administrative control would be transferred to Indonesia. United Nations technical assistance personnel will remain in an advisory capacity and to assist in preparation for carrying out the provisions of paragraph 4.

4. Indonesia agrees to make arrangements, with the assistance and participation of the Acting Secretary-General of the United Nations and United Nations personnel, to give the people of the territory the opportunity to exercise freedom of choice not later than \_\_\_\_\_ years after Indonesia has assumed full administrative responsibility for West New Guinea. The Government of the Netherlands would agree to transfer administration in accordance with this proposal on condition that the Government of the Netherlands would receive, as a result of formal negotiations, adequate guarantees for safeguarding the interests, including the right of self-determination, of the Papuans.

5. Indonesia and the Netherlands agree to share the costs of the foregoing.

6. Once this agreement has been signed, the Governments of Indonesia and the Netherlands will resume normal diplomatic relations.

## **Ronald W. Green Named Member of Atlantic Fisheries Commission**

President Kennedy on May 25 (White House press release) announced the appointment of Ronald W. Green to be a member of the International Commission for the Northwest Atlantic Fisheries, vice Francis W. Sargent, resigned.

The Northwest Atlantic Fisheries Convention of 1949 has as its purpose the protection and perpetuation of the fisheries of the Northwest Atlantic

Ocean. The United States, Canada, and 10 European countries are parties to it. It establishes the International Northwest Atlantic Fisheries Commission, which has effectively carried out its functions in collecting and disseminating information for maintaining stocks of fish and in transmitting recommendations for regulatory action.

## **United States Delegations to International Conferences**

### **International Labor Conference**

The Department of State announced on June 5 (press release 361) that the following persons would be the principal U.S. representatives to the 46th session of the International Labor Conference at Geneva June 6-28:<sup>1</sup>

#### **REPRESENTING THE GOVERNMENT OF THE UNITED STATES**

##### *Delegates*

George L. P. Weaver, *chairman*, Assistant Secretary of Labor for International Affairs  
Richard N. Gardner, Deputy Assistant Secretary of State for International Organization Affairs

##### *Substitute Delegate*

John F. Skillman, Special Assistant to the Secretary of Commerce

##### *Congressional Adviser*

Pat McNamara, United States Senate

##### *Secretary of Delegation*

John L. Hagan, Office of International Conferences, Department of State

#### **REPRESENTING EMPLOYERS OF THE UNITED STATES**

##### *Delegate*

Richard Wagner, Chairman of the Board, Chamber of Commerce of the United States, and Chairman of the Executive Committee, Champlin Oil and Refining Co., Chicago, Ill.

#### **REPRESENTING THE WORKERS OF THE UNITED STATES**

##### *Delegate*

Rudolph Faupl, International Representative, International Association of Machinists, Washington, D.C.

The International Labor Conference, which meets yearly, is a forum at which representatives of employers and workers as well as governments of the 102 member countries formulate, through discussion and debate, suggested standards for improvement of working and living conditions.

<sup>1</sup> For names of the advisers to the tripartite U.S. delegation, see Department of State press release 361 dated June 5.

around the world. The International Labor Organization (ILO) also offers technical assistance in the social fields to countries which request it. The delegates representing the employers and the workers vote independently of their governments.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Oil Pollution

International convention for the prevention of pollution of the sea by oil, with annexes. Done at London May 12, 1954. Entered into force July 26, 1958; for the United States December 8, 1961.  
*Acceptance deposited:* Ghana, May 17, 1962.

##### Trade

Protocol for accession of Israel to the General Agreement on Tariffs and Trade. Done at Geneva April 6, 1962. Enters into force on the 30th day following date of acceptance by signature or otherwise by any contracting party, Portugal, or the European Economic Community.<sup>1</sup>  
*Signatures:* Israel (subject to ratification), April 9, 1962; United States, June 1, 1962.

Protocol for accession of Portugal to the General Agreement on Tariffs and Trade. Done at Geneva April 6, 1962. Enters into force on the 30th day following date of acceptance by signature or otherwise by any contracting party, Israel, or the European Economic Community. Enters into force for the United States July 1, 1962.

*Signatures:* Canada and Portugal, April 6, 1962; United States, June 1, 1962.

##### Whaling

International whaling convention and schedule of whaling regulations. Signed at Washington December 2, 1946. Entered into force November 10, 1948. TIAS 1849.  
*Cancellation of notification of withdrawal:* Norway, June 6, 1962.

##### Wheat

International wheat agreement, 1962. Open for signature at Washington April 19 through May 15, 1962.<sup>1</sup>  
*Notification received of undertaking to seek acceptance:* Saudi Arabia, June 6, 1962.

#### BILATERAL

##### Belgium

Agreement relating to the reciprocal waiver of visas and visa fees. Effected by exchange of notes at Brussels May 3 and 23, 1962. Entered into force May 23, 1962.

##### China

Agreement amending the agricultural commodities agreement of April 27, 1962 (TIAS 5010). Effected by ex-

<sup>1</sup> Not in force.

change of notes at Taipei May 25, 1962. Entered into force May 25, 1962.

##### Denmark

Agreement for financing certain educational exchange programs. Effected by exchange of notes at Copenhagen May 28, 1962. Entered into force May 28, 1962. Agreement for financing certain educational exchange programs, as amended. Signed at Copenhagen August 23, 1951. TIAS 2324 and 3501.  
*Terminated:* May 28, 1962 (replaced by agreement of May 28, 1962, *supra*).

##### Ethiopia

Agreement relating to the establishment of a Peace Corps program in Ethiopia. Effected by exchange of notes at Addis Ababa May 23, 1962. Entered into force May 23, 1962.

##### Haiti

Interim agreement relating to the General Agreement on Tariffs and Trade. Signed at Washington June 6, 1962.

##### Korea

Agreement relating to the reciprocal waiver of fees for the issuance of nonimmigrant visas. Effected by exchange of notes at Seoul May 25, 1962. Entered into force May 25, 1962.

##### Venezuela

Agreement relating to the establishment of a Peace Corps program in Venezuela. Effected by exchange of notes at Caracas April 14 and May 28, 1962. Entered into force May 28, 1962.

##### Yugoslavia

Agreement amending the agricultural commodities agreement of April 21, 1962 (TIAS 5008). Effected by exchange of notes at Belgrade May 18, 1962. Entered into force May 18, 1962.

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on May 21 confirmed the nomination of William P. Mahoney to be Ambassador to the Republic of Ghana. (For biographic details, see White House press release dated May 7.)

The Senate on May 25 confirmed the following nominations:

Mrs. Eugenie Anderson to be Minister to Bulgaria. (For biographic details, see Department of State press release 341 dated May 29.)

Lucius D. Battle to be an Assistant Secretary of State. (For biographic details, see Department of State press release 362 dated June 5.)

Seymour M. Peyser to be Assistant Administrator for Development Financing, Agency for International Development. (For biographic details, see White House press release dated May 8.)

The Senate on June 7 confirmed the following nominations:

William C. Battle to be Ambassador to Australia. (For

biographic details, see Department of State press release 387 dated June 13.)

Wymerley DeR. Coerr to be Ambassador to Uruguay. (For biographic details, see White House press release dated May 8.)

Adm. Alan G. Kirk, U.S. Navy, retired, to be Ambassador to China. (For biographic details, see Department of State press release 389 dated June 14.)

## Designations

Norris S. Haselton as Inspector General, Foreign Service Inspection Corps, effective June 1.

Allen B. Moreland as Director of the Visa Office, effective June 1. (For biographic details, see Department of State press release 364 dated June 6.)

George Allen Morgan as Director of the Foreign Service Institute. (For biographic details, see Department of State press release 349 dated June 1.)

Seymour J. Rubin as permanent U.S. Representative to the Development Assistance Committee in Paris, effective June 4. Mr. Rubin also will serve as Deputy for Development Assistance Affairs to the U.S. Representative to the Organization for Economic Cooperation and Development. (For biographic details, see White House press release dated June 4.)

J. Robert Schaezel as Deputy Assistant Secretary for Atlantic Affairs.<sup>1</sup>

## Appointments

Andre C. Simonpietri as science attaché at Rio de Janeiro, Brazil, effective June 4. (For biographic details, see Department of State press release 354 dated June 4.)

## PUBLICATIONS

### Department Publishes Foreign Relations Volume on American Republics for 1942

Press release 373 dated June 8, for release June 23

The Department of State released on June 23 *Foreign Relations of the United States, 1942, Volume V, The American Republics*.

This publication is one of two volumes on relations with the American Republics in 1942 in the Department's series of annual *Foreign Relations* volumes. The other volume, Volume VI, is still in process of preparation. Volume V contains the documentation on general, multi-lateral relations with the American Republics and also sections on bilateral relations with Argentina, Bolivia, and Brazil. Volume VI will cover bilateral relations with the other American Republics in 1942.

<sup>1</sup> For a Department announcement of the creation of this new post, see BULLETIN of Apr. 23, 1962, p. 673.

The subjects documented in this volume relate in general to efforts to secure cooperation within the Western Hemisphere in the war against the Axis Powers, and especially to efforts to eliminate Axis influence in Latin American countries.

Copies of *Foreign Relations of the United States, Volume V, The American Republics* (vi, 838 pp.) may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington 25, D.C., for \$3.00 each.

### Check List of Department of State Press Releases: June 4-10

Press releases may be obtained from the Office of News, Department of State, Washington 25, D.C.

Releases appearing in this issue of the BULLETIN which were issued prior to June 4 are Nos. 337 of May 25, 340 of May 28, and 351 and 352 of June 1.

No.	Date	Subject
*354	6/4	Simonpietri sworn in as science attaché, Rio de Janeiro (biographic details).
†355	6/4	Galbraith: "Economic Development: Rival Systems and Comparative Advantage."
*356	6/4	Revised program for visit of President of Cyprus.
*357	6/4	U.S. participation in international conferences.
358	6/4	Ball: letter to Senator Goldwater on use of word "victory."
359	6/5	Coppock: "Trade Policy Choices Facing the United States."
*360	6/5	Uruguayan congressmen visit U.S.
361	6/5	Delegation to International Labor Conference (rewrite).
*362	6/5	Battle sworn in as Assistant Secretary for Educational and Cultural Affairs (biographic details).
*363	6/6	Harriman: Press Club of Cleveland (excerpts).
*364	6/6	Moreland designated Director of Visa Office (biographic details).
365	6/6	Kennedy: letter to President of Venezuela.
*366	6/7	Koenig designated dean, School of Foreign Affairs, FSI (biographic details).
†367	6/7	Rostow: "Ideas and Actions."
†368	6/7	Rowan: "Splendid Slaves and Reasoning Savages."
369	6/7	Trade agreement concessions effective July 1 (rewrite).
370	6/8	U.S. and Japan to confer on cotton zipper tape.
371	6/8	McGhee: Senior Seminar in Foreign Policy, FSI.
†372	6/8	Morgan: "Development and Crisis."
373	6/8	<i>Foreign Relations</i> volume on American Republics, 1942.
374	6/8	Mission from Dahomey visits U.S.
*375	6/8	Program for visit of President of Panama.
†376	6/8	Battle: "Cultural and Educational Affairs in International Relations."
†380	6/10	Rusk to speak at FSI seminar.

\*Not printed.

†Filed for a later issue of the BULLETIN.





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