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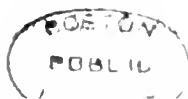
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# North Atlantic Council Holds Ministerial Meeting at Paris

*The North Atlantic Council held its regular ministerial meeting at Paris December 15-17. Following are texts of a statement made by Secretary Rusk upon his arrival at Paris on December 13 and a communique issued on December 17, together with a list of the members of the U.S. delegation.*

## **STATEMENT BY SECRETARY RUSK, PARIS, DECEMBER 13**

It's always a pleasure to be in Paris.

The meeting of the NATO ministers, which will begin next Tuesday, is the 34th such meeting which has occurred since the beginning of NATO 15 years ago. We expect this to be, as usual, an important opportunity to talk about our common interests in the light of the changing world situation.

Some of you gentlemen in the press write from time to time about what is called the disarray in NATO. But let me point out that the very success of NATO, in meeting its primary purpose, has apparently afforded us the luxury

of being able to differ about secondary matters.

As far as the United States is concerned, our recent election confirms that we shall continue on a steady bipartisan course which we have followed since World War II. And that means full commitment to the security of the NATO area and full insistence upon the rights and the obligations which become ours as the result of World War II.

It's a very great pleasure to be here.

## **TEXT OF COMMUNIQUE**

Press release 523 dated December 18, revised

1. The North Atlantic Council met in Ministerial Session in Paris on December 15, 16 and 17, 1964.

2. The Ministers surveyed the whole field of East-West relations. The basic causes of tension still persist, and will persist as long as it remains the aim of the Communist countries to extend their system to the whole world. The Ministers noted that recent developments in China and the Soviet Union have increased the uncertainties with which the world is faced.

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## **DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1332 PUBLICATION 7801 JANUARY 4, 1965**

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ment, 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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They reiterated their conviction that it remained essential for the Alliance to maintain and strengthen its unity.

3. The Ministers also reviewed the situation in various areas in Asia, Africa and Latin America. They reaffirmed their interest in the stability of these areas and in the economic and social welfare of the peoples concerned.

4. In their discussions on the state and future progress of the Alliance, the Ministers emphasized the importance of strengthening and deepening their political consultation. Recognizing the challenges that may face the organization in the years ahead, they directed the Council in permanent session to study the state of the Alliance and the purposes and objectives commonly accepted by all members, and to keep the Ministers informed.

5. The Ministers reaffirmed their determination to continue their efforts to find a peaceful solution to the questions at issue between East and West. In particular, they continue to attach great importance to making progress towards meeting the legitimate aspirations of the German people to reunification on the basis of their right to self-determination. In regard to Berlin, the Ministers confirmed the terms of their declaration of 16th December 1958.<sup>1</sup>

6. The Ministers expressed their conviction that the unity and military preparedness of the Alliance had safeguarded peace and preserved the freedom of the West in the past. So long as general and complete disarmament under effective international control has not been achieved, any weakening of the Allied defensive posture would expose the Alliance to increased pressures. The Ministers therefore stressed the importance of maintaining the cohesion of the member states in the strategic as well as the political field. Only a military structure demonstrably capable of swift and vigorous reaction to any aggression can meet the threat. To maintain such a structure, involving as it does a continuous adaptation to changing requirements, necessitates a persistent effort to improve the readiness, state of training, and equipment of the forces of the Alliance. It further requires a sound economic basis for the defense

effort and the most rational use of available resources.

7. The Ministers also confirmed their determination to continue their efforts to arrive at agreements in the field of disarmament. In this connection, they stressed the importance of avoiding the dissemination of nuclear weapons.

8. The Ministers examined the problems confronting the Alliance in the field of conventional and nuclear weapons. A thorough exchange of views on these problems took place and will be continued.

9. The Ministers took note of developments in the studies of the inter-related questions of strategy, force requirements and resources, initiated in pursuance of the decisions taken at their meeting in Ottawa in May 1963.<sup>2</sup> They reaffirmed the significance they attached to these studies and instructed the Council in permanent session to continue them with the assistance of the NATO military authorities.

10. The Ministers also considered the special military and economic problems of Greece and Turkey. They reaffirmed the need for accelerating the economic development of these two Allied countries, and for an effort to strengthen the defense of the Southeastern region of NATO. They instructed the Council in permanent session to continue to examine these questions urgently.

11. In the spirit of previous resolutions on defense aid to Greece in 1963 and 1964, the Ministers established a procedure aimed at contributing to the solution of the special defense problems of Greece and Turkey in 1965.

12. With regard to Greek-Turkish relations, the Ministers heard a report by the Secretary General on the "watching brief" conferred on his predecessor at The Hague in May 1964.<sup>3</sup> In an effort to improve these relations and in the interests of the solidarity of the Alliance, they agreed that this "watching brief" should continue. They reaffirmed their determination to lose no opportunity of contributing to a reduction in tension and a peaceful, agreed and equitable solution of the problem of Cyprus, confirming also their support for the efforts of the United Nations and the mediator.

<sup>1</sup> For text, see BULLETIN of Jan. 5, 1959, p. 4.

<sup>2</sup> *Ibid.*, June 10, 1963, p. 895.

<sup>3</sup> *Ibid.*, June 1, 1964, p. 852.

13. The Ministers considered a report on civil emergency planning. They reaffirmed the importance of such planning within the context of overall defense, noting the progress which had been achieved and the work which remained to be done.

14. The next meeting of the North Atlantic Council at the Ministerial level will be held on the invitation of the United Kingdom Government in London in May 1965.

## U.S. DELEGATION

The Department of State announced on December 11 (press release 519) that the following would be the members of the U.S. delegation to the 34th ministerial meeting of the North Atlantic Council at Paris December 15-17:

### *United States Representatives*

Dean Rusk, *chairman*, Secretary of State  
Douglas Dillon, Secretary of the Treasury  
Robert S. McNamara, Secretary of Defense

### *United States Representative on the North Atlantic Council*

Thomas K. Finletter

### *Advisers*

John W. Auchincloss, Deputy Director, Office of Political Affairs, U.S. Mission to the North Atlantic Treaty Organization and European Regional Organizations, Paris  
Charles E. Bohlen, U.S. Ambassador to France  
Robert Carswell, Special Assistant to the Secretary of the Treasury  
Dixon Donnelley, Assistant to the Secretary of the Treasury  
Elbridge Durbrow, Deputy U.S. Representative on the North Atlantic Council  
Philip J. Farley, Director, Office of Political Affairs, U.S. Mission to the North Atlantic Treaty Organization and European Regional Organizations, Paris  
Brig. Gen. Jaroslav T. Folda, USA, Director, European Region, Office of the Assistant Secretary of Defense for International Security Affairs  
Robbins P. Gilman, Special Assistant to the Director, Office of Atlantic Political and Military Affairs, Department of State  
James L. Greenfield, Assistant Secretary of State for Public Affairs  
John A. Hooper, Defense Adviser and Defense Representative, U.S. Mission to the North Atlantic Treaty Organization and European Regional Organizations, Paris

Robert H. Kranich, Office of Atlantic Political and Military Affairs, Department of State  
Ernest K. Lindley, Special Assistant to the Secretary of State  
Edward S. Little, Special Assistant to the Secretary of State  
David H. McKillop, Director, Office of Western European Affairs, Department of State  
John T. McNaughton, Assistant Secretary of Defense for International Security Affairs  
David H. Popper, *deputy coordinator*, Director, Office of Atlantic Political and Military Affairs, Department of State  
Henry S. Rowen, Deputy Assistant Secretary of Defense for International Security Affairs  
J. Robert Schaetzel, *coordinator*, Deputy Assistant Secretary of State for European Affairs  
Gen. Dean C. Strother, USAF, U.S. Representative to the NATO Military Committee and Standing Group  
Charles A. Sullivan, Special Assistant to the Secretary of the Treasury  
Arthur Sylvester, Assistant Secretary of Defense for Public Affairs  
Frank D. Taylor, Office of German Affairs, Department of State  
Llewellyn E. Thompson, Ambassador at Large, Department of State  
William R. Tyler, Assistant Secretary of State for European Affairs  
George S. Vest, Office of Atlantic Political and Military Affairs, Department of State  
Gen. Earle G. Wheeler, USA, Chairman, Joint Chiefs of Staff

### *Secretary of Delegation*

John C. Fuess, Deputy Director, Office of International Conferences, Department of State

## Letters of Credence

The following newly appointed ambassadors presented their credentials to President Johnson on December 15:

Ricardo Arias Espinosa of Panama,  
Moussa Leo Keita of the Republic of Mali,  
Hyun Chul Kim of Korea,  
Gustavo Larrea Cordova of Ecuador,  
Othman Sharif of the United Republic of Tanzania,  
Hosea J. Soko of the Republic of Zambia,  
and  
Tran Thien Khiem of Viet-Nam.



## U.S. Plans New Sea-Level Canal and New Treaty on Existing Canal

*Statement by President Johnson*<sup>1</sup>

This Government has completed an intensive review of policy toward the present and the future of the Panama Canal. On the basis of this review I have reached two decisions.

First, I have decided that the United States should press forward with Panama and other interested governments in plans and preparations for a sea-level canal in this area.

Second, I have decided to propose to the Government of Panama the negotiation of an entirely new treaty on the existing Panama Canal.

These decisions reflect the unanimous judgment of the Secretary of State, the Secretary of Defense, the Joint Chiefs of Staff. They are based on the recommendations of Ambassador Robert Anderson, Secretary [of the Army] Stephen Ailes, Secretary Thomas Mann [Assistant Secretary of State for Inter-American Affairs], and our Ambassador in Panama, Ambassador Jack Vaughn. They have the full support of Mr. Truman and General Eisenhower. They have been reported to, and in most instances sympathetically received by, the leadership of the Congress.

These two steps, I think, are needed now—needed for the protection and the promotion of peaceful trade—for the welfare of the hemisphere—in the true interests of the United States—and in fairness and justice to all.

For 50 years the Panama Canal has carried ships of all nations in peaceful trade between the two great oceans—on terms of entire equality and at no profit to this country. The canal has also served the cause of peace and freedom in

two world wars. It has brought great economic contributions to Panama. For the rest of its life the canal will continue to serve trade, and peace, and the people of Panama.

But that life is now limited. The canal is growing old, and so are the treaties for its management, which go back to 1903.

The Panama Canal, with its limiting locks and channels, will soon be inadequate to the needs of our world commerce. Already more than 300 ships built or building are too big to go through with full loads. Many of them—like our own modern aircraft carriers—cannot even go through at all.

So I think it is time to plan in earnest for a sea-level canal. Such a canal will be more modern, more economical, and will be far easier to defend. It will be free of complex, costly, vulnerable locks and seaways. It will serve the future as the Panama Canal we know has served the past and the present.

The Congress has already authorized \$17 million for studies of possible sites and of the other practical problems of a sea-level canal. There seem to be four possible routes—two in Panama, one in Colombia, and one which goes through Nicaragua and possibly Costa Rica as well.

I have asked the Secretary of State to begin discussions immediately with all the governments concerned with these possible new routes. In these discussions we will be prepared to work on the terms and the conditions of building and operating a new canal, and if preliminary arrangements can be reached, we will be ready to go ahead with selected site surveys.

Last January there was violence in Pana-

<sup>1</sup>Made on Dec. 18 (White House press release; as-delivered text).

ma.<sup>2</sup> As I said then, “. . . violence is never justified and is never a basis for talks.”<sup>3</sup>

But while the people of the United States have never made concessions to force, they have always supported fair play and full respect for the rights of others. So from the very first day, as your President, I made it clear that we were ready to sit down and to seek answers, to reason together, and to try to find the answers that would be just, fair, and right, without precondition or without precommitment on either side.

On that basis, relations between our two countries — negotiations — were resumed in April,<sup>4</sup> and on that basis I chose Mr. Robert Anderson, the distinguished former Secretary of the Treasury under President Eisenhower, to be my special ambassador on this problem. Since then Ambassador Anderson has been working with the American Ambassador, Mr. Vaughn, with the Secretary of the Army, Mr. Ailes, and with Secretary Mann of the State Department. They have recommended that we should propose a new treaty for the existing canal. After careful review with my senior advisers, I have accepted this recommendation.

Today we have informed the Government of Panama that we are ready to negotiate a new treaty. In such a treaty we must retain the rights which are necessary for the effective operation and the protection of the canal and the administration of the areas that are necessary for these purposes. Such a treaty would replace the treaty of 1903 and its amendments. It should recognize the sovereignty of Panama. It should provide for its own termination when a sea-level canal comes into operation. It should provide for effective discharge of our common responsibilities for hemispheric defense. Until a new agreement is reached, of course, the present treaties will remain in effect.

In these new proposals we will take every possible step to deal fairly and helpfully with the citizens of both Panama and the United States who have served so faithfully through the years in operating and maintaining the canal.

<sup>2</sup> For background, see BULLETIN of Feb. 3, 1964, p. 152.

<sup>3</sup> *Ibid.*, Feb. 10, 1964, p. 195.

<sup>4</sup> *Ibid.*, Apr. 27, 1964, p. 655.

These changes are necessary not because of failure but because of success; not because of backwardness but because of progress. The age before us is an age of larger, faster ships. It is an age of friendly partnership among the nations concerned with the traffic between the oceans. This new age requires new arrangements.

The strength of our American system is that we have always tried to understand and meet the needs of the future. We have been at our best when we have been both bold and prudent in moving forward. The planning of a new canal and the negotiation of a new treaty are just such bold and prudent steps. So let us today in friendship take them together.

## U.S.-Cambodian Talks End Without Agreement

### *Department Statement*<sup>1</sup>

The United States-Cambodian talks which began in New Delhi on December 8<sup>2</sup> ended today without agreement on major differences. Ambassador Philip W. Bonsal, leader of the U.S. delegation, issued the following statement in New Delhi earlier today:

“In view of the deterioration in Cambodian-United States relations, the United States proposed these talks with the primary object of leaving no stone unturned to ensure that the Royal Cambodian Government understood the position of the United States. This much has been accomplished. It was also our hope to find means to bring about an improvement in relations between us. The Cambodian Government has put forward a number of proposals which will require considerable study by my Government. Accordingly, the U.S. delegation is returning to Washington to report.”

<sup>1</sup> Read to news correspondents on Dec. 17 by Marshall Wright, Deputy Director of the Office of News.

<sup>2</sup> For background, see BULLETIN of Dec. 14, 1964, p. 856.

# The Evolution of Rising Responsibility

by Harlan Cleveland

Assistant Secretary for International Organization Affairs<sup>1</sup>

Somewhere in his writings Ralph Waldo Emerson advised young people to be very careful about what they really wanted for themselves, as they are more than likely to achieve it.

As the U.N. stands on the threshold of a 20th birthday called International Cooperation Year, every member of the United Nations will do well to think hard about what kind of U.N. we want, for that is what we are likely to achieve.

The Year of International Cooperation opens at a moment of political drama and constitutional crisis. I do not propose to detain you with yet another description of the tangled and fascinating issue that has grown up around article 19 of the U.N. Charter.<sup>2</sup> The issue is essentially whether the Assembly will hang on to its power to tax the membership for the costs of maintaining a peace which is in every member's interest. One way or another, I hope and believe this parliament of the world's peoples will defend the powers it has—as every parliamentary institution in the long history of free institutions has had to do from time to time to stay in business at all.

But for the purposes of our discussion this afternoon, I would like to assume that the U.N.'s broad membership will work out a way to clear up its debts and start afresh. The

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<sup>1</sup> Address made before the United Nations Association of the United States of America at New York, N.Y., on Dec. 13 (U.S./U.N. press release 4480 dated Dec. 12).

<sup>2</sup> For background on the question of U.N. financing, see BULLETIN of Nov. 9, 1964, p. 681; Dec. 7, 1964, p. 826; and Dec. 21, 1964, p. 891.

19th General Assembly, now in a state of suspended animation and animated suspense, has much important work to do. The U.N. system as a whole has opportunities to serve mankind which are limited only by the capacity of its members to work together and keep on working together.

## Revolution of Rising Expectations

We can see the danger to our working together in many walls and barriers—walls of brick and steel, and walls of paper which limit the flow of people and goods for the benefit of all.

And we can see danger most clearly these days in the loosening of civilized restraints on international behavior.

The ugly book burnings in Europe a generation ago are matched now by the burning of books as a political instrument.<sup>3</sup> When responsible governments organize or permit mobs in their own streets to attack foreign embassies, we are witnessing not just the breakdown of diplomatic niceties but an uglier process in which racial and national passions break through the fragile crust of civilization itself.

Almost 15 years ago, when I was working for Paul Hoffman in the Marshall Plan, I had to substitute for him in making a speech at Colgate University. Remembering Edmund Burke's famous commentary on the turbulence of his time, I called this speech "Reflections on

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<sup>3</sup> For a statement of Dec. 9 by Secretary Rusk, see *ibid.*, Dec. 28, 1964, p. 905.

the Revolution of Rising Expectations." The phrase has since been attributed to nearly every literate American of our time, but I think this was the first time that phrase saw the light of day.

In the decade and a half since then, the revolution of rising expectations has swept across the colonial world and doubled the count of national sovereignties. Men and women who 15 years ago were students or revolutionaries, or both, are today in charge of their countries' governments—or have already given way to younger students and more effective revolutionaries.

The aspirations that have risen so fast were well described in the Charter of the United Nations as "better standards of life in larger freedom." How the passions of our time have been aroused by passionate versions of that sober and balanced phrase!

It is surely time, as Pope Paul said this week, to "raise a dike" against the passions of men, for they threaten to swallow up in passionate indignities the natural dignity of individual men and women on the perverted theory that individuals belong to the state, rather than vice versa.

Nationhood is heady stuff. Every nation, and every national leader, can be expected to over-indulge once in a while. But continued over-indulgence in nationalist emotion can lead to much senseless killing and to the death of common sense itself.

The question about our world, and the question about the U.N. in this International Cooperation Year, is this: Can we all graduate fast enough from the "revolution of rising expectations" to the "evolution of rising responsibility"?

The need for a rising standard of responsibility is most evident in the U.N., because the U.N. is a magnified mirror of the tensions and dilemmas of the world at large. I cannot even mention here all the divisions in our divided world, East and West, North and South, political and economic and philosophical too. But as we look ahead to the U.N.'s next 20 years, four kinds of issues stand out as most likely to threaten the peace—because they threaten to unstick the glue that holds the world community together.

One of these issues is the proliferation of nuclear weapons. Another is the growing practice of unsolicited intervention by nations in each other's internal affairs. A third problem is how the international community does something effective about internal human rights. And there is, finally, a constitutional question about the organization of the U.N. itself.

### **Problem of Proliferation of Nuclear Weapons**

First, then, on the problem of nuclear weapons:

The world is face to face now with a disturbing trauma. Advanced science has made the instruments of murder and destruction so efficient that there is no alternative to peace. The nuclear powers have learned, or are learning, that their inconceivable power could only be used in the presence of almost inconceivable provocation.

And now the prospect is that within the next few years half a dozen countries, or perhaps as many as 10 or 12, could readily develop their own nuclear weapons. They have the scientists, the industry, the imagination, and the will to do the job.

Nobody thinks this would make any sense. But it could happen. And the reason that it could happen is that there is no agreed machinery for making it unnecessary.

Ever since we offered to give our atomic weapons to the U.N. under the Baruch plan, the United States has been looking for an agreed way to prevent the spread of these weapons around the world. There has been a little progress—a ban on tests in the atmosphere, a U.N. resolution against putting bombs in orbit, a "hot line" to reduce the danger of war by accident or miscalculation. We will keep on working at disarmament, which is always more important than it is discouraging. But meanwhile something can surely be done to prevent a rapid decline in the prospects for any general disarmament at all.

That something is to get agreement that no further nations will develop their nuclear weapons capabilities. For in a world already oversupplied with destructive capacity, both the ease and the madness of further proliferation are evident to every person that studies the mat-

ter with thoughtful attention.

That the Chinese Communists poured resources and talent into building a bomb is sad and, in the long run, is very dangerous. But the worst thing about the Chinese action is that it is contagious. Peiping's neighbors, and Peiping's adversaries in world politics, can hardly be expected to watch another nuclear power develop nearby without thinking hard about what this means for their own security. The world community must either stop the further growth of nuclear weaponry altogether—which is what we have been trying to do in the Geneva disarmament talks—or it must somehow give assurances to the nonnuclear countries against domination by those nations that can make and deliver wholesale destruction.

The debate on the nonproliferation of nuclear weapons will doubtless be used by many nations this year for their own purposes. But beyond the sounds of Assembly debate, there are the silent prayers of men and women who don't understand very much about nuclear energy but know only that they do not want their homes destroyed, their children burned alive, and their hopes snuffed out by the miscalculated rivalries of their political leaders. Here, in truth, is a problem for all the world—and all the world had better start treating it with the urgency it deserves.

### **The Ethics of Intervention**

For the moment, we are all precariously protected from the largest war by the nuclear confrontation called mutual deterrence. But the alternative to world war is unhappily not necessarily world peace. It can be a world full of small wars and near wars.

Here we have made some real progress in limiting the kinds of warfare that killed so many people and occupied so many citizens in times gone by. Nearly all nations have come to believe now that it is unfashionable to raise a flag, roll the drums, and march across an international frontier onto the territory of another nation. Looking back on the story of man from the beginning of things, the outlawing of formal, advertised aggression is no mean accomplishment. There are plenty of boundary disputes left in the world—49 of them, if the

State Department's researches are up to date. But there is a presumption against overt military operations in somebody else's country, and that is one up for the progress of civilization.

But the very fact that formal invasions are unfashionable has led to a new practice: the more or less hidden intervention by nations in the internal politics of their neighbors. Most of the fighting and killing that goes on in Asia, in Africa, and in Latin America can be traced to outside interventions designed to overthrow governments by violent means.

In Asia, Africa, and Latin America nearly every country wants and needs the help of outsiders in achieving those "better standards of life in larger freedom" which are the goal of their rising expectations and the promise of their political independence. So outsiders are bound to be involved to some extent in their international affairs. The question therefore is: Under what restraints will the outsiders operate on the inside?

Over the years, more through the practice of nations than teachings of scholars, we have developed a rough-and-ready ethic to guide this widespread practice of mutual involvement.

Where the legitimate government, the constituted authorities of a nation, asked for outside help as a sovereign act, an expression of their own independence, then the involvement of outsiders is all right. But where outsiders come in, without the permission of the national government, to help dissident insiders in an internal struggle for power, that is not all right; it is all wrong.

It is not an easy line to draw. The principle that outsiders should be invited, not crash the party, is far from an infallible guide to good conduct. Invitations can be forged, and the government officials who issue them can be bribed or seduced. But still, the principle of permission is the best ethic mankind has yet developed to prevent a reversion to imperialism and foreign domination.

This is, in a nutshell, the issue in the current Congo affairs. The hostages were removed by permission of the Congo's legitimate government. The Stanleyville rebels are being aided without any such permission.

Yet it is, surely, in the interest of the inde-

pendent and developing Africa to have some rules that prevent intervention.

If the principle is established that the outsiders, not the insiders, decide when intervention is right, the fragile fabric of nationhood will come apart at the seams in dozens of nations in Africa and elsewhere. Every nation has its dissidents, its internal struggle for power, its internal arguments about who should be in charge and how the country should be run. But if every internal rivalry is to become a Spanish Civil War, with each faction drawing in other Africans and great powers from other continents, the history of independent Africa in this century will be bloody and shameful and the aspirations of Africa's wonderful peoples will be cruelly postponed into the 21st century. This is why we supported the U.N. Operation in the Congo and were sorry that it had to be withdrawn, its mission incomplete, because of the U.N.'s financial difficulties. And that is why we oppose, and must continue to oppose, foreign intervention in the Congo.

### **Promoting Individual Human Rights**

The moment will come, I hope and believe, when the third great issue of the U.N.'s next 20 years is how—and indeed whether—to bring to life the human rights provision of the charter.

It is not yet clear that the national leaders in the world, either in the large countries or in the small ones, really mean to promote (as they have agreed in article 55 of the charter to promote) the "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion." Nor is it clear that the governments of the members of the U.N. intend to take (as article 56 enjoins us to take) "joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55."

The words I have just quoted from the U.N. Charter are not very familiar ground to most Americans—or to the citizens of other countries, either. The reason is simple: They are the underdeveloped area of the charter.

Part of the trouble, I suppose, is a confusion between nationhood and freedom. Self-determination, that noble goal which brought a bil-

lion people out from under foreign rule, was sometimes a racial as well as a national battle-cry. Too often in the modern nationalist revolution—let us say it with all honesty—the promise of freedom was a promise of "separate but equal" status in the world.

Thus the leaders of most nations were perfectly clear that they wanted a U.N. to protect the achievement of nationhood by pressing for the self-determination of groups and peoples. But there is a good deal of uncertainty as to how far we—and our fellow members—want the U.N. to go in criticizing and correcting the ethical delinquencies of peoples once they have declared their national independence.

It is this uncertainty, this confusion between nationhood and freedom, this feeling that national and racial and ethnic groups, not individual men, women, and children, should be the beneficiaries of the continuing struggle for freedom, which in the longer run may prove to be the most divisive and troublesome threat to a viable world organization. Yet if the central question about freedom is man's humanity to man, the U.N.'s relevance to our future will partly rest on what it does, or neglects to do, about individual human rights.

### **The International "Apportionment" Issue**

While the General Assembly is sorting out the ethics of nuclear weapons, nonnuclear intervention, and international attention to human rights, a great constitutional issue will be increasingly discussed in the corridors of the U.N. and the chancelleries of the world. We might call it the international apportionment issue, because this word "apportionment" has come to mean something to Americans through the actions of our own Supreme Court and our own State legislatures in recent months.

And indeed, the constitutional issues that now face the U.N. are not so different from those which almost tore our own Constitutional Convention apart, in Philadelphia, nearly two centuries ago. There the problem was how to reconcile the sovereign equality of States in an infant nation with the fact that some of the States were very small and others were very large.

Here in the United Nations, today, there are

two clearly discernible facts which nobody disputes but which are not easy to combine into one political system: on the one hand, the sovereign equality of nations, an immutable principle of the charter; on the other hand, the uneven distribution of real power and real resources in the real world. Somehow the small number of large and powerful countries must come to terms with the sovereign equality of nations. And somehow the small-country majority in the United Nations must come to terms with the minority of nations that make the U.N. not a debating society but an action agency for peace.

The issue comes up in all sorts of ways. One day it's an argument about how the new U.N. trade institutions will be set up—whether there will be voting by an automatic majority, or a conciliation procedure by which the developing countries and the industrialized countries try to persuade each other to change their own economic and commercial policies.

On another day it may be a budget argument; recently, in one specialized agency, a budget was voted by a large majority of votes which, however, represented less than 30 percent of the funds that had to be raised to make the budget a reality.

But the most striking example of this constitutional issue is the Soviet claim that all peacekeeping matters should be handled solely in the Security Council. I think it's fair to say that no non-Communist country in the world agrees with this extreme position. Peacekeeping is the U.N.'s most important function, and it is clear that the membership at large intends to have something to do with the function.

But on the other hand, the command and control of U.N. peacekeeping operations must provide an adequate voice for those nations which provide the troops and the airlift and the money to carry out U.N. decisions.

So we're going to have to work out a compromise somewhere in the mainstream between the view that wants to give the peacekeeping monopoly to the Security Council and the view that wants the General Assembly to be the main reliance of a turbulent world. I think that we will sooner or later find a middle way. Because there is no alternative to peace there is also no alternative to workable peacekeeping

machinery in this fragile and dangerous world.

There are many ways in which the Security Council and the General Assembly can share the responsibility for keeping the peace. The search for the best way—that is to say, the way that can work in practice, however messy it may look in theory—may be the most important single thing going on in the U.N. during International Cooperation Year 1965.

### **A World of Diversity**

These four great issues—the spread of nuclear weapons, the ethics of intervention, the dilemma of human rights, and the reconciliation of resources with representation in the U.N.'s system—these are, it seems to me, major issues visibly ahead of us in U.N. affairs. As we grow beyond the revolution of rising expectations toward the evolution of rising responsibility, you and I, as Americans, have to face these complex and difficult issues squarely. For on their outcome depends the success or failure of the primary aim of American foreign policy—to help create a world safe for diversity.

This vision of a world of cultural pluralism, of independent nations following their own historical bent, diverse in social systems, economic orders, and political creeds—participating nonetheless in mutual enterprise based on consent, constructing by stages a new system of world order based on common interest, defending the human rights of individual men and women and children—this vision is anything but visionary.

What *is* visionary—because it cannot come to pass—is the Communist conception of a monolithic one-world suffocated by a universal dogma, impossibly boring in its bureaucratic uniformity and its predetermined history, implacably stifling to gay and colorful variety and the natural dignity of individual human beings, implausibly operating under a plutocratic elite that calls itself, of all things, the party of the masses.

The vision of a world safe for diversity is the sounder conception, the more practical goal, the more realistic prospect, as the record of recent years makes wholly clear.

That is why those nations which do not yet have free institutions—in which men and

women are not yet accorded the right of life, liberty, and the pursuit of happiness—can look forward to a mighty turbulent time until they do. And that is why, on the other side of an increasingly porous Iron Curtain, the once monolithic Communist bloc is in political disarray—and philosophical ferment as well.

Indeed, the old fixation that there is something somehow immutable and irreversible about communism has gone the way of other delusions, a casualty of that simple, irresistible idea that all men are equal by reason of their natural dignity.

There is nothing inevitable about our future. The real world has little room, and less patience, for the Communists' claim they are bound to succeed, or for tired and discouraged voices who say we are bound to fail. We who believe in human dignity have hold of a hard reality. We can see the realism of saying a cheerful yes to a world of diversity—and the plain necessity to make common cause with others in the United Nations to save that world from poverty, conformity, and war.

This task, which is the task of peace, the President recently called "the assignment of the century."<sup>4</sup> To show they want to get on with this task, the American people have just voted him the mandate of the century.

## **President Congratulates Italian People on Launching of Satellite**

*Statement by President Johnson*

White House press release dated December 16

A significant milestone in cooperative international space efforts was achieved yesterday [December 15] with the successful launching of the Italian San Marco satellite.

This marks the first time a launch crew of any nation other than the United States or the Soviet Union has put its own scientific payload into orbit.

My congratulations to the Italian people for

<sup>4</sup> *Ibid.*, Oct. 19, 1964, p. 555.

their initiative and perseverance in the San Marco Project. It is a source of particular satisfaction to me that I participated in the signing of the Italian-American agreement<sup>1</sup> for this project in Rome in 1962.

I look forward to continued success in the next phase of the San Marco Project, when the Italian Space Commission will attempt the difficult operation of launching a similar satellite from an ocean platform near the Equator.

## **Industrial Research Leaders Return From Soviet Union**

### **WHITE HOUSE ANNOUNCEMENT**

White House press release dated December 15

The President met on December 15 with his Special Assistant for Science and Technology, Donald F. Hornig, and a delegation of industrial research leaders who had accompanied Dr. Hornig to the Soviet Union [November 5–19]. In addition to Dr. Hornig the group included E. R. Piore, vice president for research and engineering, International Business Machines Corp.; James B. Fisk, president, Bell Telephone Laboratories; Robert L. Hershey, vice president, E. I. duPont de Nemours & Co.; J. Herbert Hollomon, Assistant Secretary of Commerce for Science and Technology; and Irwin M. Tobin, a Foreign Service officer presently with the Office of Science and Technology.

Dr. Hornig and members of his party reported to the President on their discussions with K. N. Rudnev, Soviet Vice Premier; M. V. Keldysh, president of the Soviet Academy of Sciences; and other Soviet leaders. They described to him their visits to factories, engineering design institutes, and laboratories in the chemical and electronics industries in Moscow, Leningrad, Novosibirsk (the leading industrial and scientific center of Siberia), and other cities.

The President discussed with the group their observations relating to the extension of indus-

<sup>1</sup> Treaties and Other International Acts Series 5172.



trial contacts with the Soviet Union, the broadening of technical exchanges, and the possible relaxation of trade restrictions. The President thanked the group, especially those from industry who had given so much of their time and effort to make this trip as a public service.

## REMARKS BY PRESIDENT JOHNSON

White House press release dated December 15

Dr. Hornig, gentlemen: I am very happy to have heard your impressions of Soviet science and technology, based on your 2-week visit to Soviet Russia. I am especially grateful to you men from industry who gave so much of your time to make this trip and to prepare for it and present your conclusions. This is another fine example of the willingness of American businessmen and scientists to give of themselves for the public good.

I am especially glad that you got to meet so many people in Russia and had such lengthy conversations with them. It is important for us to know the people and to understand as much as we can about their economic development. It is good to hear that the people you met in the research laboratories, factories, and schools throughout the country showed such a lively interest in America and wanted to enter into contact with Americans by visits and correspondence. I was especially interested to hear that this was as true of people out in the middle of Siberia as it was in Moscow and Leningrad.

Visits like yours help us to get to know the Russian people better, to know their country and see their accomplishments and problems at first hand. We are hoping to cooperate with them in water desalting<sup>1</sup> and perhaps other specific fields of technology that benefit mankind. I hope there will be more trips like yours, in both directions, and I am asking all agencies of the Government on our side to make sure that we're going as far as we can to extend this hand of peaceful contact to the Soviet people, without in any way endangering our security.

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<sup>1</sup>For background and text of agreement, see BULLETIN of Dec. 7, 1964, p. 828.

## Fifteen Nations To Exchange Shipping Information

*Following is the text of a joint Department of State-Federal Maritime Commission statement released on December 15 (Department of State press release 522).*

Fourteen members of the Organization for Economic Cooperation and Development (OECD) and Finland, representing the Governments of the principal maritime countries, have completed discussions in Paris resulting in arrangements for an exchange of information sought by the United States Federal Maritime Commission in connection with maritime freight rates relating to the inbound and outbound trade of the United States.

The Governments of the European and Japanese maritime countries will use their good offices with their shipowners concerned to facilitate the production of shipping information, including statistics and documents, for the year 1963. This information will be transmitted to the OECD, which will circulate copies to all 15 Governments.

These arrangements are designed to enable the United States Government to obtain the information it desires through an international cooperative process instead of the application by the United States of directives to conferences and lines to produce such information pursuant to section 21 of the U.S. Shipping Act of 1916.

It is understood that these arrangements are without prejudice to the views of the European and Japanese maritime countries regarding the shipping legislation and policies of the United States.

The information and documents will not be published or communicated to private persons in a form that would prejudice individual carriers or reveal commercial secrets.

The information and documents to be exchanged are not to be used for the purpose of criminal prosecutions or assessing fines or penalties against shipowners or conferences.

The United States informed the other countries concerned that, before using the information or documents in formal proceedings before

the Federal Maritime Commission, it would consult through the OECD. Such consultation could include, if so requested, a discussion of alternative measures for solving the problem involved.

The Governments which have engaged in these discussions express their satisfaction that it has been possible, through multilateral discussions in the OECD, to resolve the immediate problems involved in the exchange of information on shipping.

The participating Governments other than the United States are: Belgium, Denmark, Finland, France, the Federal Republic of Germany, Greece, Ireland, Italy, Japan, the Netherlands, Norway, Spain, Sweden, and the United Kingdom.

## **U.S. and U.S.S.R. Sign Agreement on Fishing Operations Off Alaska**

Press release 521 dated December 14

The United States and the Soviet Union on December 14 concluded an agreement relating to fishing operations in the Northeast Pacific Ocean. The agreement is designed to minimize damage to the fishing gear of American king crab fishermen in the Kodiak Island area of Alaska by Soviet trawlers operating in the same general area. Under Secretary W. Averell Harriman signed for the United States and Ambassador Anatoliy F. Dobrynin for the Soviet Union.

The agreement was recommended to the two Governments by delegations of the two countries following discussions in June 1964 at Juneau, Alaska. It provides for the establishment of a number of areas in the vicinity of Kodiak Island in which mobile gear (trawls) will not operate during the period July-October, inclusive, and establishes procedures for amending, by mutual agreement between the chief of the Soviet fishing fleet and local United States fishery officials, the boundaries of these

areas or the periods during which they are reserved for fixed gear. It also provides for establishing new such areas by mutual agreement.

The agreement establishes in addition a system of direct radio communication between the Soviet fleet and fishery officials in Alaska. This system can be used for reporting to the Soviet fleet the positions of the United States king crab vessels outside of the areas mentioned above in order that special precautionary measures can be taken to avoid damage to them.

Under the provisions of the agreement the United States will undertake special research in cooperation with the Soviet Union in order to develop more effective means of marking and detecting fixed gear of various types.

The agreement will not prejudice existing rights of either Government.

## **Congressional Documents Relating to Foreign Policy**

### **88th Congress, 2d Session**

Immigration. Hearings before Subcommittee No. 1 of the House Committee on the Judiciary on H.R. 7700 and 55 identical bills to amend the Immigration and Nationality Act. Part II, July 2-August 3, 1964, 218 pp.; Part III, August 4-September 17, 1964. 417 pp.

Great Lakes-St. Lawrence Seaway Transportation Study. Hearings before a special subcommittee of the Senate Committee on Commerce. Part 3. July 14 and 15, 1964. 135 pp.

Review of Dual-Rate Legislation, 1961-64. Hearings before the Subcommittee on Merchant Marine of the House Committee on Merchant Marine and Fisheries on the activities of the Federal Maritime Commission and its administration of the Shipping Act of 1916 and other laws under its jurisdiction. July 21-September 2, 1964. 761 pp.

Foreign Trade and the Antitrust Laws. Hearings before the Subcommittee on Antitrust and Monopoly of the Senate Committee on the Judiciary. Part 1, General Considerations. July 22-29, 1964. 598 pp.

Use of Nuclear Power for the Production of Fresh Water From Salt Water. Hearing before the Joint Committee on Atomic Energy. August 18, 1964. 155 pp.

International Labor Organization, 1964. Hearings before the Ad Hoc Subcommittee on the International Labor Organization of the House Committee on Education and Labor on U.S. participation in the organization. August 19-21, 1964. 66 pp.

## U.S. Cites Illegal Interference in Support of Congo Rebellion

*Statement by Adlai E. Stevenson  
U.S. Representative in the Security Council*<sup>1</sup>

Before I comment on the agenda there is something I must say about some of the speeches I listened to here last week. I am glad that a whole weekend has intervened, and I hope this pause in our proceedings has somewhat restored my perspective.

In the last few days the United States has been variously accused, and I quote, of "wanton aggression"; of "premeditated aggression"; of plotting a humanitarian mission as a "pretext" for military intervention; of a "nefarious action" designed "to exterminate the black inhabitants"; of "inhumanitarianism"; of a "wanton and deliberate massacre of Congolese people"; of a "murderous operation"; of a "premeditated and coldblooded act"; of "not being truly concerned with the lives of the hostages"; of a "crude subterfuge"; of "massive cannibalism"; of having killed Lumumba "with cynicism and premeditation"; of genocide against an entire people; of being caught "redhanded"; of using the United Nations as a "Trojan horse"; of a racist attack to kill thousands of "blacks," an operation which, in the words of one of the speakers, proved to him that a "white, if his name is Carlson, or if he is an American, a Belgian, or an Englishman, is worth thousands upon thousands of blacks."

<sup>1</sup>Made in the Council on Dec. 14 (U.S./U.N. press release 4479). For background on the U.S.-Belgian rescue mission at Stanleyville and Paulis on Nov. 24 and 26, see BULLETIN of Dec. 14, 1964, p. 838.

And that's not all! We have heard words in this chamber either charging or implying that the United States Government was an accomplice to the death of Dag Hammarskjold—and even the assassination of President Kennedy!

I have served in the United Nations from its inception off and on for 7 years. But never before have I heard such irrational, irresponsible, insulting, and repugnant language in these chambers—and used to contemptuously impugn and slander a gallant and successful effort to save human lives of many nationalities and colors.

But even such a torrent of abuse of my country is of no consequence compared to the specter of racial antagonism and conflict raised in this chamber. I need no credentials as a spokesman for racial equality and social justice in this country, and the Government of this country needs none in the world. Yet at a time when all responsible men and governments are trying to erase every vestige of racial antagonism, when racism has become an ugly word in all nations, we hear its ominous undertones—in the United Nations.

Racial hatred, racial strife, has cursed the world for too long. I make no defense of the sins of the white race in this respect. But the antidote for white racism is not black racism. Racism in any form by anybody is an offense to the conscience of mankind and to the Charter of the United Nations, which enjoins us to promote and encourage "respect for human rights

and for fundamental freedoms for all without distinction as to race, sex, language, or religion.”

Mr. President, the verbal violence, the mistrust, the hatred, the malign accusations we have heard from a few representatives of African nations is not, I fear, just an echo of the language and tactics of the cold war, which for so long corrupted international discourse. And I heard with relief the statements last Friday by the distinguished representatives of the Ivory Coast and Morocco deploring the introduction into our debates of racial strife and hatred.

We share profoundly their concern. We had hoped that the era of racial discrimination which has poisoned the atmosphere of Africa was coming to an end. It is precisely because the policy of *apartheid* in South Africa is inconsistent with the concept of racial equality and harmony that it has been condemned by all of us.

Yet the Foreign Minister of Congo (Brazzaville) seems to attribute the difficulties that have so long beset his country's neighbor, the Congo, to a mythical struggle between blacks and whites.

The Government of Congo (Brazzaville) has for well over a year encouraged and supported rebellion against the legitimate government of Congo (Léopoldville) under President Kasavubu, Prime Minister Adoula, and Prime Minister Tshombe. It is precisely the rebellion, the civil war, supported by Congo (Brazzaville) and other states which has been responsible for the massacre, often in atrocious circumstances, of thousands of Congolese civilians, for the most part local leaders and intellectuals formerly associated with the Adoula government. And yet the Foreign Minister of Brazzaville has without foundation accused the United States and Belgium of killing “thousands and thousands of Congolese” in the recent rescue operation.

#### **Facts About U.S.-Belgian Rescue Mission**

The Council has heard the sober, factual account of that operation by the Foreign Minister of Belgium. In fact, only a very small number of rebels were killed as a consequence of that operation and these only in self-defense or be-

cause they were at the moment resisting the attempts to rescue the hostages.

The grim story of thousands of innocent civilians—many of them foreign—illegally seized, brutalized, and threatened, and many murdered by rebels against the Congo Government, has already been related to this Council. Every means—legal, moral, and humane, including the United Nations—was exhausted to protect their lives and secure their release, all without avail. When it became apparent that there was no hope, the Belgian and American Governments, with the cooperation of the Government of the United Kingdom and with the express authorization of the sovereign Government of the Democratic Republic of the Congo, undertook an emergency rescue mission to save the lives of those innocent people.

The operation was carried out with restraint, courage, discipline, and dispatch. In 4 days 2,000 people—Europeans, Americans, Africans, and Asians—were rescued and evacuated to safe territory. These included Americans, Britons, and Belgians; Pakistanis, Indians, Congolese, Greeks, French, Dutch, Germans, Canadians, Spaniards, Portuguese, Swiss, and Italians; as well as citizens of Ghana, Uganda, Ethiopia, and the United Arab Republic.

The mission lasted 4 days from first to last and left the Stanleyville area the day its task ended; it returned immediately to Belgium; the episode is finished.

Yet the memorandum<sup>2</sup> from certain African states supporting the request for this meeting charges that the United States and Belgium, in defiance of article 52 of the charter and as a deliberate affront to the Organization of African Unity, launched military operations in Stanleyville and other parts of the Congo with the concurrence of the United Kingdom and that these actions constituted intervention in African affairs, a flagrant violation of the charter, and a threat to the peace and security of the African Continent.

It makes no mention whatever of the repeated and repulsive threats made by those controlling Stanleyville, of the solely merciful objectives of the rescue mission, of its authorization by the Government of the Congo, of the fact that the

<sup>2</sup> U.N. doc. S/6076.

mission withdrew as soon as it had evacuated the foreign hostages and other civilians who wished to escape, nor of the fact that some of the signatories of the letter are themselves intervening in the Congo against its Government, or of other relevant facts known to the members of this Council—and to the world at large.

The United States emphatically denies the charges made in this memorandum and in the debate. We have no apologies to make to any state appearing before this Council. We are proud of our part in saving human lives imperiled by the civil war in the Congo.

The United States took part in no operation with military purposes in the Congo.

We violated no provision of the United Nations Charter.

Our action was no threat to peace and security; it was not an affront—deliberate or otherwise—to the OAU; and it constituted no intervention in Congolese or African affairs.

This mission was exactly what we said it was when we notified this Council at the beginning—nothing more and nothing less than a mission to save the lives of innocent people of diverse nationalities, many of whom were teachers, doctors, and missionaries who have devoted their careers to selfless service to the Congolese people. To anyone willing to consider the facts—in good faith—that must be clear. To anyone who will face the facts, unobstructed by hatred for Tshombe or the Congo or Belgium or the United States and Great Britain, that must be clear.

While our primary obligation was to protect the lives of American citizens, we are proud that the mission rescued so many innocent people of 18 other nationalities from their dreadful predicament. We mourn the thousands of others—Congolese and foreign—already sacrificed in the preceding months of their horrible civil strife in this tortured country. And we urge all nations to appeal for the safety of those who remain in danger.

No amount of detail—and certainly no extraneous issues—can obscure the stark outlines of that story. Yet questions have been raised—harsh statements have been made—about the motivations involved in launching the rescue mission. Let me therefore speak to that point.

### Why the Mission Was Launched

For months before the rescue mission was undertaken, diplomatic efforts had been pursued through every conceivable channel to persuade the rebels to release the hostages.

Conscious of the legal and humanitarian issues at stake, the Secretary-General of the United Nations, the International Committee of the Red Cross, the *Ad Hoc* Commission of the Organization of African Unity, the Government of the Congo, and various other governments, including African governments, made repeated efforts to secure the rights and release of the hostages for three long, anxious, and frustrating months.

Every available avenue was tried; every approach was ignored or in effect rejected by the rebels; and in the process the Red Cross, the World Health Organization, and the United Nations were vilified by the military leaders of the rebels “as espionage organizations in the service of the neo-colonialists.” These are the exact words used by the so-called General Olenga in a message on September 3, 1964. This accusation was also repeatedly broadcast by Stanleyville.

For some days before November 23 it was difficult to be sure who was in charge in Stanleyville—or indeed whether *anyone* was in control. It was impossible to know whether any agreement that might be made with any alleged representative of the rebels could in fact be carried out.

Nonetheless, when the possibility arose, through the good offices of the chairman of the *Ad Hoc* Commission of the Organization of African Unity, of a meeting with a representative of the rebels in Nairobi on November 21, my Government immediately named its Ambassador to Kenya, Mr. William Attwood, to represent it for the purpose of discussing the safety of the hostages.

Mr. Thomas Kanza, who was said to represent the rebels, did not appear. Instead, on that day, November 21, the Stanleyville Radio, mouthpiece of the rebel forces, suggested that the hostages be burned alive or massacred with machetes and “devoured.”

On the following day, November 22, the rebel

representative belatedly did appear in Nairobi, and a meeting was subsequently held with Ambassador Attwood on November 23. The rebel spokesman, however, refused to address the problem of the release of the hostages on its humanitarian merits; he persisted in callous efforts to barter their lives for political and military concessions from the Government of the Congo.

It must be obvious that my Government could neither legally nor morally accept this as a satisfactory basis for discussion. Legally, we could not concede what lies within the competence of another sovereign government. Morally, we could not agree that our citizens could be illegally held for ransom.

Mr. Kanza categorically refused the request of Ambassador Attwood to make a public commitment with respect to the safety of the hostages. When Ambassador Attwood reported this refusal and we continued to receive threats of imminent execution of the hostages, it was clear to my Government that all hope had run out and the time was short.

At that very moment, five members of the American consular staff in Stanleyville, who had been held in illegal captivity for 3 months, during which time they were repeatedly beaten, were under threat of public execution. Similarly held was Dr. Paul Carlson, charged with being a spy in spite of all the evidence that he was a dedicated medical missionary working solely to relieve human suffering among the Congolese, including the rebels. Day by day his imminent execution was announced to the world.

The fate that awaited these men and the hundreds of other hostages—men, women, and children—was clearly foreshadowed by the atrocious execution of Congolese officials, described to us by the representative of the Democratic Republic of the Congo, and by the public statement of the rebel leader, Christophe Gbenye, read to us by the Foreign Minister of Belgium, that “we will make our fetishes with the hearts of the Americans and Belgians, and we will dress ourselves with the skins of the Americans and Belgians.”

I have heard in this Council, nevertheless, the astonishing thesis that nothing needed to be done, that the threats were not real. I heard it

asked whether it was “not a sad fact that the hostages were killed only after the paratroopers landed” and then heard it asserted that it was “well known that no Europeans had been executed.”

Mr. President, the threats were very real indeed; they had been carried out in the past, and we had every reason to expect that they would continue to be carried out in the future. From mid-August onward, after the rebel forces had taken Stanleyville, seizing and holding foreigners as hostages became a deliberate act of rebel policy. In the following months this medieval practice was widely applied. Many of these hostages were deliberately killed.

By the time the Belgian paratroopers arrived in Stanleyville, and before the outlaws even knew of their impending arrival, the total of those thus already cruelly tortured and slaughtered amounted to 35 foreigners, including 19 Belgians, 2 Americans, 2 Indians, 2 Greeks, 1 Italian, 2 Portuguese, 2 Togolese, and 4 Dutch, and 1 English, many of them missionaries who had spent their lives to help the Congolese people. That, at least, is the verified number. God alone knows how many others, long missing and out of touch with the outside world, had met a similar fate.

During this period of many months before the rescue mission arrived in Stanleyville, the rebels not only murdered these foreigners but systematically slaughtered local Congolese officials, police, teachers, intellectuals, members of opposing political groups, labor leaders, and rank-and-file members of labor unions who were considered unreliable or even undesirable by their captors. The exact number of Congolese so liquidated may never be known, but it had reached thousands long before November 24.

In case there is still any doubt in your minds that the rescue of the hostages was a matter of life and death, members of the Council might find of interest this photostat of a telegram from General Olenka to Major Tshenda in Kindu, dated September 30, 1964. It says: “Major Tshenda Oscar, Kindu: Reference your unnumbered telegram, Americans Belgians must be held in a secure place stop In case of bombing region, exterminate all without requesting further orders. signed General Olenka.”

Again, if there is any doubt about what was happening before the rescue mission arrived, I call your attention—and I do so with reluctance—to what happened at Isangi, not far from Stanleyville, on November 19, 5 days before the paradrop. The entire Isangi religious community of 17 priests and 13 nuns were stripped of their clothes, beaten, and the nuns raped. Of these, an American nun, Sister Marie Antoinette, and a Dutch priest were murdered and thrown in the river. A Belgian Sister, Ann Françoise, was beaten to death.

Mr. President, throughout this debate I have waited in vain to hear one word, spoken by those who have brought this complaint, in condemnation of the taking of hostages and the deliberate liquidation of an intelligentsia. Whatever their fancied complaints about the Belgian and American rescue mission, I would have thought that the complainants would at least have shown an awareness of and a respect for accepted standards of humanitarian conduct, particularly as they are expressed in article 3 of the Geneva convention for the protection of war victims of 1949, which prohibits the taking of hostages in time of internal conflict and guarantees humane treatment to noncombatants located in areas of civil strife.

I find this absence of condemnation of such inhumane practices all the more surprising, not only because they are illegal but because they are at such fundamental variance with the ancient and proud traditions of the peoples of Africa themselves. Anyone who has visited and traveled in Africa, as I have, knows the kindness, consideration, and protection which the African tradition of hospitality and tolerance extends to strangers. We will do nothing here to strain that tradition; for it is clear to us that the barbarism of the rebels in the Congo cannot be considered as that of African nationalists and liberators.

#### **U.S. Opposed to Foreign Intervention in Congo**

So much for the complaint of certain countries that the rescue operation was a cynical pretext for armed intervention in the Congo and that the hostages would have been secure had there been no attempt to rescue them.

Let me now put the position of the United

States into context. It has been consistent since independence day in the Congo, on June 30, 1960.

From the beginning the United States has been opposed to any breakup of the Congo by secessionist movements—secessions based in Elisabethville, in Kasai, in Stanleyville, or anywhere else.

From the beginning the United States has favored responsible efforts for political reconciliation of dissident groups in the Congo through compromise and consensus.

And from the beginning we have been opposed—and remain opposed—to foreign intervention in the internal affairs of the sovereign and independent state of the Congo.

In July 1960 the Government of the Congo—faced with a mutiny in its security forces and with a collapse of order and essential services—formally requested the United States to lend military assistance in restoring order. The request was declined by the United States Government in favor of a United Nations effort. The United States Government supported in principle and in practice—including very large financial and material contributions—United Nations aid to the Congo precisely for the reason that any other course might have brought international conflict to the heart of Africa, with dangerous consequences not only for the Congo itself but for the whole continent.

The accomplishments of the United Nations are a matter of history. Law and order were maintained, secession was crushed, some advance toward political stability was made, massive economic and technical aid was supplied from all over the world.

But unfortunately the United Nations—largely because some members of the U.N. refused to pay their assessments for the Congo operation—was unable to remain long enough to finish the task it had undertaken. It had to withdraw despite sober warnings that withdrawal was premature.

Well before the United Nations left, new insurrections broke out, encouraged from neighboring countries where enemies of the Congo Government found comfort and aid through the embassies of a non-African power. Ever since that time both the Adoula government

and the present government have been afflicted by insurgents aided and supported from outside. Prime Minister Adoula repeatedly sought help from Africa, but, with one or two notable exceptions, his plea for help was unheeded. In those circumstances he sought military aid from the United States and Belgium.

#### **Aid Given at Request of Congolese Government**

It has been charged in this Council that, quite apart from the rescue mission, the United States has intervened militarily in the Congo.

I reject this charge. These are the facts:

As I have stated, Prime Minister Adoula earlier this year requested—and the United States provided—some military materiel and training assistance to the Congo. This is exactly what all other African states have done or are doing. There is not one of them that does not obtain military equipment or training or both from outside Africa in the exercise of its own sovereign right.

When, in accordance with the constitution of the Congo, President Kasavubu selected Prime Minister Tshombe to succeed Prime Minister Adoula, who had resigned, the United States continued this program. It did so upon specific affirmation by Prime Minister Tshombe that the Government of the Congo desired that the program be continued. As the need arose, the United States, at the request of the Government of the Congo, provided additional equipment and transport. It was not requested to, and did not, undertake military operations in the Congo.

Mr. President, statements have been made here which seem to add up to the astounding proposition that the United States has no right to provide assistance to the Congolese Government and that that Government has no right to accept it because the aid comes from outside Africa. I repeat that there is hardly an African state which has not requested and received military aid, in the form of arms or training or both, from outside Africa. Certainly Algeria, for example, has received and is receiving massive foreign military aid in both these categories.

Is this sovereign right to be exercised by some and denied to others? Would other states in Africa who receive arms and military assistance from outside the continent relinquish this

equipment or assistance, or ask for its withdrawal, in the unhappy event that rebellion broke out within their boundaries? I very much doubt that they would or that anyone here really believes they should.

It is perhaps necessary to repeat that the United States furnished military assistance to the Congo in the form of transport and communications equipment, in the first instance to the government of Mr. Adoula, when it became quite apparent that the United Nations would be unable to undertake the necessary reorganization of the Congolese army. Our assistance was continued when it became clear that the U.N. operation was about to be terminated for lack of funds, after a rebellion fomented from abroad had broken out in the Congo and after Mr. Adoula had appealed to other African states for aid to maintain peace and security in his country.

Would any African country which has spoken at this table deny that, under similar circumstances, it would have urgently appealed for and gratefully accepted military aid from outside Africa? And, I must add, if these countries sincerely wish the Government of the Congo not to seek such aid, let them scrupulously refrain from stirring up rebellion and aiding the insurgents. If they demand that the Government cease to defend itself with the only means at its disposal, while at the same time themselves refusing aid to the Government and granting it to the rebels, what confidence in their good faith can anyone have? On what grounds and for what purpose do they appeal to a Council the duty of which is to maintain international peace and security? If the practice of supporting rebellion against a government which is disliked by other governments becomes prevalent in Africa, what security will any African government have?

Let us not be hypocritical. Either each government recognizes the right of other governments to exist and refrains from attempting to overthrow them, or we revert to a primitive state of anarchy in which each conspires against its neighbor. The golden rule is do unto others as you would have them do unto you.

The world has made some progress, and military invasions of one another's territory are



diminishing, thanks in large measure to the United Nations. But a new practice has developed, or rather an old practice has developed new momentum—the more or less hidden intervention by nations in the internal affairs of their neighbors. Most of the fighting and killing that still goes on can be traced to outside interventions designed to undermine or overthrow governments.

In Africa nearly every country wants and needs the help of outsiders in achieving those “better standards of life in larger freedom” which are the goal of their rising expectations and the promise of their political independence. So outsiders are bound to be involved to some extent in their internal affairs. The question therefore is: Under what rules will the outsiders operate on the inside? Over the years, more through the practice of nations than the teachings of scholars, have we not developed some general principles to guide this widespread practice of mutual involvement? Where the government, recognized diplomatically by other states as the responsible government, exercises its sovereign right to ask for outside help, then it would seem that the response and the involvement of outsiders is all right.

But I concede that it is not an easy line to draw. The principle that outsiders should be invited and not crash the party is far from an infallible guide to good conduct. But still, the principle of permission is certainly the best one yet developed to prevent a reversion to imperialism and foreign domination. For if the outsiders, not the insiders, decide when intervention is right, the fragile fabric of nationhood will come apart at the seams in a score of new African nations.

Every nation has its dissidents, its internal struggle for power, its internal arguments about who should be in charge and how the country should be run. But if every internal rivalry is to become a Spanish Civil War, with each faction drawing in other Africans and great powers from other continents, the history of independent Africa in this century will be bloody and shameful and the aspirations of Africa's wonderful peoples will be cruelly postponed.

That is why we supported the United Nations

Operation in the Congo and were sorry that it had to be withdrawn, its mission incomplete, because of the United Nations' financial difficulties. And that is why we oppose unsolicited foreign intervention in the Congo.

### **Illegal Intervention**

Contrast the aid that has been supplied to successive governments of the Congo upon request with the current intervention in the internal affairs of the Congo—in support of rebellion against the legitimate government. These outside elements have included foreign countries as far away as Peiping and Moscow, as near as Burundi and the neighboring Congo. They have included admissions as flagrant as the public statement by the President of Algeria:

It is not enough to demonstrate. What we are now doing is sending arms, rifles, and volunteers. We say that we are sending and we will continue indefinitely to send arms and men.

Last week Algerian military aircraft flew into Juba in the Sudan near the border of the Congo. They transferred cargo to trucks which then departed toward the Congolese frontier. We received reports of Algerian personnel in transit at the airport at Khartoum; of Ghanaian aircraft transferring cargoes of rifles to Egyptian aircraft at Khartoum for shipment to Juba; of rebel leaders being received in Khartoum and Cairo; of mortars, machineguns, and ammunition from Communist China used by the rebels; of Soviet encouragement and offers to replace arms given to the rebels by the United Arab Republic and Algeria.

The representative of Algeria has so far not commented on these charges, although very liberal in his criticisms of my country's long effort to assist the Congo to preserve its independence, integrity, and unity. At the same time the Government of Ghana states only that it does “not know the veracity of this allegation” that it has supplied arms to the enemies of the Government of the Congo.

I note with interest in this regard that the distinguished Foreign Minister of the Sudan appeared to deny Sudan's role in this traffic the other day in these words:

It is not true that we have been partial to either party in the Congo. It is not true that our airports have been used for this or that purpose . . . . We have allowed medical equipment to go through to those who have asked for it . . . . The press reports . . . that "apparently" our airports have been used for shipment of arms to the Congolese in Stanleyville . . . . Nothing of the sort has taken place.

The statement of the distinguished Foreign Minister of Sudan is encouraging in that it gives hope that the Sudan intends to prevent traffic in arms and men to the Congo from the Sudan.

But the Prime Minister of Algeria has specifically stated that he is sending men and military supplies into the Congo. And it is known to the United States that Algerian and United Arab Republic military planes have landed in the Sudan, both in Khartoum and Juba, in the last few days and unloaded cargoes which were subsequently trucked to the Congolese border.

It would accordingly be helpful if the Foreign Minister of the Sudan could further amplify his remarks and assure us that his Government is not shipping or permitting the shipment through the Sudan of any arms or military supplies or persons, volunteer or otherwise, destined for the Congo without the permission of the Congo Government, and that it is taking all possible steps to prevent any such illegal traffic to cross its borders into the Congo. I recall that on past occasions during secession and rebellion in the Congo the Sudanese Government did adopt this policy.

If there should be any question about illegal interference in the Congo, let me point out that earlier this week Gbenye himself stated that the rebels were receiving foreign military assistance. He declared that an unspecified number of Congolese who have been trained in Communist China are en route to join the rebels and that Russian and Chinese weapons, food, and medicines had already been received. He declared that Presidents Nkrumah, Nasser, and Ben Bella had promised to send arms and volunteers and that African states would provide aircraft.

The rebel leader further stated that the operational plan is being held up pending Security Council action. He added that the center for the buildup of rebel strength would be Brazzaville and that the object is to assemble outside

assistance, including volunteers and supplies, from which a drive would then be launched to take Léopoldville.

Let us understand what is happening. What is happening is that outside governments are claiming that *they*—not the Government of the Congo—shall decide whether that Government can be assisted or whether its enemies shall be assisted to overthrow it.

#### **Obligation of the Security Council**

I submit, Mr. President, that this is the proper and urgent business of this Council—not the complaint against a 4-day effort to save innocent lives which has long since ended. *This* is intervention in gross violation of the United Nations Charter and of repeated resolutions of this Council concerning the Congo.

On July 22, 1960, by unanimous vote the Security Council passed a resolution<sup>3</sup> which requested "all States to refrain from any action which might tend to impede the restoration of law and order and the exercise by the Government of the Congo of its authority and also to refrain from any action which might undermine the territorial integrity and the political independence of the Republic of the Congo."

On November 24, 1961, this Council voted another resolution<sup>4</sup> which urged "all Member States to lend their support, according to their national procedures, to the Central Government of the Republic of the Congo, in conformity with the Charter and the decisions of the United Nations."

These resolutions are in full force today. In his last report on the Congo to the Security Council dated June 29, 1964,<sup>5</sup> the Secretary-General explicitly states: ". . . the resolutions of the Security Council concerning the Congo continue to be applicable, since they have no terminal date."

Obviously all states are *not* refraining from actions which "impede the restoration of law and order and the exercise by the Government of the Congo of its authority." Obviously all states are *not* refraining from actions which "undermine the territorial integrity and the po-

<sup>3</sup> For text, see BULLETIN of Aug. 8, 1960, p. 223.

<sup>4</sup> For text, see *ibid.*, Dec. 25, 1961, p. 1068.

<sup>5</sup> U.N. doc. S/5784.

political independence of the Republic of the Congo." And obviously all states are *not* lending their support to the Government of the Congo "in conformity with the Charter and the decisions of the United Nations."

It is now up to the Council to see to it that these prior decisions are enforced—that the flagrant violations of the 1960 and 1961 resolutions are stopped.

The danger of foreign intervention in the internal affairs of the Congo is no less today—to the Congo, to Africa, and to all the world—than it was in 1960. It is no less a danger when certain of those who intervene are themselves Africans. And the responsibility of the United Nations is no less clear than it was then.

My delegation therefore urges the Council to reaffirm its support of the unity and territorial integrity of the Congo and call on all states to refrain from any action which would impede the restoration of law and order and the exercise by the Government of the Congo of its authority, and to consider, as an urgent matter, the establishment of an inspection and investigation group to proceed to the Congo and to report to this Council so that outside intervention in the affairs of the Government of the Congo can be brought to an end at the earliest possible moment.

But, Mr. President, it is not enough that we should merely call upon members of this organization to refrain from hostile and illegal acts against the Government of the Congo. The Security Council has a solemn obligation to propose constructive and positive solutions to the problems which the Congo faces and to do so rationally and responsibly, without malice or emotion, or political or ideological self-interest. Our obligation is to protect and assure the integrity and independence of the Congo; it is to enable the people of the Congo to select their own government and create their own institutions.

#### **Basis for Solution of Congo Problem**

The principles required for a viable solution to the Congo are not difficult to identify; they have been inherent in the problem from the beginning and have formed the basis of repeated Security Council resolutions on the Congo prob-

lem. What are these principles?

First, that the unity, territorial integrity, and political independence of the Congo should be respected and strengthened by all states;

Second, that all states should refrain from any action which might impede the restoration of law and order and the exercise by the Government of the Congo of its authority;

Third, that secession, civil war, tribal rivalries, and acts of defiance of the authority of the Central Government of the Congo should be deplored, as they consistently have been deplored by the Security Council since 1960;

Fourth, that a heavy responsibility lies in the hands of the Government of the Congo to bring about a speedy resolution of internal conflicts within the country and to hasten the process of national reconciliation of responsible elements within the nation, in order that the Congo may realize its great potential as a strong and free nation of Africa and member of the international community.

In this connection, I would like to remind the Council that the present Government of the Congo was appointed by President Kasavubu under the transitional provisions of the new constitution, which charges it with the responsibility of preparing for national elections to be held early next year. I am sure that all member states will agree that it is in the interests of the Congo, of Africa, and of the world community that this government should be given every opportunity—and every encouragement—to create the conditions for full and free elections which will permit the Congolese people to make their own free choice of their own leaders.

These principles, Mr. President, provide a basis on which to build constructively and responsibly. But they are, after all, principles and have value only as they are translated into action. This in turn imposes a heavy obligation on all states who are in a position to help the Government of the Congo—and whose assistance that Government desires—to redouble their efforts to bring about a viable solution to the stubborn and debilitating problems that plague that country.

Let me say a few words about those who are in a position to help. No country is more aware

than my own that the Congo is an African country. In the interrelated world of today, it should be clear that the Congo problem must be solved in an African context. It is for this reason that my Government viewed both with sympathy and hope the constructive initiative which the Council of Ministers of the Organization of African Unity took at Addis Ababa in September in its efforts to contribute to a solution of the Congo problems.<sup>6</sup> The fact that its efforts to achieve the objectives set forth in the resolution which it passed at that time have not yet yielded the desired results should not be cause for despair; it is, instead, a reason for reaffirmation of the sound principles which were expressed in that resolution, and to try to find new ways of applying them so as to assist the Democratic Republic of the Congo in achieving a rapid, peaceful solution of its problems.

Given the special responsibility of the members of the Organization of African Unity to assist the Government of the Congo, the United Nations also bears a continuing heavy responsibility to help. This obligation arises not only out of the history of its past efforts to assist that country but also out of its continuing mandate to promote world peace and stability. Although, for reasons we are all aware of, the United Nations has steadily reduced its role in the Congo, it nevertheless continues to play a most important and constructive part in the rehabilitation of the country's economic and social system.

Again, my delegation is strongly of the opinion that it is timely now for the United Nations to reexamine both what it is doing and what more it could do to assist the Government of the Democratic Republic of the Congo with the solution of its problems. In saying this, I am not suggesting vast new programs or dramatic new forms of international assistance to the Congo. What I am suggesting is that the United Nations, the Organization of African Unity, and perhaps such other organs as the Economic Commission for Africa, could severally or jointly reexamine with the Government of the Democratic Republic of the Congo the problems which the latter faces and thereby

bring their combined wisdom and their combined efforts to bear on the solution of the Congo's urgent difficulties.

At our last meeting, Mr. [Paul-Henri] Spaak, the distinguished Foreign Minister of Belgium, expressed the strong conviction that the problems of the Congo cannot be solved by military means alone. My Government wholeheartedly concurs in this judgment. We hope to see an early end to the rebellion in a manner which will assure that all of the Congo's responsible political, economic, and social resources are effectively and peacefully mobilized in tackling the great tasks of national rehabilitation and national building. Toward this end, Mr. President, I wish to pledge the wholehearted support of my Government to cooperate with any and all responsible efforts by this organization, by the OAU, and by other appropriate international organizations.

With good will, with imagination, and with a disinterested sense of our international responsibilities, the continuing difficulties in the Congo, as with so many of the other stubborn problems which this organization has had to face throughout its history, will yield to the combined wisdom and urgent efforts of those who are dedicated to responsible and constructive solutions.

## **U.S. Replies to Cuban Charges in U.N. General Assembly**

*Statement by Adlai E. Stevenson  
U.S. Representative to the General Assembly<sup>1</sup>*

It is with regret that I, too, have asked to exercise my right of reply, a right which my delegation has traditionally exercised very sparingly. This morning, however, not only the motives of my country but the basic facts called into evidence have been so distorted and misrepresented that I cannot permit them to pass without comment.

The representative of Cuba [Ernesto "Che" Guevara], a man with a long Communist revolu-

<sup>1</sup>Made in plenary session on Dec. 11 (U.S. delegation press release 4478).

<sup>6</sup>For background, see BULLETIN of Oct. 19, 1964, p. 553.

tionary record in Latin America, only the latter portion of which has been devoted to Cuba, made a number of traditional charges against the United States. He charged that Cuba is the victim of attacks launched from this country. We do not support or condone hit-and-run attacks against ships in the Cuban trade or other targets in Cuba. We are taking, as I have often repeated in these halls, all precautions to insure that raids are not launched, manned, or equipped from United States territory. Such steps respond to our intention to see to it that our laws are respected and not violated with impunity. But insistence upon respect of our laws should in no way be interpreted as any lack of sympathy by the United States Government and people with those Cubans inside and outside of that troubled island who long to see their country freed from tyranny. We fully share their longings and their aspirations.

We also share the concern of the Organization of American States about Cuba's subversive activities, which has been referred to by the speakers who have preceded me here this afternoon—subversive activities in this hemisphere which have compelled the Organization of American States to take defensive action to bring this aggression to an end.

It was only 2 years ago, as members of this Assembly will recall, when Cuba imported nuclear missiles into this hemisphere under cover of deliberate deception of my country and of the world.<sup>2</sup>

The overflights of which Mr. Guevara complained are a substitute for the on-site inspection agreed to by the United States and the Soviet Union in October 1962,<sup>3</sup> which Mr. Castro refused to permit. It was because of this method of assurance against reintroduction of missiles that the crisis could be terminated. The surveillance flights are authorized by the resolution approved by the Organization of American States under the Rio Treaty on October 23, 1962.<sup>4</sup> As has been made unmistakably clear on repeated occasions, this hemisphere will

take measures of self-protection against any repetition of the deception practiced in 1962, when Cuba collaborated in the installation of Soviet nuclear missiles threatening the security of all of the Americas.

The representative of Cuba has also, and not surprisingly, demanded the liquidation of the U.S. naval base at Guantanamo. This base, established, as Ambassador [Aquilino] Boyd of Panama pointed out, many years ago, was never an issue in Cuban and American affairs until the advent of the present government. On the contrary, it has always maintained most excellent working relations with Cuban officials and with the people and contributed substantially to the economic welfare of the area where it is located. The United States is not prepared to submit to unilateral cancellation of its treaty rights.

The representative of Cuba has also attacked the people of Puerto Rico and their association with my country. It seems ironic that the representative of a totalitarian dictatorship should attack the free democracy of Puerto Rico. The people of Puerto Rico recently held elections for a new Governor and a legislature. The results of the election speak for themselves. Proponents of association with the United States won a clear majority. Proponents of separation from the United States won less than 3 percent of the vote.

The Cuban delegate mentioned self-determination. It would be pertinent to ask why the Cuban people have not been given the same right of free self-determination exercised by the people of Puerto Rico.

The spokesman for Cuba has also sought to excuse its own economic disappointments by blaming measures of economic self-defense taken by other nations of the Western Hemisphere. But Cuba's economic difficulties are of her own making. Soon after seizing power, the Cuban leaders, betraying their promises of freedom and justice, began their attempts to destroy the existing social and economic structure. They found, however, that it is infinitely easier to destroy than to build. Mismanagement and doctrinaire excesses have brought a steady decline in productivity.

The collective and individual actions of the

<sup>2</sup> For background, see BULLETIN of Nov. 12, 1962, p. 715.

<sup>3</sup> *Ibid.*, p. 741.

<sup>4</sup> For text, see *ibid.*, p. 722.

governments of this hemisphere to restrict trade with Cuba are defensive measures taken in response to Cuba's continued promotion of subversion and violence elsewhere in the hemisphere. A principal purpose of this interference and this violence is to thwart the cooperative efforts of the member nations of the OAS, embodied in the Alliance for Progress, which is designed to bring about a far-reaching economic and social transformation in Latin America. To safeguard this movement toward democratic reform—which the Communist regime in Havana cannot tolerate—the nations of the hemisphere have been obliged to take measures, including economic measures, to blunt and nullify Cuban intervention and aggression.

The representative of Cuba even stated that my Government is prohibiting the export of medicines to Cuba. This allegation, like his other charges, is completely without foundation. We are strictly following the decision of the OAS of July 26, 1964,<sup>5</sup> which excepted foodstuffs, medicines, and medical supplies provided for humanitarian purposes from the economic measures applied to the Castro regime.

Mr. President, the truth is that the Cuban government's quarrel is not with the United States alone but with all the governments of this hemisphere, five of whom have already spoken here this afternoon. All American governments—not just the United States—decided that the Marxist system imposed on Cuba by Castro was incompatible with the principles and purposes of the inter-American system. All American governments—not just the United States—authorized the taking of necessary steps to make sure that Soviet-furnished missiles and other weapons which seriously threatened the peace and security of the hemisphere were withdrawn from Cuba. More than two-thirds of the American governments—not just the United States—condemned the Cuban government for aggression and intervention against Venezuela last July.

The decisions reached within the framework of the inter-American system illustrate the necessity of fundamental changes in the policies and actions of the Cuban government before any

real importance can be attached to vague Cuban references to "negotiating differences."

President Johnson stated last July,<sup>6</sup> when asked about such offers:

I am much more interested in the deeds than the words [of the Castro regime], and I shall carefully watch for any actions . . . that I think would be in the best interest of the people of Cuba and the people of the world.

I think, sir, all the hemisphere awaits the deeds. The words have lost their meaning.

## Security Council Extends Mandate of Cyprus Peace Force

*Following is a statement made in the Security Council by Charles W. Yost, Deputy U.S. Representative, on December 18, together with the text of a resolution adopted unanimously by the Council on that day.*

### STATEMENT BY AMBASSADOR YOST

U.S./U.N. press release 4482

My delegation is especially gratified at the action just taken by the Council today in extending the mandate of UNFICYP [United Nations Force in Cyprus]. This decision made in response to the desire of the Government of Cyprus and the recommendation of the Secretary-General is clearly in the interest of the search for a peaceful solution of the Cyprus question.

Fortunately, we have once again had the benefit of an outstanding report<sup>1</sup> to the Council prepared and submitted by the Secretary-General, which summarizes the actions taken by the Special Representative of the Secretary-General on Cyprus, the Commander of the Force, and the communities on the island to move toward resumption of normal activities. It also clearly outlines the attitudes of the parties on the island and notes the limitations within which all must work.

<sup>6</sup> At a news conference at Washington on July 10.

<sup>1</sup> U.N. doc. S/6102 and Corr. 1.

<sup>5</sup> For background, see *ibid.*, Aug. 10, 1964, p. 174.

The past 3-month period has been marked by more real progress than the previous periods combined. My delegation notes that, although he recognizes the political limitations on his task, Ambassador [Carlos Alfredo] Bernardes has indicated that further progress can be made in the effort to establish an improved climate within which the distinguished mediator, Mr. Galo Plaza, can carry out the very difficult task which this Council has given to him. Certainly the report gives rise to the hope that with the continued presence of UNFICYP, there will be no further serious incidents on the island which could threaten international peace and security. My Government pays tribute to the contribution toward peace of all those serving in UNFICYP, past and present, as well as to the governments who have provided troops, police, logistic and financial support to the United Nations Force.

I wish to emphasize, however, that the United States hopes for substantially more progress in the search for a solution of the Cyprus problem during the next 3 months than during the past 3 months. Through the exercise of restraint and generosity, a peaceful solution can and must be found. Our earnest good wishes go to all those in whose hands this solution rests.

## TEXT OF RESOLUTION

U.N. doc. S/6121

*The Security Council,*

Noting that the report by the Secretary-General (S/6102) recommends the maintenance in Cyprus of the United Nations Peace-Keeping Force created by the Security Council resolution of 4 March 1964 (S/5575)<sup>2</sup> for an additional period of three months,

Noting that the Government of Cyprus has indicated its desire that the stationing of the United Nations Force in Cyprus should be continued beyond 26 December 1964,

Noting with satisfaction that the report of the Secretary-General (S/6102) indicates that the situation in Cyprus has improved and that significant progress has been made,

Renewing the expression of its deep appreciation to the Secretary-General for his efforts in the implementation of the Security Council resolutions of 4 March 1964, 13 March 1964,<sup>3</sup> 20 June 1964<sup>4</sup> and 25 September 1964,<sup>5</sup>

Renewing the expression of its deep appreciation to the States that have contributed troops, police, sup-

plies and financial support for the implementation of the Security Council resolution of 4 March 1964,

1. Reaffirms its resolutions of 4 March 1964, 13 March 1964, 20 June 1964, 9 August 1964<sup>6</sup> and 25 September 1964, and the consensus expressed by the President at its 1143rd meeting on 11 August 1964;

2. Calls upon all Member States to comply with the above-mentioned resolutions;

3. Takes note of the Report by the Secretary-General (S/6102);

4. Extends the stationing in Cyprus of the United Nations Peace-Keeping Force established under the Security Council resolution of 4 March 1964 for an additional period of three months, ending 26 March 1965.

## United States Urges Restraint on Israel and Syria

*Statement by Adlai E. Stevenson*

*U.S. Representative in the Security Council*<sup>1</sup>

I was pleased to hear so many expressions here today of regard for the late Arkady A. Sobolev. May I also add mine, for I had the privilege of knowing him from the first days of his service in the United Nations almost 20 years ago and fully shared the respect and the admiration which he earned and which he enjoyed among all of those who knew him.

Mr. President, the presence here at our table today of a distinguished international figure, Ambassador da Cunha, Minister of Foreign Relations of Brazil, is an honor to this Council and also, I believe, a meaningful testimony to the importance which his great country attaches to the United Nations. Therefore I take advantage of this opportunity to thank him for his participation in our deliberations and also for the significant speech that he delivered in the General Assembly this morning.

Mr. President, the recent incident on the Israel-Syrian frontier presents once more the

<sup>2</sup> For text, see BULLETIN of Mar. 23, 1964, p. 466.

<sup>3</sup> U.N. doc. S/5603; not printed here.

<sup>4</sup> For text, see BULLETIN of July 13, 1964, p. 67.

<sup>5</sup> U.N. doc. S/5986; not printed here. For texts of U.S. statements, see *ibid.*, Oct. 19, 1964, p. 561.

<sup>6</sup> For text, see *ibid.*, Aug. 31, 1964, p. 318.

<sup>1</sup> Made in the Security Council on Dec. 3 (U.S./U.N. press release 4474).

tragic spectacle of two countries which have been unable to live as friendly or even as peaceful neighbors. For 7 years the boundary land between Syria and Israel has known little peace. There the people have lived and have worked under the continual shadow of mutual distrust, of bitter hostility and repeated incidents of violence which have so often reached this Council chamber.

The United Nations and this Council have attempted to end this conflict now for many years, to mitigate its effects and to offer alternatives to violence. Our success can be measured in fractions, in things partially achieved and in the avoidance of more serious conflict through timely United Nations action.

Now once again the Truce Supervision Organization, acting under the most difficult conditions, has served the organization with courage and with distinction. Within 2 hours after the shooting began, United Nations officers arranged a cease-fire. Subsequently the Chief of Staff presented the Council with a comprehensive report<sup>2</sup> on the facts. We are grateful to him and to his staff for the light that they have cast on this most recent unfortunate incident and for their careful analysis of its causes.

It is now the duty of the Council to use this information, to use these interviews, these diagrams and statistics, in order to put into perspective the claims of both parties and particularly to make recommendations for the future. We have listened to statements by the distinguished representatives of the parties with careful attention.

I confess my profound disappointment that on November 13 Syria and Israel once again saw fit to resort to arms. We are disappointed that they were instantly prepared to do so with armaments that have no place in defensive areas, but the first shot fired from a rifle quickly escalated into fire on the spot and elsewhere by tanks, by artillery, and finally by jet aircraft. We are saddened, as previous speakers have said here, by the loss of life on both sides. We find it difficult to excuse the readiness with which the whole military action was undertaken.

The general significance of the events is clear:

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<sup>2</sup> U.N. doc. S/6061, Corr. 1 and 2, and Add. 1.

In a time of tension and the buildup of military forces, controversial activity along the armistice line was met with abrupt firing across it. Instead of resorting in the first instance to United Nations machinery, each side struck immediately at the other. And according to recent reports this pattern of activity has even been repeated.

Within the context of what has been done in the past, the Council should, we believe, now recommend ways to make such incidents less likely to occur in the future. The United Nations Truce Supervision Organization Chief of Staff offers us some specific steps.

In paragraph 24 of his report, as has been noted, he asks: "Is the reconstructed Israeli track entirely, as asserted by Israel, on the Israel side of the Armistice Demarcation Line or does it at some places encroach upon Syrian territory, as asserted by Syria?" A clear answer to that question should prevent the possibility of further encroachment or even the suspicion of it.

Such an answer could be provided by an independent survey of the line, the results of which we would hope could be accepted by both parties. Syria and Israel have implied their willingness to cooperate in that undertaking. The representative of Israel said a few days ago that Israel was prepared to agree to the continuation of the survey to establish the position of the track in relation to the border. And the representative of Syria has also cited in a recent statement before the Council paragraph 24, which sets forth the advantages of an independent frontier survey, and has declared his Government's belief that the question of the relocation of the Israel track in relation to the armistice line should, and I believe I quote him correctly, "not be left in abeyance." Mr. President, upon the success of limited surveys depends the possibility of more general ones. The former is at present a necessity. The latter is desirable in the future.

We would urge both sides to avoid any further provocative acts and to take seriously the counsels of self-restraint contained in paragraph 25 of the report, that is, to submit complaints to the Mixed Armistice Commission, rather than to commence shooting, and to suspend activities about which a party has com-



plained if the chairman of the Commission deems it necessary during an investigation or after its results are known. These are not trivial or temporary exhortations. They embody the elements of cooperation without which the General Armistice Agreements would be dishonored and ineffective.

In paragraph 26 of the report the Chief of Staff points out the crippling effect which a semioperated Mixed Armistice Commission has upon UNTSO's effort to effect an orderly truce. Full participation in the activities of the Mixed Armistice Commission more than any other single act would increase the chances for a more effective observance of the truce by both sides. Full participation by both parties would add greatly to the authority of the Commission and reduce the suspicion and the uncertainties which give birth to these repeated acts of violence.

All of us here know that peace is more than the absence of war. A Council table in New York cannot legislate peace to the people who live in the settlements in the towns near Tel El Qadi, nor can the Council dictate to the Governments of Israel and of Syria that they must live at peace with each other. We can only recommend, urge, plead with all of our energy that the mechanisms for peaceful settlement and not guns be used. If they were, it is not beyond hope that we should never again discuss this subject which has come so often to this Council table.

## **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.*

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declaration entitled "Programme for Peace and International Co-Operation," adopted by the second conference of heads of state or government of nonaligned countries, held at Cairo October 5-10. A/5763. October 29, 1964. 38 pp.

Note verbale dated October 28 from the Representative of Iran transmitting the text of a message sent by the Shah to heads of states concerning the world campaign for universal literacy. A/5764. October 30, 1964. 3 pp.

Report of the Secretary-General on observance of the 15th anniversary of the adoption of the Universal Declaration of Human Rights. A/INF.106. November 2, 1964. 35 pp.

Note by the Secretary-General transmitting the correspondence relating to the decision to postpone the opening date of the 19th regular session of the Assembly to December 1. A/5773. November 5, 1964.

Note by the Secretary-General on activities in the field of industrial development. A/5775. November 6, 1964. 3 pp.

Note by the Secretary-General on the world campaign for universal literacy. A/5776. November 6, 1964. 2 pp.

Special Committee on the Situation With Regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. Letter dated October 29 from the U.S. Representative on the Committee transmitting texts of principal statements made by U.S. representatives in Subcommittees II and III on each of the American territories considered by those subcommittees. A/AC.109/104. November 6, 1964. 34 pp.

Supplementary list of items proposed for inclusion in the agenda of the 19th regular session of the General Assembly. A/5760/Rev. 1. November 9, 1964. 2 pp.

Letter dated November 7 from the Representative of the U.S.S.R. concerning the U.N. financial crisis. A/5777. November 9, 1964. 8 pp.

Note by the Secretary-General on the United Nations Training and Research Institute. A/5778. November 9, 1964. 1 p.

Letter dated November 6 from the Representatives of the United States and the U.S.S.R. transmitting documents relating to the second memorandum of understanding to implement the bilateral space agreement of June 8, 1962. A/5779. November 9, 1964. 6 pp.

Report of the Secretary-General on the question of South-West Africa. A/5781, November 10, 1964. 5 pp.

Report of the Secretary-General on special educational and training programs for South-West Africa. A/5782. November 10, 1964. 18 pp.

Report of the Secretary-General on the special training program for territories under Portuguese administration. A/5783. November 11, 1964. 15 pp.

Report of the Secretary-General on offers by member states of study and training facilities for inhabitants of non-self-governing territories. A/5784. November 11, 1964. 13 pp.

Note by the Secretary-General on population growth and economic development. A/5786. November 16, 1964. 2 pp.

Committee on the Peaceful Uses of Outer Space:

Letters dated October 9, 12, and 27 and November 27 from the Representative of the United States giving information on U.S. space vehicles in orbit or beyond. A/AC.105/INF.80, October 16, 1964; A/AC.105/INF.81, October 16, 1964; A/AC.105/INF.82, November 4, 1964; A/AC.105/INF.84, December 3, 1964. 2 pp. each.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Atomic Energy

Agreement for the application of safeguards by the International Atomic Energy Agency to the bilateral agreement between the United States and Iran of March 5, 1957 (TIAS 4207), for cooperation concerning civil uses of atomic energy. Signed at Vienna December 4, 1964. Enters into force on the date on which the agency accepts the initial inventory.

*Signatures:* International Atomic Energy Agency, Iran, United States.

##### Coffee

International coffee agreement, 1962, with annexes. Open for signature at United Nations Headquarters, New York, September 28 through November 30, 1962. Entered into force December 27, 1963. TIAS 5505. *Accession deposited:* Ethiopia, December 2, 1964.

##### North Atlantic Treaty—Atomic Information

Agreement between the parties to the North Atlantic Treaty for cooperation regarding atomic information. Done at Paris June 18, 1964.<sup>1</sup>

*Notification received that it is willing to be bound by terms of the agreement:* Netherlands, December 11, 1964.

##### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Ratifications deposited:* Dahomey, December 15, 1964; Spain, December 17, 1964.

##### 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.

*Ratification deposited:* Iran, October 9, 1964.

##### Safety of Life at Sea

International convention for the safety of life at sea, 1960. Done at London June 17, 1960. Enters into force May 26, 1965.

*Acceptance deposited:* Denmark, December 1, 1964.

#### BILATERAL

##### Congo (Léopoldville)

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-

1709), with exchange of notes. Signed at Léopoldville December 9, 1964. Entered into force December 9, 1964.

Agreement amending the agricultural commodities agreements of February 23, 1963, as amended (TIAS 5461, 5484, 5653), and April 28, 1964, as amended (TIAS 5565, 5662). Effected by exchange of notes at Léopoldville December 9, 1964. Entered into force December 9, 1964.

##### Japan

Agreement relating to a joint cost-sharing program for the production of equipment and the providing of technical assistance for the base air defense ground environment (BADGE) system. Effected by exchange of notes at Tokyo December 4, 1964. Entered into force December 4, 1964.

##### Kenya

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Nairobi December 7, 1964. Entered into force December 7, 1964.

##### Turkey

Agreement supplementing the agreements of November 15, 1951, and January 15, 1957 (TIAS 2500, 3761), so as to provide for additional investment guaranties authorized by new United States legislation. Effected by exchange of notes at Ankara November 27, 1964. Entered into force November 27, 1964.

##### Union of Soviet Socialist Republics

Agreement relating to fishing operations in the Northeastern Pacific Ocean. Signed at Washington December 14, 1964. Entered into force December 14, 1964.

##### Viet-Nam

Agreement amending the agricultural commodities agreement of January 9, 1964, as amended (TIAS 5514, 5563, 5627). Effected by exchange of notes at Saigon November 30, 1964. Entered into force November 30, 1964.

### Check List of Department of State Press Releases: December 14-20

Press releases may be obtained from the Office of News, Department of State, Washington, D.C., 20520.

Release issued prior to December 14 which appears in this issue of the BULLETIN is No. 519 of December 11.

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521	12/14	U.S.-U.S.S.R. agreement on Northeast Pacific fishing operations.
522	12/14	Arrangement on exchange of shipping information.
523	12/18	NATO communique (revised).

\*Not printed.

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

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**FOREIGN AFFAIRS OUTLINE**

**1965: International Cooperation Year**

On November 21, 1963, the General Assembly of the United Nations named 1965 "International Cooperation Year." This *Foreign Affairs Outline* discusses this theme by pointing out that "international cooperation is a fact of life; indeed . . . the most important fact of life in the second half of the 20th century."

Included in this pamphlet is a statement by President Johnson in which he proposes to dedicate 1965 "to finding new techniques for making man's knowledge serve man's welfare. . . . Let it be a turning point in the struggle—not of man against man, but of man against nature. In the midst of tension let us begin to chart a course toward the possibilities of conquest which bypass the politics of the cold war."

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THE  
DEPARTMENT  
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STATE

**BULLETIN**

*Vol. LII, No. 1333*



*January 11, 1965*

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# Secretary Rusk's News Conference of December 23

Press release 52S dated December 23

*Secretary Rusk:* Good morning, ladies and gentlemen. I would like to extend to this distinguished press corps my warm personal season's greetings. I hope that we and others can manage our affairs in such a way that you will have a chance to spend at least some time with your families during this holiday season. I can't guarantee it, but we will do our best.

As we come toward the end of the year, you may be interested in a few thoughts about how the end of the year looks. I shall not make extensive remarks because I want to get to your questions, but you may be interested in noting that the process of change continues throughout the world. We have relations with 115 countries. During this calendar year there will have been elections or changes of government in more than 45 of them, so that your lives and my life never become boring.

As far as our allies are concerned, our more than 40 allies are secure and growing in assurance, developing economically to greater levels of prosperity. I think if there is any particular question among our allies that gives

us the gravest concern at the moment it will be, of course, the unresolved issue of Cyprus, which has deeply divided our two friends, Greece and Turkey.

## Reasons for Encouragement in Hemisphere

Here in this hemisphere there have been many reasons for encouragement this year. Events in Venezuela and Brazil and Chile and elsewhere seem to indicate that Castroism is not accepted as an answer to the problems of this hemisphere. It is true that Cuba continues to pursue a policy of interference, but that interference has been reduced considerably by the sharp reaction of the hemisphere to the Cuban effort. The meeting of the foreign ministers in July<sup>1</sup> made the attitude of the countries of the Western Hemisphere entirely clear on this point. We thought the hemisphere made a notable step forward in working out simple procedures for the admission of new members in

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<sup>1</sup> For a statement made by Secretary Rusk on July 22 and text of the Final Act, see BULLETIN of Aug. 10, 1964, p. 174.

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DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1333 PUBLICATION 7806 JANUARY 11, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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its latest meeting,<sup>2</sup> and we look forward to the entry into the hemisphere family of Jamaica and Trinidad and Tobago.

We were encouraged to learn from the last Economic and Social Council meeting in Peru<sup>3</sup> that the hemisphere expects to exceed the growth-rate target set under the Alliance for Progress—the growth-rate target of 2.5 percent. Although there is some unevenness here and there, the general progress has been most encouraging. The primary products have come up to good prices, and trade is improving among our Latin American friends.

### Western Europe and NATO

In Western Europe our NATO meeting<sup>4</sup> clearly reflected the fact that these countries feel more prosperous and more secure than at any time, I think, since the war. The problems within the alliance have to do with how Europe is to be formed in the long run, what Europe is to be, and that is a great historical question which will take some time and on which I think we need not be too impatient.

There is still the unresolved question of the management of the nuclear problems of the alliance, and those will be up for considerable discussion in the weeks and months ahead. As far as we are concerned, we have taken the view that there are two ways to come into the so-called nuclear club: One is to possess nuclear weapons; the other is to be a target for nuclear weapons. This problem was transformed back in the fifties when the Soviet Union developed large numbers of missiles aimed at our NATO allies, in addition to the intercontinental missiles aimed at us. And so those countries who are the targets of nuclear weapons have an understandable interest in the problem, a desire to know about it, to participate in the answers to the problem, and to be sure that their interests are fully taken into account in all discussions of nuclear matters. And that is why the European initiative in the summer of 1960 led to Mr.

Herter's proposal in December 1960<sup>5</sup> and which has been the subject of discussion in the alliance since that time. Those discussions will continue in the weeks ahead.

There has been some considerable improvement, I think, in the relations between the West and the countries of Eastern Europe. This, I think, is a positive development in world affairs and one which we should watch with interest and to which we should take a positive approach.

### Problems in South Viet-Nam and the Congo

There are in other parts of the world some extremely dangerous issues. The most immediate one—the most immediate two are in South-east Asia and in the Congo. In South Viet-Nam the problem is a combination of unity within the country and pressures and infiltration from the outside. We believe very strongly that both these elements need an answer, that both are important to the security and the independence of South Viet-Nam, and that unity is a primary requirement for a solution to that problem; and undoubtedly we will have a chance to come back to that in a few moments.

In the Congo the situation there has become threatening at the end of the year because of outside intervention.<sup>6</sup> As far as we are concerned, we have for 5 years provided assistance to the Government of the Congo and to the United Nations in an agreed policy of sustaining the unity and the independence of that great country in the heart of Africa. We do not consider that our assistance to the Congo Government is intervention, as some have said. There is almost not a country in Africa which is not receiving assistance at the request of its government from someone outside the continent, and indeed there are continuing United Nations resolutions which encourage members to give assistance to the Congo and to the Government. It is quite another thing in the sort of intervention that is reflected in furnishing arms illegally to rebel elements. This is not a matter

<sup>2</sup> See p. 46.

<sup>3</sup> For a statement made by Assistant Secretary Mann before the Inter-American Economic and Social Council at Lima on Dec. 8, see BULLETIN of Dec. 28, 1964, p. 898.

<sup>4</sup> For background, see *ibid.*, Jan. 4, 1965, p. 2.

<sup>5</sup> For background, see *ibid.*, Jan. 9, 1961, p. 39.

<sup>6</sup> For a statement made by Ambassador Adlai E. Stevenson before the Security Council on Dec. 11, see *ibid.*, Jan. 4, 1965, p. 15.

that turns just on personalities, as is sometimes said. This type of intervention began under Prime Minister [Cyrille] Adoula.

So Africa is faced with the possibility of the cold war intruding itself into the heart of Africa and the possibility that the Congo becomes a deeply divisive issue among the African states themselves. We hope very much that the Security Council and the OAU [Organization of African Unity] can keep in close touch with each other and find a peaceful and a prompt answer to the problems that exist there.

#### **Need for Settlement of German Question**

Looking around the world historically I would say that one of the most urgent needs is to find a permanent, peaceful, and satisfactory settlement for the German question. I know of no other issue which, if satisfactorily resolved on the basis of the self-determination of the people directly concerned, could have more far-reaching consequences in the long run for the security and the stability of all of Europe, West and East, and which could more effectively open the door to far-reaching measures in disarmament and thereby relieve so much of the burden of resources which are now placed upon the peoples of both Eastern and Western Europe and upon the United States. The settlement which could relieve those resources would free them for the unfinished business of our peoples, and so we would hope that in 1965, 20 years after the war is over, we could make some serious progress toward a permanent settlement of that difficult problem.

#### **Rights of Legation**

I might also call your attention to a statement that I made recently with respect to rights of legation.<sup>7</sup> At year-end we find ourselves concerned about the erosion in these historical rights of intergovernmental representation which are the very heart of the structure of international relations. It has taken several centuries to get these rights of legation on a stable basis. It is not necessary that governments always agree with each other, but it is necessary that, if they are to have communication with

each other and to have some chance to establish their relationships on a reciprocal basis, these elementary rights of legation be fully respected. And we have been concerned in this past year by the negligence on the part of some governments in protecting official installations and according our official representatives abroad the traditional rights which diplomacy insists upon.

These are matters which cannot help but affect adversely bilateral relations between us and others, and I would just like to point out to you that we shall be sensitive on these matters, because they are important and they do affect the structure of international society.

Well, these are some of the things that are on my mind. As you can see, as usual it is a mixed situation, a changing situation. There are elements for encouragement—assurance, gratitude—in many parts of the world. There are elements of danger—South Viet-Nam, the Congo—which need and will get our continuing attention, and there is always much unfinished business still ahead of us.

Now I will take your questions.

#### **The Vietnamese Situation**

*Q. Mr. Secretary, could you go into more detail in your assessment of the Vietnamese situation and what can be done about it?*

A. Well, at the present time the most immediate question has to do with unity among the leadership in South Viet-Nam.

Let me say at the very beginning that Ambassador [Maxwell D.] Taylor is there as the spokesman for the United States, for the President. He is there carrying out American policy, a policy which is primarily that of assisting the South Vietnamese to gain and maintain their own security. He speaks for the Government of this country, and we shall back him in every possible way.

Now, the immediate problem, which has been under discussion, is that of unity within the leadership and relations between the civilian authorities and the military authorities. It is not for us to insist upon a particular detailed pattern. There are many ways in which governments can organize themselves. But, nevertheless, on the initiative of the military authori-

<sup>7</sup> For text, see *ibid.*, Dec. 28, 1964, p. 905.



ties themselves, there was brought into being a civilian government to undertake the normal civilian responsibilities of government. And the military authorities indicated that it was their desire to restrict themselves to their military duties and get on with the war against the Viet Cong.

Now, what is important is not detail. What is important is not even personality. What is important is unity, the setting aside of personal rivalries or lesser issues in the interest of maintaining the strength and the unity of the country.

We believe that all those who have positions of leadership or responsibility might well put their personal considerations aside, just as the vast number of ordinary South Vietnamese put personal considerations aside, and just as our Americans, who are out there in the field assisting them in their great struggle, put personal considerations aside.

And so we hope very much that in this period of discussion that is now going on, and to which I cannot from here go into detail at this moment without perhaps getting in the way of discussions going on in Saigon—we hope very much that this overriding need for common effort and unified action will impress itself upon all elements there, because unity would be worth many, many divisions and unity would open the way for a more prompt and manageable solution to the severe problems that exist in that country.

*Q. Mr. Secretary?*

*Q. Mr. Secretary, in your opening remarks you expressed the hope that the German question may be settled, that '65 will be the beginning of the settlement of the German question. What are your plans, can you tell us, to realize this hope?*

A. Well, I cannot myself tell you that there are indications, say, from the Soviet Union that it's going to be easy to achieve a permanent settlement of the German question during this next year. But we shall be in touch with our colleagues in France and Great Britain and the Federal Republic.

We have had discussions in Paris recently, as you know, on this subject. We shall be con-

tinuing those discussions in the weeks ahead. We do hope that some means can be found to advance this question beyond the point where it exists at the present time.

*Q. Mr. Secretary, what happens if, in Viet-Nam, the Vietnamese military leaders decline to set up a government which is civilian in character?*

A. Well, I gather that—my present understanding, Mr. Scali [John Scali, American Broadcasting Company], is that this is not the issue which they opposed. The latest reports I have indicate that they support the present government there. But the question has to do with complete unity of action and loyal support to the arrangements which have been agreed upon. I can't go into detail on that because, as I say, we are in the midst of discussions in Saigon at the present time.

*Q. Mr. Secretary, General [Nguyen] Khanh made some comments yesterday that have been interpreted as anti-American. I wonder, sir, if you could assess for us how widespread is any feeling of anti-Americanism in South Viet-Nam, and how seriously do you take it?*

A. Well, I noted those remarks, and I don't want to get into a personal discussion with the General on these matters. Some of them, I suspect, might have been made in the heat of the moment. But we do not find, in our relations with a large number of Vietnamese, through our own representatives in Saigon and in the field, that there is any anti-American sentiment around the country.

#### **American Interest in Vietnamese Independence**

*Q. Mr. Secretary, it is sometimes stated that one of the reasons for American assistance to Viet-Nam is the fact that vital Western interests are involved in the situation there. Now that we are once again confronted with what apparently is a critical situation, could you define for us the precise nature and the extent of those vital Western interests, as you see them?*

A. Well, our interest in Southeast Asia has been developed and expressed throughout this postwar period. Before SEATO [Southeast Asia Treaty Organization] came into existence,

we and Britain and France were in very close touch with that situation. SEATO underlined the importance we attached to the security of the countries of that area.

But, actually, the American interest can be expressed in very simple terms. Where there is a country which is independent and secure and in a position to work out its own policy and be left alone by its neighbors, there is a country whose position is consistent with our understanding of our interests in the world. It's just as simple as that.

If we have military personnel in Southeast Asia, it is because we feel that they are needed to assist South Viet-Nam at the present time to maintain its security and independence. If South Viet-Nam's neighbors would leave it alone, those military people could come home.

We have no desire for any bases or permanent military presence in that area. We are interested in the independence of states. That is why we have more than 40 allies. That is why we are interested in the independence and security of the nonaligned countries. Because, to us, the general system of states represented in the United Nations Charter is our view of a world that is consistent with American interests. So our own interest there is very simple.

But it is very important, because we feel that we have learned in the last many decades that a persistent course of aggression left to go unchecked can only lead to a general war and therefore that the independence of particular countries is a matter of importance to the general peace.

### **Peiping's Militant Doctrine**

*Q. Mr. Secretary, could I put that question slightly differently? In the last decade or so, over three or four administrations, this Government has taken the position that the Indochina peninsula had an importance to this country beyond the actualities of the countries involved; that is, that it had a relationship to the American problem with China, and out of this developed, over a long period of time, the so-called falling-domino theory. Could you tell us whether you subscribe to that theory and whether you look upon our interest in Viet-Nam*

*and Laos—or how you look upon our interest in Viet-Nam and Laos in relation to China?*

A. Well, I would not myself go to the trouble of trying to outline a "domino" theory. The theory of the problem rests in Peiping. It rests in a militant approach to the spread of the world revolution as seen from the Communist point of view. And we know, given their frequently and publicly proclaimed ambitions in this respect and what they say not only about their neighbors in Asia but such continents as Africa—Africa is ripe for revolution, meaning to them ripe for an attempt on their part to extend their domination into that continent—there is a primitive, militant doctrine of world revolution that would attempt to destroy the structure of international life as written into the United Nations Charter.

Now, these are appetites and ambitions that grow upon feeding. In 1954 Viet-Nam was divided.<sup>8</sup> North Viet-Nam became Communist. The next result was pressures against Laos, contrary to those agreements; pressures against South Viet-Nam, contrary to those agreements. In other words, until there is a determination in Peiping to leave their neighbors alone and not to press militantly their notions of world revolution, then we are going to have this problem.

And it's the same problem we have had in another part of the world in an earlier period in this postwar period in such things as the Berlin blockade, the pressures against Greece. Those things had to be stopped. They were stopped in the main.

Now the problem is out in the Pacific. And we have a large interest in the way these problems evolve in the Pacific, because we have allies and we have interests out there. Southeast Asia is at the present time the point at which this issue of militant aggression against one's neighbors for ideological reasons is posed.

*Q. Well, how difficult do you consider it would be to sustain the defense against what you have described, how much more difficult,*

<sup>8</sup> For background, see *American Foreign Policy, 1950-1955: Basic Documents*, vol. I (Department of State publication 6446), p. 750.

should South Viet-Nam be lost to the Communists?

A. I should think they would simply move the problem to the next country and the next and the next. And, as I say, this is not dominoes. This is Marxism. This is the kind of Marxism which comes out of Peiping. I mean it's all there to see. They make no secret of it.

*Q. Mr. Secretary, in your statement last night you said that the basis of American support was a duly constituted, unified government in Viet-Nam. Is there a suggestion here that if it is impossible to achieve such a unified government the United States will curtail or withdraw its aid?*

A. Well, I don't want to get into details of what might happen on such a question of that sort. Obviously, if there are problems of unity, there are certain kinds of assistance that are simply not feasible. In other words, developments in the civilian field that could be very promising, from the point of view of the South Vietnamese economy and the South Vietnamese people, can be impaired if there is not an effective administration having the full support of all elements in the country to put it into operation. But I wouldn't want to get into detail on that.

#### **Relations With United Arab Republic**

*Q. Mr. Secretary?*

A. Yes.

*Q. There have been recent reports from Cairo that the United Arab Republic would like \$35 million more annually from the P.L. 480 sales in addition to what they are already getting on the 3-year agreement. This comes at a time when Nasser is facilitating the movement of weapons into the Congo to the rebels. Is there any thought being given to cutting off P.L. 480 aid?*

A. Well, there are no discussions of these questions going on at the present time with the Egyptian Government. But it is true that relationships are reciprocal and that, if relations are to be good, both sides must make important investments in those relationships.

#### **U.S. Declares Viet-Nam Unity Basis for Support**

*Statement by Robert J. McCloskey  
Director, Office of News*<sup>1</sup>

I and others in the Department have had some inquiries throughout the afternoon growing out of allegations criticizing our Ambassador in Saigon [Maxwell D. Taylor] as well as the United States Government.

In that connection, I would like to say Ambassador Taylor has been acting throughout with the full support of the United States Government. As we have repeatedly made clear, a duly constituted government exercising full power on the basis of national unity and without improper interference from any group is the essential condition for the successful prosecution of the effort to defeat the Viet Cong and is the basis of United States support for that effort. This is the position Ambassador Taylor has been expressing to Vietnamese leaders.

<sup>1</sup> Made to news correspondents on Dec. 22.

We were very much concerned about the burning of our USIS library.

I must say that we do not understand why fighter planes knocked down, in some fashion, an American civilian plane flying ordinary civil air corridor routes across Egypt. That is under full investigation. Under the ICAO [International Civil Aviation Organization] convention, we have the privilege of participating in that investigation and are making an investigation. But where it could have been easily ascertained that this was an ordinary commercial type plane, flying in ordinary commercial patterns, and that a more satisfactory answer could have been found than to bring it down, through some confusion in clearances (if that's what it was) or some uncertainty about just what its purposes were.

*Q. Does the P.L. 480 agreement expire this year?*

A. I believe one does expire this year.

*Q. Are there any thoughts for renegotiating it?*

A. I beg your pardon?

*Q. Will it be renegotiated?*

A. I wouldn't want to say at the moment.

### **Situation in the Congo**

*Q. Mr. Secretary, you described the Congo situation as extremely dangerous. What specific steps can this country take to prevent the Congo from becoming another Viet-Nam? You vaguely referred to the Organization of African Unity, or the United Nations, or others. Yet, do you have some specific suggestions to forestall this danger?*

A. The Security Council is meeting this afternoon, I believe, on that question.<sup>9</sup> And they will have some resolutions in front of them. The OAU is still working on it through its Commission. We are in consultation with a good many governments about that matter. I think it is important that the neighbors of the Congo not permit or participate in interference in that country. We think that it would be extremely unfortunate if this vast country be caught up in new secessions; become a field of violence involving not only powers outside of the continent but also African countries pitted against each other in that situation.

I would not want to specify any particular steps at this time, but we are very active diplomatically in this matter.

*Q. Mr. Secretary, could you give us the U.S. reaction to the British initiative in setting up these new summit talks with the Soviet Union?*

A. It's all right with us.

*Q. Mr. Secretary, how do you look upon joint action by Laos and South Viet-Nam with U.S. support toward curtailing the flow of Communist supplies over the "Ho Chi Minh trail"?*

A. I wouldn't want to get into that very much. As you know, the Viet Minh have been in Laos for some time and the Government has been acting against them in various parts of the country. I don't attach undue significance to

<sup>9</sup> For statements made by Ambassador Adlai E. Stevenson in the Security Council on Dec. 22 and 24, see p. 43.

some of the reports I have seen here in the last few days on that.

*Q. Mr. Secretary, for clarification—*

### **U.N. Financial Problem**

*Q. Mr. Secretary, could you tell us something about our future relations with the United Nations and our continued use of the United Nations in a peacekeeping operation—operations—as we have done in the past, particularly in view of the problem of the article 19?<sup>10</sup>*

A. We do believe that in connection with the article 19 problem there should be a thorough discussion of the future of peacekeeping operations in the U.N. We believe that the Security Council should have what the charter calls "primary responsibility" in this field. We do not agree with those who think that the Security Council ought to have sole responsibility in this field. But we hope that procedures can be worked out whereby the Security Council will be given every possible opportunity to carry out its primary responsibility.

The General Assembly also has responsibility in this as in other matters. But we feel that the General Assembly ought to defer, at least for a time, to the Security Council in order that the Security Council's primary responsibility can be made effective.

We also think that those who make substantial economic contributions, financial contributions, to the U.N. ought to be listened to with considerable respect by the general membership. It is true that 5 percent of the contributions to the U.N. control two-thirds of the vote in the General Assembly. Now we have not seen, thus far, irresponsible action taken by the General Assembly in the financial field. But we think that the General Assembly should consult very carefully the wishes of those who do in fact make up the largest financial support for the U.N. to see whether, on the financial side, the plans that are being proposed are feasible or acceptable to those who provide the resources.

These are matters which have been raised for

<sup>10</sup> For background on the U.N. financial crisis, see BULLETIN of Nov. 9, 1964, p. 681; Dec. 7, 1964, p. 826; and Dec. 21, 1964, p. 891.

discussion. I made a speech in New York on this subject, or, rather, Mr. Harlan Cleveland read a speech for me when I couldn't go.<sup>11</sup> They have been discussed among delegations at the U.N. We hope that out of this discussion that has started over the article 19 there can come some improved procedures in this regard.

*Q. Thank you, sir.*

*Q. Mr. Secretary, is any thought being given to suggestions that profits from the World Bank loans be used to finance the United Nations?*

A. That has been suggested from time to time, but I don't believe that's an answer for the present problem. It's not an answer for the present problem.

*Q. Thank you.*

## **"The Hopefulness of These Times"**

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

Once again we come to keep an old and cherished tradition—the lighting, here in Washington, of the Nation's Christmas tree.

For all of us—of all ages—the lights of Christmas symbolize each year the happiness of this wonderful season. But this year I believe that the lights of Christmas symbolize more than the happiness of the moment. Their brightness expresses the hopefulness of these times.

These are the most hopeful times in all the years since Christ was born in Bethlehem. Our world is still troubled. Man is still afflicted by many worries and many woes. Yet today—as never before—man has in his possession the capacities to end war and preserve peace, to eradicate poverty and share abundance, to overcome the diseases that have afflicted the human race and permit all mankind to enjoy their promise in life on this earth.

At this Christmas season of 1964 we can think of broader and brighter horizons than any who

<sup>11</sup> For text, see *ibid.*, Jan. 27, 1964, p. 112.

<sup>1</sup> Made at the lighting of the national Christmas tree on Dec. 18 (White House press release).

have lived before these times. For there is rising in the sky of the age a new star—the star of peace.

By his inventions, man has made war unthinkable, now and forevermore. Man must, therefore, apply the same initiative, the same inventiveness, the same determined effort to make peace on earth eternal and meaningful for all mankind.

For nearly 200 years of our existence as a nation, America has stood for peace in the world. At this Christmas season—when the world commemorates the birth of the Prince of Peace—I want all men, everywhere, to know that the people of this great nation have but one hope, one ambition toward other peoples: that is to live at peace with them and for them to live at peace with one another.

Since the first Christmas, man has moved slowly but steadily forward toward realizing the promise of peace on earth among men of goodwill. That movement has been possible because there has been brought into the affairs of man a more generous spirit toward his fellow man.

Let us pray at this season that, in all we do as individuals and as a nation, we may be motivated by that spirit of generosity and compassion which Christ taught us so long ago.

Now it is my privilege to do—as Presidents have done for 40 years—to press this button and light the Christmas tree for all the Nation. As I do so, may I take this opportunity to express to each home and family in the nation the wishes of our family—Mrs. Johnson, Lynda, Luci, and myself—for a happy holiday season and years of peace and success to come.

## **U.S. Grants Aid to Chinese Refugees in Hong Kong**

Press release 525 dated December 21

The Department of State announced on December 21 that an agreement has been reached between the World Rehabilitation Fund, Inc., and the Government of Hong Kong to construct and maintain two physical rehabilitation centers in Hong Kong. One of the centers will benefit handicapped Chinese refugees, and the

other will assist Chinese refugee spastic children.

U.S. assistance to Chinese refugees is authorized by Presidential determination under authority contained in the Migration and Refugee Assistance Act (P.L. 87-510). With funds appropriated by the Congress, a grant of \$1,200,000 was made to the World Rehabilitation Fund, Inc., by the Department of State to implement the agreement's principal objectives. They are: to construct and operate an institution capable of assisting Chinese refugee spastic children, inclusive of medical, educational, and recreational facilities; and to construct and operate a multipurpose day center with a training and vocational rehabilitation program designed to help disabled Chinese refugees to become self-supporting.

Sites for both institutions will be provided by the Hong Kong Government.

The World Rehabilitation Fund, Inc., is an American nonprofit voluntary agency headquartered in New York under the presidency of Dr. Howard Rusk. President Harry Truman serves as the Fund's honorary chairman.

## **Congressional Documents Relating to Foreign Policy**

### **88th Congress, 2d Session**

A Report on the Strategic Importance of Western Europe. Letter from the Acting Chairman, U.S. Advisory Commission on International Educational and Cultural Affairs, transmitting a report made by Walter Adams, member of the Commission and professor of economics, Michigan State University. H Doc. 367. September 24, 1964. 18 pp.

## **U.S.—Luxembourg Income-Tax Convention Enters Into Force**

Press release 526 dated December 23

On December 22, 1964, the convention between the United States and Luxembourg for the avoidance of double taxation of income, prevention of fiscal evasion, and promotion of trade and investment, which was signed at Washington on December 18, 1962, was brought into force by the exchange of instruments of ratification at Luxembourg.

The provisions of the convention follow, in general, the pattern of income-tax conventions in force between the United States and numerous other countries. The convention is designed to remove an undesirable impediment to international trade and economic development by eliminating as far as possible double taxation on the same income.

So far as the United States is concerned, the convention applies only with respect to United States (that is, Federal) taxes. It does not apply to the imposition or collection of taxes by the several States, or the District of Columbia, except that article XX(3) contains the national-treatment provision to the effect that citizens of one of the countries shall not, while residents of the other country, be subject to other or more burdensome taxes (national, State, communal, or municipal) than are the citizens of such other country who are residents of its territory.

Pursuant to its terms, the convention is effective for taxable years beginning on or after January 1, 1964.

**U.S. Calls for Constructive Approach to Congo Problem**

*Statements by Adlai E. Stevenson  
U.S. Representative in the Security Council*

**STATEMENT OF DECEMBER 22**

U.S./U.N. press release 4485

I had not expected to take occasion at this time to speak again on the subject of the Congo,<sup>1</sup> although I may find it necessary to do so before the debate concludes. But I must intervene long enough to say to the gentleman who has just spoken, the representative of Algeria, that whereas yesterday we heard in the Council some very reassuring statements from the Foreign Ministers of Sudan and of Ghana denying that they were in any way aiding the rebels, I regret that I have heard no similar denial from the representative of Algeria, but only, indeed, another polemical attack on the Government of the Congo and on the only countries that have tried to help both this government and its predecessors to preserve the independence, the integrity, and the unity of the Congo.

Perhaps it would be just as well to disregard the verbal violence to which we have just been subjected by the representative of Algeria. However, I must say in response to his question that the administration of President Johnson was not inaugurated by a massive reprisal against Africa, if I quote his language correctly. But if you choose to use the phrase "inaugurated," Mr. Ambassador, let me inform you, sir, that it was inaugurated by a participation by the Government of the United States in

a rescue mission to save the lives of 2,000 foreign civilians of 18 nationalities.

And let it not be said again in this chamber, I trust, that no one was killed before the Belgian soldiers arrived to rescue the hostages illegally held in Stanleyville. I have before me a list of 58 persons who were killed, their names, the dates, and I should be happy to make it available to the delegate of Algeria or to anyone else who chooses to examine it. I only regret that the list grows day by day.

**STATEMENT OF DECEMBER 24**

U.S./U.N. press release 4486

Just about everyone has spoken twice, so I will take the liberty of doing so too. I shall not detain the Council long, however, as about everything that can be said and should be said about this case has been said, including part of it that should not have been said.

When I spoke here a week ago<sup>2</sup> about the role of the United States in the Congo and in the mission to rescue the civilian hostages of many nations held by the rebels in Stanleyville, I had high hopes that this participation by the United States would be correctly understood, if not, indeed, applauded by the nations who had signed the complaint against my country. I had high hopes because the rescue mission was in-

<sup>1</sup> For background on the U.S.-Belgian rescue missions in the Congo on Nov. 24 and 26, see BULLETIN of Dec. 14, 1964, p. 838.

<sup>2</sup> For a statement made by Ambassador Stevenson in the Security Council on Dec. 14, see *ibid.*, Jan. 4, 1965, p. 15.

spired by principles which I thought unassailable and by motives which I fancied were shared by all men of good will and of humane instincts everywhere.

In the intervening days of this discussion, I have been torn between disbelief at the incessant parrot-like repetition of absurd charges and sorrow that several African nations are disdainful, even resentful, of my country's long and consistent efforts to help achieve the unity, the integrity, and the peaceful development of the Congo by assistance in many forms, first by the United Nations and subsequently by the Central Government.

Yet these same countries proclaim again and again that an independent, stable Congo is what they want. I believed them at first, and now I wonder what their real objectives are.

I heard no such complaints about United States aid during the years of the struggle to end secession in Katanga and preserve the unity of the Congo, when the troops of many members of the United Nations were transported to the Congo in United States vessels and aircraft, used American equipment, and were supported by American voluntary contributions and matching bond purchases when other means of financing failed. We did our part as did many other nations, and in view of the accusations by a small group of African states I am proud to recall the part that we played at that time in the Council today.

But, for the most part, I have heard only a repetition of charges that my Government was insincere in its efforts to extricate the hostages and that together with Belgium we planned aggression in the Congo, using the rescue mission as a pretext, and that we alone are responsible for frustrating peace and order in this troubled country.

Perhaps the most outrageous, the most despicable, charge that we have heard in the Council during these proceedings was the one made yesterday that the United States and Belgium intentionally kept their nationals in the regions occupied by the Congolese rebels in order to have a pretext for intervention by military means. In effect, the Foreign Minister of the Congo (Brazzaville) accused my country of deliberately baiting a trap with unsuspecting and innocent human beings, of deceitfully

leaving them to the tender mercies of outlaws and terrorists in order to have a pretext for intervening against those outlaws. I shall say no more about this repulsive assault. Like the racialism that has emerged in this discussion, I deeply regret it—because it has, I fear, been noted well and widely by all responsible men.

As none can deny, my Government sought to persuade all Americans, except the staff of our consulate in Stanleyville, to leave the region prior to the occupation of Stanleyville by the rebels on August 5. Our consular officials remained because it was their duty to stay until all others were out. These consular officials were, however, imprisoned and held as hostages until released by the rescue mission. Some Americans left, but others, particularly missionaries, refused to leave their posts at the side of the Congolese people to whom they had devoted their lives. Some, in the bush, could not be notified in time. Some, who sought to leave, failed to reach the airport before it was seized by the rebels. Some, who had left the region, returned against our advice, to tend to their flocks.

And I have heard some strange doctrines asserted here—provoked, I hope, more by emotion than by reflection—for example, that African states can intervene against a neighbor African state, while denying the right of other states to answer the Congo's call for help.

I have heard a rebellion equated with a legitimate government—which must be the first attempt to use the United Nations to validate an armed attack against a member state.

And I have heard that the United States Government is indifferent to the death of Negroes in Mississippi and of Africans in the Congo, and that my country habitually seeks to overthrow unsympathetic governments.

I heard, too, from a non-African source, the charge that my country sought to establish in the Congo a beachhead for colonialism in Central Africa for the purpose of monopolistic exploitation of the Congo's natural wealth. But this is nothing new. The same Communist countries have for years misdescribed United States public or private efforts to assist underdeveloped nations, efforts which they cannot otherwise assail. The technique is old and fa-



miliar. What is new is the small chorus of African voices that now echo the same refrain.

On another point the Czechoslovak delegate claimed that NATO, which exists for the defense of Western Europe, had intervened in the Congo. He was quite mistaken. Two members of NATO have taken steps at the request of the Government of the Congo.

On the other hand, the Communist states have never attempted to deny that they intervene, often through military assistance, in what they call "wars of liberation." On some occasions they have assisted genuine nationalist movements fighting for the liberation and independence of their countries. In many cases, however, they intervene in countries already independent and members of the United Nations, on behalf of subversive movements or open rebellions against indigenous national governments.

This is the sort of intervention, by the established government of one independent country against the established government of another independent country, which, if continued, will tear apart the fabric of international cooperation and world peace. Yet this is precisely the sort of intervention in which the Communist countries normally, regularly, and as a matter of doctrine engage. We hardly think this qualifies them to denounce others who furnish aid to recognized sovereign governments resisting armed rebellion inspired from abroad.

The bulk of the charges against my country appear to fall in the category of motivation rather than of facts, although in some cases the latter are also disputed. Allegations have been made which call into question the good faith of my Government and of the statements which I made here last week. This I can only regret, since motives—and other men's speculations concerning them—are unfortunately not provable. I have, as I said, explained my country's motives and purposes at length in my earlier remarks. I can only hope, in the light of what is known of my country's long record of assistance to other nations in their efforts to improve the lot of their peoples, that the leaders of the governments represented here among the complainants will examine in the privacy of their consciences what I have said in this Council. If they do, I believe they will find that they do

not themselves really believe their intemperate charges. And if we question motives, I too could question theirs.

Socrates in his *Dialogues of Plato* said this: "The partisan, when he is engaged in a dispute, cares nothing about the rights of the question, but is anxious only to convince his hearers of his own assertions."

And I recall, too, a Danish proverb, which has its equivalent in all countries, I daresay, that "empty wagons make the most noise."

It is said that no foreign civilian was killed by the rebels before the Belgian paratroops landed in Stanleyville. This, too, is demonstrably false. I reported earlier that 35 foreign civilians were murdered by the rebels in the several months immediately preceding the November 24 rescue operation. I have here a partial list of foreign civilians killed by the rebels this year prior to November 24. It now amounts to 65 persons—and the end of this grisly story is not yet.

I will spare you the names, the dates, and the place of their deaths. The list will be available for anyone who chooses to examine it.

I think history will record the long efforts of the Congolese Government to obtain help in training, equipping, and disciplining its army in order to preserve law and order against the day when the United Nations would have to leave—and that the United States and Belgium were among those who answered the call. It will record the fact that the rebellion was against the government of Prime Minister [Cyrille] Adoula at the beginning, a fact which the complaining nations seem to overlook. It will record Mr. Adoula's appeals to African nations to help him fill the void created by the final departure of United Nations troops. It will record their failure to respond—and now their denunciation of those who did.

And it will also record the unashamed, indeed exultant, admissions by the Chiefs of State of Algeria and the United Arab Republic, President Ben Bella and President Nasser, that they are sending arms to the rebels to help overthrow the Government of the Congo and will continue to do so. I have been challenged to prove the complaint of the Government of the Democratic Republic of the Congo that members of the Organization of African Unity were assisting the

rebels. A few days ago we heard speakers say that the complaint of the Government of the Congo should be dismissed as without substance. But the charge is admitted; and we have an alarming preview of the kind of legality and international conduct that they intend to practice regardless of what they preach about African brotherhood and unity.

Mr. President, contrary to the bold assertions of the Foreign Minister of Kenya that the United States is frustrating peace in the Congo, I remind you that the promise of the United States to cooperate with the Organization of African Unity has already been reaffirmed in this Council. And I repeat again that the United States, in spite of everything—the disappointments and contradictions—stands ready to cooperate with the OAU, with the Security

Council, and with the Government of the Congo in finding a solution, a bona fide solution, to the problems, political or economic, which beset the Congo.

And I now wish to appeal once more for an end to the ugly, abusive, and dangerous polemic which has demeaned this hall of justice, peace, and international fraternity. A calm and constructive approach to the perpetual problems posed by the Congo's long, hard struggle to preserve its independence, its territorial integrity and unity, may get results. Bitterness, hatred, and falsehood will get results too—results that no one in his right mind cares to contemplate at any time—let alone on the eve of Christmas, the birthday of the Prince of Peace.

The hand is extended. If others will grasp it, we may still be able to act before it is too late.

## **First Special Inter-American Conference Provides for Admission of New Members to Organization of American States**

*The First Special Inter-American Conference was held at Washington, D.C., December 16-18 to consider the question of the admission of new members to the Organization of American States. Following is a statement made by Ambassador Ellsworth Bunker, Alternate U.S. Representative to the conference, on December 17 upon the occasion of the installation of the General Committee, together with the text of the Act of Washington, which was a portion of the Final Act of the conference.*

### **STATEMENT BY AMBASSADOR BUNKER**

Mr. Chairman: I should like to make a few remarks in support of the masterful statement made by the distinguished Foreign Minister from Brazil [Vasco Leitao da Cunha]. In fact, Mr. Chairman, in the course of the consideration of this matter in the Council of the OAS, the position of my Government has been so frequently made known that it needs no ex-

tensive restatement at this time. In summary, it is as follows.

The Charter of the OAS,<sup>1</sup> as clearly intended by its framers, provides for the admission of new members—both additional American states existing at the time the charter was adopted and those which have since emerged. It seems clear to us that when article 2 says, "All American States that ratify the present Charter are Members," it means just what it says.

If there were any doubt as to the intention that this article should apply to new states arising since 1948, that doubt is surely dispelled by the understanding unanimously agreed upon by the representatives of all governments attending the conference in 1948 that drew up the charter, to the effect that, "in accordance with these articles, any new state established in the Hemisphere may become part of the Organization."

The explicit requirements, then, for member-

<sup>1</sup> For text, see BULLETIN of May 23, 1948, p. 666.

ship, are simple: that the applicant be "American" (i.e., that it be situated geographically within the Western Hemisphere), and that it be a "state." We understand that this word "state" is used in the ordinary sense which it has in international law—that is, an independent, sovereign entity, thus able to carry out all its obligations under the charter.

With the charter clear, the requirements explicit and simple, the task of this conference, then, is correspondingly simple—that of agreeing upon a procedure which will implement these provisions. No amendment of the charter is therefore involved, in our view. Indeed, the argument has been made that procedures are not even necessary, that membership is automatic and is within the control of the would-be member. This view, however, does not commend itself to us. With respect to any applicant, some determination must be made as to whether it is an independent "American state"—a determination that is presumably one for the existing membership to make. And for this, some procedure must be established.

The procedure proposed in the draft resolution presented to this conference by the delegations of Argentina, Bolivia, Brazil, Costa Rica, Paraguay, and the United States seems to us admirably suited. With respect to the form, however, it seems to us that the distinguished Foreign Minister of Ecuador [Gonzalo Esequedo], with his usual intelligence and vision, has made a notable contribution to this conference by suggesting that the document be in the form of an *acta*—the "Act of Washington." Making use of the Secretary General as the administrative head of the Organization and custodian of the charter, and of the Council as the major body in permanent session on which all participating members are represented, seems to us both practical and expeditious.

The proposal that the action of the Council require the affirmative vote of two-thirds of the present members avoids both the potential tyranny of the bare majority and the potential despotism of the veto—which concept we have happily been able to avoid introducing into the inter-American system. Moreover, while such matters are not in reality decided by counting noses, it does not seem consistent with the necessary harmony and solidarity to provide even

theoretically that a political entity should become a member if one-half minus one of the present members feel that it fails to qualify as a state.

Two other points require mention:

We are aware that there are three territories in this hemisphere which are the object of controversy between adjacent or neighboring American Republics and an extracontinental power. While this conference is not called upon—and indeed it would be most inappropriate—to pass upon or prejudge in any way the substance of these problems, their existence has, in the view of many, a potential relevance to the establishment of procedures for admission to membership. Indeed, so long as such disputes should continue, they would naturally be a cloud upon the very existence and independence of any political entity that might emerge from the territories so far as its suitability is concerned for admission to the OAS as an independent state. In attention, then, to such a situation, and to the strength of feeling on this matter by certain of our sister Republics directly affected, it seems fitting that we expressly exempt any entity arising from such territories from decision by the Council until such time as an end has been put to the controversy by some method of peaceful settlement.

Secondly, in the discussions in the Council of the problem of membership, considerable attention has been given to the question of whether, in addition to the charter, the would-be member must sign and ratify the Rio Treaty. This treaty is, of course, the basis of our hemispheric security system; contains solemn commitments on which our protection and security rest; and in its operation makes use of such instrumentalities as the Council and the MFM [Meeting of Foreign Ministers], investing them with authority as Organ of Consultation. From a practical point of view, then, it would be difficult to envisage an American state being an effective member of the organization without becoming a party to the Rio Treaty. Moreover, article 25 of the charter provides that, in the event any situation arises endangering the peace of America, "the American States . . . shall apply the measures and procedures established in the special treaties on the subject." Thus, in our view, while it cannot be juridically

asserted that adherence to the Rio Treaty is a *prior condition* to becoming a member, the charter is clear that the members shall apply the measures and procedures of such a treaty and there is the further obligation of all members to put themselves in a position to carry out fully all the provisions of the charter.

These, then, Mr. Chairman, are the views of my Government on the single question before this meeting. Prompt and, we would hope, unanimous adoption of a resolution embodying such reasonable procedures as those in the draft before us will be an act of justice toward the new independent states in this hemisphere. It will be in accord with our historic tradition of seeking an end to dependent relationships in the international community. It will demonstrate that the OAS is—as its framers intended—an organization that can evolve and adapt to meet the challenges of a rapidly changing world.

## ACT OF WASHINGTON<sup>2</sup>

### WHEREAS:

The common purposes pursued by the Organization of American States are to consolidate the ties of solidarity among the peoples of this hemisphere, to bring about closer cooperation among them, to obtain an order of peace and justice, and to defend their sovereignty, their territorial integrity, and their independence;

In establishing their mutual relations on bases of concord and friendship the member states have sought to eliminate from the Americas: in the political sphere, the doctrines and systems that, by impairing the personality of the individual, are a danger to peace; and in the economic sphere, the preferential systems that are prejudicial to cooperation and their development;

It is the will of the member states of the Organization of American States to permit the independent American states that so desire and that are willing to comply with the obligations of the Charter to participate in the benefits of their organization;

<sup>2</sup> The Final Act, adopted at the closing session of the conference on Dec. 18, included a preamble and three resolutions: I, Act of Washington; II, Vote of Appreciation; and III, Vote of Thanks. The Guatemalan delegation abstained with a statement which said, among other things, that it "persists in its original view and reiterates that the proper form of resolving the matter of admitting new members is through the signature of an additional protocol enumerating the requirements and limits governing the admission of new members. . . ."

The inter-American system, as established in numerous resolutions of Inter-American Conferences and in provisions of the Charter itself, is founded upon respect for the sovereignty, territorial integrity, the independence of the states, and their equality before the law;

Resolution XCVI.3 and Resolution XCVII.2 of the Tenth Inter-American Conference<sup>3</sup> clearly establish a special situation with respect to the occupied territories that are the subject of litigation or claim between extra-continental countries and some American states;

Articles 2 and 108 of the Charter of the Organization of American States indicate that any state that wishes to be a member of the Organization must meet the following requirements:

- a. That it be an independent state,
- b. That it be located within the Western Hemisphere, and
- c. That it sign and ratify the Charter of the Organization of American States;

Articles 24 and 25 of the Charter establish obligations for all the American states with respect to collective security of the hemisphere;

In accordance with those articles, the American states shall apply the measures and procedures established in the Inter-American Treaty of Reciprocal Assistance, for the purpose of fulfilling all the obligations arising from their condition as members of the Organization;

Article 33 of the Charter stipulates that the Inter-American Conference is the supreme organ of the Organization and that it decides the general action and policy of the Organization and determines the structure and functions of its Organs and has authority to consider any matter relating to friendly relations among the American states;

Article 50 authorizes the Council of the Organization to take cognizance, within the limits of the Charter and of inter-American treaties and agreements, of any matter referred to it by the Inter-American Conference or the Meeting of Consultation of Ministers of Foreign Affairs;

Pursuant to Article 51 of the Charter, the Council shall be responsible for the proper discharge by the Pan American Union of the duties assigned to it; and

It is necessary to establish a procedure for the admission of new members,

The First Special Inter-American Conference

### RESOLVES:

1. That any independent American state that desires to become a member of the Organization should so indicate by means of a note addressed to the Secretary General, in which it declares that it is willing to sign and ratify the Charter of the Organization of American States and to accept all the obligations inherent in the

<sup>3</sup> For a report on the Tenth Inter-American Conference by William G. Bowdler, see BULLETIN of Apr. 26, 1954, p. 634.

condition of membership in the Organization, especially those relating to collective security expressly set forth in articles 24 and 25 of the Charter of the Organization.

2. That, once it is informed of the matter by the Secretary General, the Council of the Organization, in accordance with articles 108, 50, and 51 of the Charter, shall determine by the vote of two thirds of the member states whether it is appropriate that the Secretary General be authorized to permit the applicant state to sign the Charter of the Organization and to accept the

deposit of the corresponding instrument of ratification.

3. That the Council of the Organization shall not take any decision with respect to a request for admission on the part of a political entity whose territory, in whole or in part, is subject, prior to the date of this resolution, to litigation or claim between an extra-continental country and one or more member states of the Organization of American States, until the dispute has been ended by some peaceful procedure.

4. That this instrument shall be known as the "Act of Washington."

## Record of U.S. Participation During Second Year of Long-Term Cotton Textile Arrangement

*Statement by Stanley Nehmer*<sup>1</sup>

The past year has brought many new problems, challenges, and opportunities for the 28 participating governments in the Long-Term Cotton Textile Arrangement.<sup>2</sup> We from the United States look forward to continuing with our colleagues from other countries the discussion begun last year concerning our respective experiences with this international cooperative venture.<sup>3</sup>

We believe the record of the first 2 years of this agreement shows that the Long-Term Ar-

range-ment, despite difficulties from time to time, is of benefit to all countries concerned with international trade in cotton textiles. We believe that this record has confirmed the wisdom of a collective effort to establish an international arrangement that would permit the solution of problems of common concern to both importing and exporting countries in the field of cotton textiles. We believe that it has also confirmed the judgment that multilateral action in this field is to be preferred to unilateral action, both from the standpoint of the importing and the exporting countries.

At this point, as the Long-Term Arrangement enters its third year, I should like to restate what we consider as the principal goals and objectives of the Long-Term Arrangement.

—The Long-Term Arrangement means to the United States a practical way whereby developing countries have the opportunity to expand their exports, particularly to the industrialized countries.

—The Long-Term Arrangement means to the United States an opportunity for industrialized countries to open their doors to trade from the developing countries, with the assurance that

<sup>1</sup> Made before the Cotton Textiles Committee of the General Agreement on Tariffs and Trade at Geneva on Dec. 1. Mr. Nehmer is Director of the Office of International Resources, Bureau of Economic Affairs; he was U.S. representative at the meeting of the Committee.

<sup>2</sup> For text, see BULLETIN of Mar. 12, 1962, p. 431. The governments participating in the Long-Term Arrangement are Australia, Austria, Belgium, Canada, Republic of China, Colombia, Denmark, Finland, France, Federal Republic of Germany, India, Israel, Italy, Jamaica, Japan, Luxembourg, Mexico, Netherlands, Norway, Pakistan, Portugal, Spain, Sweden, Turkey, United Arab Republic, United Kingdom (including Hong Kong), and United States.

<sup>3</sup> For a statement made before the Committee by Mr. Nehmer on Dec. 3, 1963, see BULLETIN of Jan. 20, 1964, p. 96.

such action will not result in economic and social dislocation in their domestic economies.

—The Long-Term Arrangement means to the United States a unique multilateral venture capable of meeting a difficult problem without resort to national unilateral actions.

Despite occasional difficulties and setbacks, we believe this agreement has been successful in the achievement of these objectives.

The United States continues to be the world's largest market for cotton textiles. Over 70 countries export cotton textiles to the United States. The United States is a market open and free from unilateral import quotas. It is a market supplied by a domestic industry which is intensely competitive and widely diversified. It is a market also supplied by an extremely active and financially strong group of traders promoting imports from an ever-growing list of countries.

I should like to report on the record, the experiences, and the problems of the United States in implementing the goals of the arrangement over the past year.

#### **Implementation of Last Year's Conclusions**

At its meeting last year this Committee adopted a series of conclusions in order to improve the implementation of the Long-Term Arrangement for both the exporting and the importing countries. The United States has been successful over the past year in following these suggestions. At this point I should like to summarize our record in this field.

First, we have added more information to our statements on our domestic market situation, including, whenever possible, production data and price statistics. Other members of this Committee undoubtedly are aware of the difficulties in this area. For example, comprehensive data on apparel production by fiber content have not heretofore been available in the United States. An entirely new statistical program has been instituted to obtain more comprehensive and reliable data on cotton textile production. In time, we expect to have available production statistics exactly corresponding to the cotton textile categories now used in classifying cotton textile imports.

More comprehensive price data are also a par-

ticularly difficult area since importers are generally reluctant to provide such data. Additional data have been obtained, however, and the increased information continues to confirm the existence generally of substantial price differentials between domestically produced and imported textiles. Work is continuing on the analysis of pricing techniques and pricing bases for imported and domestically produced cotton textiles.

Second, the United States, over the past year, reviewed all article 3 restraints outstanding against participating and nonparticipating countries. Several restraints were dropped, and others have been proposed to exporting countries for elimination. Thirteen other restraints were eliminated as a result of bilateral agreements. Others were liberalized.

Third, over the past year the United States has held bilateral consultations with five participating countries and three nonparticipating countries concerning prospective levels of trade. Consultations are planned with five exporting countries, including three participants. The United States also consulted with several countries concerning extensive revisions of existing arrangements.

Fourth, the United States cooperated with a number of suppliers on problems related to the classification of cotton textiles. Such cooperation took the form of exchanges on classification procedures. In certain cases, the United States, in an effort to limit its restraint requests, provided detailed technical specifications of the goods covered under the restraint. The United States has agreed in response to some requests to provide greater flexibility for related categories.

These are the main points of our efforts during the past year to implement last year's conclusions of this Committee. These efforts will be continued in the months and years ahead.

#### **Implementation During Second Year**

The United States initiated few new restraint actions during the past year. Existing article 3 restraints were in many cases liberalized as part of article 4 bilateral agreements. In several important cases the United States discontinued article 3 restraints.

At the present time the United States maintains article 3 restraints on exports from only three countries that were participants in the Long-Term Arrangement as of the end of the second Long-Term Arrangement year. A total of only 10 separate restraints involving 7 separate products are in effect. Three of these restraints were initiated during the second Long-Term Arrangement year, and the others were renewals from the first Long-Term Arrangement year.

Three restraint actions were also initiated, under the equity provisions of article 6, with exporting countries that do not participate in the arrangement. Several of the restraints are interim measures, and consultations are continuing with a view to reaching a mutually acceptable solution.

These actions were not taken lightly. I will speak in a moment of the increasing concentration of U.S. imports in fewer products and the substantial rise of U.S. imports in some 25 categories. As I have just indicated, the United States, over the past year, has made substantial efforts to make its market data more complete, including production and price statistics. A statement on the market situation was submitted to the secretariat for each new restraint, and these statements were circulated to all countries participating in this Committee.

Over the past year the United States has also endeavored, in the case of many supplier countries, to negotiate bilateral arrangements under article 4 in lieu of existing article 3 restraints in order to liberalize such restraints. Ten major article 4 arrangements are now in effect with participating countries and three with countries that are not participants of the Long-Term Arrangement. Six of these agreements have been concluded since last year's meeting of this Committee, including agreements with Portugal,<sup>4</sup> the Philippines,<sup>5</sup> India,<sup>6</sup> Greece,<sup>7</sup> Turkey,<sup>8</sup> and Yugoslavia.<sup>9</sup> Agreements are under discussion with several other important suppliers.

<sup>4</sup> Not printed.

<sup>5</sup> For text, see BULLETIN of Mar. 9, 1964, p. 383.

<sup>6</sup> For text, see *ibid.*, June 8, 1964, p. 914.

<sup>7</sup> For text, see *ibid.*, Aug. 24, 1964, p. 291.

<sup>8</sup> For text, see *ibid.*, p. 292.

<sup>9</sup> For text, see *ibid.*, Oct. 26, 1964, p. 602.

I may cite here a few figures from 12 bilateral arrangements now in effect, or agreed, with developing countries. (I do not include our arrangements with Japan or Hong Kong.)

At the time agreements with these 12 suppliers were negotiated, restraint actions in effect with these countries totaled 268 million square yards equivalent, covering many of the products in which these countries had experienced their most rapid growth. Under the bilateral agreements, these 12 suppliers are entitled to ship, during the third year of the Long-Term Arrangement, a total of 340 million square yards—an increase of over 25 percent—in these same categories previously restrained. In addition, the United States agreed to eliminate 13 specific ceilings.

With respect to overall levels of trade, it might be noted that for the agreement periods beginning during the third year of the Long-Term Arrangement, these 12 countries may ship a total of 400 million square yards in the categories covered by the agreements. This is almost twice the volume the United States imported from these countries, in the same categories, during U.S. fiscal year 1961, a total of only 220 million square yards.

As part of all of these agreements the United States has agreed to waive its rights to invoke article 3. The agreements generally have a term of 3 or 4 years and provide annually for 5 percent growth. All the agreements also provide for considerable flexibility of exports. The United States Government believes that through these agreements it has made a very substantial effort to provide expanded export opportunities for developing countries consistent with the objectives of the Long-Term Arrangement.

In addition to the negotiation of new arrangements under article 4 the United States has always been prepared to consult with bilateral partners on adjustment of existing article 4 arrangements. A series of such consultations were held in Washington and in other capitals over the past year. In the case of Spain, the United States this fall negotiated an entirely new agreement,<sup>10</sup> which involved the elimination of some 20 specific category ceilings and

<sup>10</sup> For text, see *ibid.*, Nov. 30, 1964, p. 795.

substantial increases in 20 others. In the case of India, the United States agreed to a change in marketing periods in order to forestall loss by India of part of the agreed export levels due to unusual circumstances.<sup>11</sup> In the cases of the Republic of China<sup>12</sup> and of Jamaica,<sup>13</sup> the United States agreed to revisions in several export ceilings.

#### United States Imports of Cotton Textiles

This faithful implementation of last year's conclusions and a sparing use of restraints during the second year of the Long-Term Arrangement would have permitted an increase in imports and did, in fact, result in increases in a large number of categories. However, there was an important offsetting factor which substantially affected the volume of imports in some categories—to such an extent, in fact, that overall imports were slightly lower.

This new development was the enactment of one-price cotton legislation, which affected in a major way both the condition of U.S. cotton textile markets and the pattern of U.S. cotton textile imports during the greater part of the past year. One-price cotton was one of the objectives of President Kennedy's seven-point program of assistance to the U.S. textile industry announced on May 2, 1961,<sup>14</sup> and more recently reaffirmed by President Johnson. Legislation establishing one-price cotton became effective on April 11, 1964. As a result of the measure, domestic mills are no longer required to pay a higher price for raw cotton than foreign users of U.S. cotton. The measure, unless renewed, will expire in mid-1966. The administration will seek legislation to continue one-price cotton and hopes to obtain early legislative action.

An important temporary effect of the new legislation, both before and after its passage by Congress, was the hesitation and uncertainty that it created in U.S. cotton textile markets. Domestic production and imports were both adversely affected. Manufacturers, wholesalers, and importers trimmed inventories in anticipa-

tion of price reductions reflecting the reduced cost of cotton. This reluctance to make forward commitments affected particularly many lower value, coarser, and heavier cotton textile items, such as yarn and sheeting, for which cotton constitutes the major part of total cost.

The market uncertainties caused during the passage of legislation on one-price cotton affected the domestic market to such an extent during the early months of the second year of the Long-Term Arrangement that imports declined noticeably in the yarn and fabric groups. There were, however, continuing increases in the household and apparel groups, and there are indications of a recovery in yarn and fabric imports.

Imports in the household and apparel groups during the second Long-Term Arrangement year increased to 456 million square yards equivalent compared to 436 million in the first Long-Term Arrangement year and 340 million in fiscal 1961. Imports in the yarn, fabric, and miscellaneous groups in the second Long-Term Arrangement year were 576 million square yards equivalent. This was less than the 687 million imported during the first Long-Term Arrangement year but more than 100 millions in excess of imports during fiscal 1961.

At last year's meeting the United States noted the substantial rise in imports from developing countries that has accounted for most of the increase in total cotton textile imports into the United States over the last 3½ years. During the past year these countries as a group maintained their high share of the U.S. import market. Developing countries continued to account for nearly two-thirds of total U.S. imports as compared with 55 percent 3½ years ago. Developing countries also largely accounted for the substantial rise in imports in some 25 product categories.

Over the past year the drive of supplying countries to diversify into products of a higher value gained new momentum. The unit value of all cotton textile imports reached a new high and was 7 percent higher than a year earlier.

The aggregate level of U.S. imports during the second year of the Long-Term Arrangement reflects these varying influences. In quantitative terms, imports amounted to 1,031 mil-

<sup>11</sup> For text of agreement, see *ibid.*, June 8, 1964, p. 915.

<sup>12</sup> For text of agreement, see *ibid.*, Nov. 18, 1963, p. 790.

<sup>13</sup> For text of agreement, see *ibid.*, Oct. 21, 1963, p. 645.

<sup>14</sup> *Ibid.*, May 29, 1961, p. 825.



lion square yards compared with 1,123 million square yards during the first year of the Long-Term Arrangement and 812 million square yards during fiscal year 1961. Imports totaled \$295 million during the second year of the Long-Term Arrangement, within 2 percent of the previous year but \$70 million more than in fiscal year 1961. This modest decline in imports, as measured in terms of quantity, is attributable in large degree to the uncertainty in segments of the U.S. cotton textile market created by the introduction of one-price cotton. There is every reason to believe that it will be temporary. In fact, all the available data suggest that the decline has halted and the trend has already reversed.

To illustrate this point, imports in three lower value products, which traditionally account for roughly one-third of total U.S. imports—yarns, sheeting, and miscellaneous fabrics other than duck—fell by 65 million square yards. It was in these products that market uncertainty was most severe during the first 9 months of the second year of the Long-Term Arrangement. In passing it should be noted that it was in these products in the yarn and fabric groups that disruption had been most severe previously. Conversely, imports rose in 25 other product categories by an aggregate of 58 million square yards or an average of 22 percent. Half of these categories had increases in excess of 20 percent, and some of these were in excess of 100 percent. Most of these were products relatively advanced in manufacture for which reductions in raw material costs resulting from one-price cotton were insignificant compared to the wide differences between domestic and import prices of these products. Market uncertainty in these products, therefore, was negligible.

We expect excellent markets in the United States this year for imported cotton textiles in all groups. Even imported yarn, which we anticipated would be seriously challenged by domestic spinners when one-price cotton became available to them, should enjoy a good market in the United States. The domestic producers of sales yarn have lowered their prices to reflect savings in cotton costs, even though labor and other production costs have increased since enactment of this legislation. The temporary

falloff in yarn imports clearly seems to be primarily the result of earlier uncertainty in the U.S. yarn markets when the legislation was pending and the result of the short-term requirement of yarn users for near deliveries in order to meet their own delivery demand and replenish inventories. Imported yarn, as recently as the past 2 weeks, is still being offered at 4 to 5 cents—and in at least one case, as much as 7 cents—under domestic prices in yarn constructions which sell in the 40- to 60-cent price range. These differentials are in a market where 1 or 2 cents is more than sufficient to determine the supplier.

The continuing rise and increasing concentration of imports in the more advanced stages of manufacture have created a serious problem for the United States with regard to the implementation of the Long-Term Arrangement. Already in 1962, imports amounted to more than 25 percent of total U.S. production in eight categories. In 1963 these import ratios further increased. Most of the categories involved represent advanced stages of manufacture, particularly in the apparel field. While it is an objective of U.S. policy to provide opportunities for the orderly growth of trade, the United States cannot afford to ignore the problems faced by domestic producers in many of these segments of the U.S. cotton textile market when there is already a heavy concentration of imports.

#### **Condition of the U.S. Cotton Textile Market**

An upswing is now underway in the U.S. cotton textile industry, as price adjustments and rising consumer spending have erased the uncertainties prevailing earlier this year. However, compared to most other manufacturing industries in the United States, the recovery in the U.S. cotton textile industry remains modest. Sales of cotton textiles, starting from fairly low levels, have only recently regained the operating levels of 1962. Let me summarize the highlights of these recent developments.

First, mill employment has continued its long-term decline and in the first half of 1964 was 12 percent below the levels of the late 1950's. Unemployment in the industry has remained substantially above the national level. Wages

in the industry, which were increased twice during the past year and five times since 1959, remain substantially below the average for all manufacturing industries.

Second, profits remain low and business failures high as compared to other U.S. manufacturing industries. For the first half of 1964 net profits were 2½ percent of sales, unchanged from 1962 and down from the 3-percent rate attained in 1959. There were 21 business failures, involving firms with current liabilities of \$5.5 million, as compared with failures involving liabilities of \$4.2 million in all of 1962.

Third, the current upswing is partly fed by temporary factors, such as the rebuilding of inventories depleted earlier this year.

Nevertheless, the current upswing does contain many hopeful signs pointing to a brighter future for both domestically produced and imported cotton textiles in the United States.

First, there have been adjustments in prices, particularly in yarns, which will strengthen the competitive position of cotton relative to other fibers. Although one-price cotton is only recent, its effects have been felt throughout the industry. By September, mill consumption of cotton had increased by 6 percent over the level of a year ago.

Second, the domestic textile industry has continued to step up its rate of spending on research, product development, and new equipment. For 1964, total investment spending of the textile sector is expected to reach approximately \$800 million as compared with \$500 million only 4 years ago. This year's investment will represent the largest percentage increase of any manufacturing industry.

Third, active spindleage in the United States has been declining for many years and is now some 4 million units less than in 1956. As a result of these scrapping and modernization programs, a better balance exists today between plant capacity and market demand in the United States, permitting better and more economic utilization of existing equipment.

Fourth, consumer demand for textiles in the United States is strong. Per capita consumption of fiber is expected to advance markedly this year, and cotton will be a major beneficiary.

Present projections for market trends indicate that this expansion will continue into 1965.

One effect of the present strength of consumer demand has been a new surge of orders to overseas suppliers. This rise in orders will undoubtedly continue. Imports are expected to rise in the months ahead.

Thus, a strong and healthy cotton textile industry in the United States is not only important for the industry itself, its employees, and the U.S. economy, but also in the long run it is the best guarantee of expanding export markets for cotton textile producers abroad. Through a vigorous program of market research, product development, advertising, and sales promotion, U.S. manufacturers have pioneered many of the products, markets, and uses in which overseas suppliers now do profitable business in the United States. If U.S. cotton textile producers are unable to share in the growing U.S. market and lose the contest of interfiber competition, overseas suppliers of cotton textiles will unlikely be able to maintain their share of U.S. textile markets. For all these reasons, we are greatly encouraged by the recent evidence that the U.S. cotton textile industry has begun to share in the general expansion of business which has been underway in the United States for almost 4 years.

#### **Problems in Implementing Arrangement**

At this point, while I am speaking of U.S. policy during the second year of the Long-Term Arrangement, it may be useful to comment briefly on the position of exporting countries in their relations with the United States. As the United States noted at last year's meeting, the Long-Term Arrangement is not a one-way street. The arrangement imposes reciprocal obligations on both the importing and the exporting countries to cooperate in maintaining orderly markets.

In this connection, I regret to say that my Government has not always had the full cooperation of exporting countries. The United States tried to avoid formal restraint action by consulting with exporting countries about our concern over rising imports in particular categories. In only three cases did the country

concerned take steps to insure an orderly development of trade in the product by limiting the rate of exports.

Overshipments of restraint levels continued to be a serious problem for certain products, although cooperation of exporting countries generally was much improved during the second year of the Long-Term Arrangement. In some cases these overshipments resulted from misunderstandings of the products covered by the restraint requests under U.S. classification procedures. Also, conflicting demands have been made on the United States with regard to this point by exporting countries. On the one hand, exporting countries wish to see a restraint action as narrowly circumscribed as possible; on the other, they quite properly point to the need for simple definition of the products to be covered so that the restraint can be easily administered by their export control authorities.

A growing problem over the past year has been the circumvention and negation of export restraints by transshipments and third-country transactions. The United States has agreed in principle to the institution of a comprehensive certification system with two suppliers who proposed such systems in order to prevent further circumvention of their export arrangement through third-country transactions. A certification procedure has also been instituted with two other suppliers to prevent large-scale transshipments of velveteen.

The United States has also found that some exporting countries have been reluctant to agree to the elimination of export restraints no longer needed. Under the flexibility provisions of paragraph 4 of article 3, shortfalls in exports of products subject to restraint can be transferred to other restraints, effectively increasing permissible levels of trade in each of these other products by 5 percent. In certain cases this provision has acted as an incentive to exporters to resist elimination of restraints.

The United States has also encountered a problem with regard to the implementation of the equity provisions of the Long-Term Arrangement relating to nonparticipants. Since the inception of the Long-Term Arrangement, the United States has consistently followed a

policy of implementing the Long-Term Arrangement impartially between countries participating and those not participating in the arrangement. Since restrained trade is frequently diverted to new suppliers, no other policy is equitable. Certain nonparticipating exporting countries, on the other hand, have refused to accept requests for restraint on the grounds that they should not be subjected to the provisions of the Long-Term Arrangement. Some exporting countries have been reluctant to recognize that disruption in the markets of the importing country is often created by the cumulative effects of imports from all sources of supply. The United States, for its part, has taken the position that it cannot permit non-participants to benefit from the restraints imposed on participating countries. We have found that restrained participating countries share this view with us.

Finally, I would like to mention here a problem which, while not directly related to the United States, is of considerable concern to this Committee. In preparing for this meeting we have once again been struck by the fact that certain countries continue to control imports of cotton textiles by licensing systems and other means outside the arrangement; furthermore, in certain cases formal and informal restrictions by private interests on the marketing of imported goods may be important and effective impediments to international trade in cotton textiles.

I feel it is particularly important this year that the Committee examine all the facts, not only about the way in which all importing countries have implemented the provisions of the Long-Term Arrangement since last year's meeting but also the ways in which cotton textile trade may be restricted outside of the provisions of the arrangement.

#### **A Look Toward the Future**

This is the record of the United States with regard to the implementation of the Long-Term Arrangement during its second year. We will be interested to hear the reports of our colleagues from other countries with regard to their experiences and the opportunities, prob-

lems, and challenges which they faced in implementing the arrangement.

As the Long-Term Arrangement enters its third year, it also may be appropriate for the Committee to give increased attention to the broad trends in world production and trade in cotton textiles as they have been developing since the inception of the Short-Term Arrangement in 1961.<sup>15</sup> The secretariat has been circulating considerable statistical information since last year's meeting which would be useful in the Committee's deliberations on this matter. We believe that the general trends, indicated by these and other statistics, are encouraging. Many new countries have joined the ranks of exporting nations during the last 3 years and now contribute a significant share of total world trade in cotton textiles. New and established supplier nations have done well and exports from developing countries have reached new highs. The center of gravity of export trade in cotton textiles has shifted increasingly, during these years, from the industrialized to the developing parts of the world. At the same time, while this has been happening, the productive capacity and the levels of operation of cotton textile industries in the developing countries have continued to expand.

I believe all of us will be very much interested to hear from our colleagues in developing countries about the performance of the cotton textile industries in their respective countries, particularly the overall rates of growth in exports and production.

We also hope that this discussion could lead this Committee to take a forward look at prospective developments in world trade in the years ahead. Considerable work is also being done in this area by other international bodies, such as the OECD [Organization for Economic Cooperation and Development] Textiles Committee and the International Federation of Cotton and Allied Textile Industries. Furthermore, the resources of the International Cotton Advisory Committee, which is concerned with trade in cotton and collects data related to cotton consumption, could be tapped for this pur-

pose. The secretariat has already been keeping in close touch with the work of these bodies. I believe my colleagues will agree that this cooperation should be continued.

Likewise, the statistics collected by the secretariat on imports and production are vital to an understanding by each of our countries of developments in the field of cotton textiles. We need to continue our cooperative efforts in this area and to correct deficiencies in our statistical reports.

We all recognize that the Long-Term Arrangement is subject to the imperfections inherent in an arrangement of this sort. However, seen in a broader perspective, the arrangement has been highly successful in harmonizing the interests of exporting and importing countries. The Long-Term Arrangement has proven itself a good instrument to resolve difficulties of developing and developed countries alike in a rapidly changing situation. It provides a framework within which developing countries have been able to increase their exports considerably without running the risk of unilateral quota restriction. It is also an instrument which enables the industries of the developed countries to make necessary adjustments in the face of rising competition from imports. The record of the U.S. cotton textile industry in this regard is highly encouraging, and I hope that other importing countries will be able to report this week similar progress in their own countries.

Once again, the United States believes that it can point to its contribution to the expansion of trade in cotton textiles from developing countries. We believe the record of the last 2 years shows that problems between developing and developed countries in this area of trade can always be resolved when there is a mutual desire of accommodation within the framework of the Long-Term Arrangement. United States policy will continue to provide trade opportunities for developing countries in the U.S. market.

As the Long-Term Arrangement enters its third year, it looks better and better as a living instrument for resolving in a spirit of mutual accommodation important problems in one of the major commodities in world trade.

<sup>15</sup> For text, see *ibid.*, Aug. 21, 1961, p. 337.

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The United Nations Conference on Trade and Development. Analysis of the results and prospects for Latin America. E/CN.12/C.1/21. October 8, 1964. 117 pp.

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Technical Assistance Activities of the United Nations. Report of the Secretary-General on the 1965 Regular Programme of Technical Assistance. E/3390. October 2, 1964. 70 pp.

Economic and Social Consequences of Disarmament. Report of the Secretary-General on Conversion to Peaceful Needs of the Resources Released by Disarmament. E/3898 Rev. 1. October 7, 1964. 40 pp.

Statistical Commission. Report by the Secretary-General on Construction Statistics. E/CN.3/305. October 21, 1964. 136 pp.

Supplementary report by the Secretary-General on Legislation and Practice Relating to the Status of Women in Family Law and Property Rights. E/CN.6/125. October 23, 1964. 38 pp.

Report by the Secretary-General on Information Concerning the Status of Women in Trust Territories. E/CN.6/127. November 3, 1964. 27 pp.

## TREATY INFORMATION

## Current Actions

### MULTILATERAL

#### North Atlantic Treaty—Atomic Information

Agreement between the parties to the North Atlantic Treaty for cooperation regarding atomic information. Done at Paris June 18, 1964.<sup>1</sup>

*Notification received that it is willing to be bound by terms of the agreement:* Luxembourg, December 21, 1964.

#### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Accession deposited:* Central African Republic, December 22, 1964.

### BILATERAL

#### Guinea

Agreement amending the agricultural commodities agreement of June 13, 1964, as amended (TIAS 5668, 5701). Effected by exchange of notes at Washington December 21, 1964. Entered into force December 21, 1964.

#### Israel

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Washington December 22, 1964. Entered into force December 22, 1964.

#### Luxembourg

Convention with respect to taxes on income and property. Signed at Washington December 18, 1962.

*Ratifications exchanged:* December 22, 1964.

*Entered into force:* December 22, 1964; effective for taxable years beginning on or after January 1, 1964.

#### Pakistan

Agreement amending the agricultural commodities agreement of October 14, 1961, as amended (TIAS 4872, 5228, 5415, 5524). Effected by exchange of notes at Karachi November 28, 1964. Entered into force November 28, 1964.

#### Rumania

Arrangement relating to a program of visits and exchanges in cultural, educational, scientific and other fields during the calendar years 1965 and 1966. Effected by exchange of notes at Washington December 23, 1964. Entered into force December 23, 1964.

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

## PUBLICATIONS

### Recent Releases

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Office of Media Services, Department of State, Washington, D.C., 20520.*

**Air Transport Services.** Agreement with Mexico, extending agreement of August 15, 1960, as extended. Exchange of notes—Signed at México August 14, 1964. Entered into force August 14, 1964. TIAS 5648. 3 pp. 5¢.

**Alien Amateur Radio Operators.** Agreement with Costa Rica. Exchange of notes—Signed at San José August 17 and 24, 1964. Entered into force August 24, 1964. TIAS 5649. 4 pp. 5¢.

**Spectrometric Research.** Agreement with Australia. Exchange of notes—Dated at Washington August 14 and 17, 1964. Entered into force August 17, 1964. TIAS 5650. 3 pp. 5¢.

**Maritime Matters—Public Liability for Damage Caused by N.S. Savannah.** Agreement with Ireland. Exchange of notes—Signed at Dublin June 18, 1964. Entered into force June 18, 1964. TIAS 5651. 6 pp. 5¢.

**Agricultural Commodities—Use in the Republic of the Congo of Congo Francs Accruing Under Certain United States-Congo Agreements.** Agreement with United Nations amending the understanding of February 13, 1962. Exchange of letters—Signed at New York August 25 and 26, 1964. Entered into force August 26, 1964. TIAS 5652. 3 pp. 5¢.

**Agricultural Commodities.** Agreement with Republic of the Congo, amending agreements of November 18, 1961, and February 23, 1963, as amended. Exchange of notes—Signed at Léopoldville August 28 and September 4, 1964. Entered into force September 4, 1964. TIAS 5653. 4 pp. 5¢.

**Agricultural Commodities.** Agreement with Paraguay—Signed at Asunción September 5, 1964. Entered into force September 5, 1964. With exchange of notes. TIAS 5654. 14 pp. 10¢.

**Mutual Defense Assistance—Administrative Expenditures.** Agreement with Norway, amending Annex C to agreement of January 27, 1950. Exchange of notes—

Dated at Oslo August 25 and September 2, 1964. Entered into force September 2, 1964. TIAS 5655. 3 pp. 5¢.

**Double Taxation—Taxes on Income.** Supplementary convention with Sweden, modifying and supplementing the convention and protocol of March 23, 1939—Signed at Stockholm October 22, 1963. Entered into force September 11, 1964. TIAS 5656. 11 pp. 10¢.

**Establishment of Long Range Aid to Navigation (Loran-C) Station in Newfoundland.** Agreement with Canada. Exchange of notes—Signed at Ottawa September 16, 1964. TIAS 5657. 6 pp. 5¢.

**Parcel Post.** Agreement and detailed regulations with Kuwait—Signed at Kuwait October 9, 1963, and at Washington October 21, 1963. Entered into force September 16, 1964. TIAS 5658. 23 pp. 15¢.

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Argentina, amending agreement of June 22, 1962—Signed at Washington June 8, 1964. Entered into force September 29, 1964. TIAS 5660. 4 pp. 5¢.

**Tracking Stations.** Agreement with Nigeria, amending and extending agreement of October 19, 1960. Exchange of notes—Signed at Lagos April 28 and May 21, 1964. Entered into force May 21, 1964. Operative July 1, 1963. TIAS 5661. 4 pp. 5¢.

**Agricultural Commodities.** Agreement with Republic of the Congo, amending agreement of April 28, 1964. Exchange of notes—Signed at Léopoldville August 25, 1964. Entered into force August 25, 1964. TIAS 5662. 3 pp. 5¢.

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THE  
DEPARTMENT  
OF  
STATE  
**BULLETIN**

*Vol. LII, No. 1334*



*January 18, 1965*

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*Text of U.S. Note 87*

## A Conversation With Dean Rusk

*Following is the transcript of an interview with Secretary Rusk on the National Broadcasting Company's television program "A Conversation With Dean Rusk" on January 3. Participating in the program were Elie Abel, NBC diplomatic correspondent, and Robert Goralski, NBC State Department correspondent.*

*Mr. Abel:* Mr. Secretary, you are about to close out your first 4 years in office as Secretary of State. Looking back on those rather turbulent years since 1961, what progress do you feel we have made toward a safer, saner world?

*Secretary Rusk:* Well, these past 4 years, Mr. Abel, have been packed with events. A sheer chronology of what has happened on a month-by-month basis would take the rest of our time.

I think there has been steady progress toward a surer peace, more caution about the use of war and settling political disputes. I think there has been some increase in the hope that points of agreement can be found to close the gaps between the two great systems of the world, but there remains much unfinished business.

You see, it is hard for us to comprehend what it means to have 115 nations in the world, in the midst of so much change. Among these 115 nations, for example, in the calendar year 1964, there were elections or changes of government in more than 45 of them. Half these nations are newly independent nations who are going through the growing pains of infant countries, much like the growing pains that we had in our first 20 years. But I think it is important also to bear in mind that the common sense and the commitments of the American people and the rather simple directions of American foreign policy that have been worked out in this postwar period on a bipartisan basis are a great stabilizing element in this world situation.

We can talk about the great story of freedom which is working itself out, not only in the free world but in the Communist world and in the so-called nonaligned world. We have had disappointments in these 4 years, but we have had cause for quiet and deep satisfaction.

If I may speak personally for a moment, I am indelibly marked by the privilege of serving

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DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1334 PUBLICATION 7807 JANUARY 18, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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,

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Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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those two most extraordinary men, John F. Kennedy and Lyndon B. Johnson. Anyone who served John F. Kennedy will never be quite the same again. And we were all deeply shocked by the tragedy of November 1963. But then we saw Lyndon Johnson, who as Vice President served with great dedication and tact in a difficult job, take a step forward with towering strength to bring us through that shattering tragedy and to make it clear that, although we had had a great loss, the Nation lived and that the United States would take care of its responsibilities both at home and abroad. And so I think that we can face the new year with confidence, with satisfaction, and with hope, provided we realize that there is a great deal of unfinished business and that we cannot yet lay our burdens down.

### **The Major Trouble Spots Today**

*Mr. Goralski:* What are the major trouble spots today? Which do you consider particularly serious?

*Secretary Rusk:* Well, I would think in terms of peace that the two most dangerous centers of infection at the present time are to be found in South Viet-Nam and in the Congo. Southeast Asia is the scene of a crucial historical question. That is, whether a course of aggression is going to be allowed to move ahead and whether appetites will be allowed to grow upon feeding.

When we think about a question like South Viet-Nam, we tend to forget a great deal that has gone before. We came out of World War I without joining in the international attempt to organize the peace. We didn't join the League of Nations. We tend to forget, now, that only 10 years elapsed between the seizure of Manchuria in 1931 and Pearl Harbor. We tend to forget that only half that time elapsed between such aggressions as Ethiopia, the move into the Rhineland, and the outbreak of World War II in Western Europe.

But during World War II the American people came to a national decision not to be negligent about the organization of peace again. We did so on a national, bipartisan basis. We came out of it with a determination to make the

United Nations system work. I think we came out of it feeling that we had learned a lesson about what happens when a course of aggression goes unchecked. So that when Joseph Stalin picked up after World War II his idea of a militant world revolution and set out to apply pressures on Western Europe, with large armed forces, in the most menacing kind of approach, we pitched in with our Western European friends to organize the defenses of the West and we brought that course of aggression to a stop. We have had dangerous problems, we have had crises, but Western Europe, the Western World, the Atlantic world, has never been more secure.

Now, we have the similar problem in the Pacific, and, as you know, the Pacific is just as important to us as the Atlantic.

Now, there you have a regime in Peiping which has publicly proclaimed its determination to pursue the world revolution on a militant basis. It has proclaimed it with such violence that it has created great problems and divisions within the Communist world itself. Now, here is Southeast Asia, made up of a number of independent countries who have a right to be free and independent. We are not interested in having them as allies. We have more than 40 allies. But we are interested in two things: one, that they have a chance to be secure and free and determine for themselves what their attitudes toward the rest of the world will be; and secondly, that they not become one of those victims of aggression, like Manchuria, like Ethiopia, like Austria, Czechoslovakia, before World War II, whose fate encourages the aggressor to continue on a course that could only lead to a larger war. And so we look upon the Southeast Asia problem not just as a problem in a small neighborhood but as a major problem in the possibility of organizing a peace right around the globe.

Now, there is another center of infection that we have been troubled about in recent weeks, and that is the Congo. I say "in recent weeks" because that issue has become more complex as it has become clear that outside elements have been furnishing arms illegally to rebel elements in the Congo and that disorder has set African nation against African nation and threatens to draw the heart of Africa into the cold war.

As you know, we have had this before the United Nations in recent days, and some very sharp things have been said about it.<sup>1</sup> We hope that the Security Council and the Organization of African Unity will find a way to stop interventions in the Congo—the sort of intervention that will lead to violence and make this vast country simply a battleground for contending elements, at least in Africa, and possibly from all over the world.

#### **U.S. Policy in South Viet-Nam**

*Mr. Goralski:* Some Senators, notably Senator [Mike] Mansfield and Senator [Frank] Church, have suggested neutralization of South Viet-Nam. Columnist Walter Lippmann has suggested withdrawal. Do you feel a change in policy is in the wind?

*Secretary Rusk:* Let's look for a moment at some of these alternatives and some of the words that pick up contradictory meanings. We have no problem with a Southeast Asia which is made up of independent and secure nations who may elect to be nonaligned. We are not looking for allies. We do believe those nations have the right to make those choices for themselves, without outside military pressure coming in on them from the north and certainly without attempts to take them over from the north through various forms of military intervention.

Now, we don't believe that we can say to the billion and a half people of Asia, "Move over. Get out of the way, and the United States will find your answers for you." There are three-quarters of a billion Communists in Asia, or rather Asians under Communist rule. There are three-quarters of a billion in the so-called free world, or the nonaligned world. Now, we can't solve their problems for them simply by Americans trying to do the job and pat everything into order. What we can do, however, is to help those peoples and nations of Asia who are determined to be free to maintain their freedom and their security, and that was the basis of President Eisenhower's decision 10 years ago—11 years ago—to give assistance to South Viet-Nam. And it is on that basis that we have been helping them ever since.

Now, we could withdraw. We could withdraw. That is one alternative. But again, withdrawal will simply, it seems to us, open up that terrible prospect that those who are committing this aggression will feel that in success they have a confirmation of the wisdom and the possibility of their policy.

You see, there was a settlement in South Viet-Nam—in Viet-Nam—in 1954.<sup>2</sup> The country was divided. North Viet-Nam became Communist.

Now, when North Viet-Nam was organized as a Communist country, almost immediately its neighbor, Laos, and its neighbor, South Viet-Nam, came under direct pressure from North Viet-Nam. Now, this is the nature of the appetite proclaimed from Peiping. One doesn't require a "domino" theory to get at this. Peiping has announced the doctrine. It is there in the primitive notion of a militant world revolution which has been promoted by these veterans of the long march who now control mainland China. So we believe that you simply postpone temporarily an even greater crisis if you allow an announced course of aggression to succeed a step at a time on the road to a major catastrophe.

Now, another possibility would be to, immediately, expand the war, to multiply the casualties by the thousands, to subject the ordinary people of that part of the world to the most devastating horrors of destruction. We can't tell what the future is going to bring all by ourselves, because Hanoi and Peiping are writing this scenario too. They are making decisions themselves. But we have not felt that we would find a solution easy, quick, prompt, satisfactory, simply by mounting an even larger operation and starting down a trail, the end of which no one in any country could possibly see with assurance.

These 14 million people of South Viet-Nam have the capability basically of meeting the problem of the guerrilla action in their country if they can obtain the unity and the assistance that is needed for that purpose.

The second part of their problem, the infiltra-

<sup>1</sup> For background, see BULLETIN of Jan. 4, 1965, p. 15, and Jan. 11, 1965, p. 43.

<sup>2</sup> For text of the Geneva agreement on the cessation of hostilities in Viet-Nam, see *American Foreign Policy, 1950-1955, Basic Documents*, vol. I, p. 750.

tion from Hanoi, has got to stop, and steps will have to be taken in order to see that that does stop. But the basic problem is in the effort of the South Vietnamese themselves, with our large assistance.

### The Question of a Political Settlement

Now, there have been those who talk about a possible political settlement. Let me say that this is not something that we object to in principle, but I would point out that there have been two political settlements already in Southeast Asia: the conference which led to the agreements in 1954; the conference which led to the Laotian agreement in 1962.<sup>3</sup> There was an effort to find a permanent settlement of those two situations by political means.

Now, the ink wasn't dry on the agreement of 1962 before it was clear that North Viet-Nam was not withdrawing its military personnel, as required by the agreement; that they were not withholding the use of the corridor of Laos for infiltration of South Viet-Nam, as was called for by the agreement; in other words, that that political settlement has not been effective because Hanoi and Peiping have not yet decided to leave these neighbors alone.

Now, these two capitals know perfectly well without any peradventure of doubt that, if they do leave their neighbors alone, the American military forces will come home, that our presence there is a direct response to the pressures that they have brought upon their neighbors in Southeast Asia. So that if they reach the point where they are prepared to leave their neighbors alone, then there are all sorts of political possibilities that open up to register that fact and to bring that situation to a peaceful conclusion. But if they are determined to continue to press into Southeast Asia, then I don't see how a political settlement can be reached which would guarantee the freedom and security and safety of these peoples of that great peninsula.

So no one is afraid of a political effort. As a matter of fact, when the Gulf of Tonkin question was before the United Nations Security Council,<sup>4</sup> the Soviet representative said in his

speech that he thought Hanoi ought to be invited to the Security Council. The President of the Security Council sent a message to Hanoi, inviting them to come where these things could be talked out. Hanoi and Peiping rejected that invitation.

Last year the Polish Government proposed with respect to Laos that the two cochairmen, that is, Britain and the Soviet Union, and the three members of the International Control Commission—India, Canada, Poland—and the Government of Laos, sit down among themselves as a preliminary—in a preliminary discussion—to try to clear the way for a new 14-nation conference on Laos. We agreed to that.<sup>5</sup> Hanoi and Peiping rejected it. So that the possibilities of a political settlement turn upon what is in the minds of the people in Hanoi and Peiping about their neighbors to the south. If they are ready to settle on the basis of the security and the independence of their neighbors, no problem; but if they are determined to press into Southeast Asia, well, then there are very grave problems ahead.

### Problems of Halting Aggression in Southeast Asia

*Mr. Abel:* I suppose it comes down to this, Mr. Secretary: In Europe we did successfully deter aggression from the East. We knew how to do it, by creating NATO, by interposing six American divisions on the mainland of Europe. Those methods don't seem to work in Southeast Asia. It seems to be a different kind of challenge.

Is part of the problem that we have tried to, in effect, transpose our European experience to Southeast Asia where—

*Secretary Rusk:* I don't think it is just a question of transposing the European experience because, after all, you did have in Europe highly sophisticated nations who, although deeply injured by the war, had great capacities of their own and could take a full load of the responsibilities for organizing the common defense.

In Asia, let me point out that this pressure, this course of aggression, has been halted with respect to Korea, Japan, Formosa, the Philip-

<sup>3</sup> For texts of the Declaration on the Neutrality of Laos and Protocol, see BULLETIN of Aug. 13, 1962, p. 259.

<sup>4</sup> For background, see *ibid.*, Aug. 24, 1964, p. 272.

<sup>5</sup> For text of a U.S. statement of July 30, 1964, see *ibid.*, Aug. 17, 1964, p. 218.

pires. In other words, this is not a general problem throughout Asia. But in Southeast Asia, particularly in South Viet-Nam, the leaders of that country who are, many of them, 35 to 45 years of age, have never known anything but violence and dissension in their own country. They have never known a period of peace in which they could begin to feel like a nation, accept their fellow citizens as brothers, organize a unified country as we have become accustomed to ourselves.

You see, you had the period of the Japanese occupation. Then there was the struggle with the French, then the struggle with North Viet-Nam—20—25 years of violence. During that period, things happened which separated Vietnamese from Vietnamese. During the Diem regime, for example, some of their officials pointed out that if they were resting on a fairly narrow political base it was because they felt they could not bring into the government those who had collaborated with the French or those who had collaborated with Ho Chi Minh. Now, you add to those groups those who collaborated with Diem. So that the problem of finding a base on which the unity of the leadership of that country can rest has been a difficult one, but yet it is a critically important one, because unity in the country would make the problem of guerrillas and infiltration far easier to manage.

Let me say that we find relatively few among our fellow citizens who are pressing us either to get out or to make it a big war. We do feel that there are many Americans, quite understandably, who do feel a sense of frustration that things aren't somehow moving more rapidly toward a conclusion. I, myself, share that view. Of course, we would like to move as quickly as we can, but in looking at the alternatives ahead of us, we must expect, I think, difficulty. It is going to require persistence; it is going to require a good deal of effort by the South Vietnamese, as well as ourselves, and a certain coolness in dealing with this problem in a way that is in the genuine interests of the free world, rather than taking reckless action which would move us off thoughtlessly in either the direction of defeat or in the direction of a very great catastrophe.

You see, any one of us can make our own predictions about what this or the other line of action might produce, but the President of the United States has to live with the results, whatever they are. He can't pick up a phone and say to somebody, "Sorry, I was wrong," because he is responsible to the Nation for whatever happens.

Now, there are some in other countries, for example, who seem to be relatively indifferent to problems of this sort in Southeast Asia, and yet they are the first ones to say that if we were to abandon Southeast Asia, this would cause them to wonder what our commitments under such arrangements as NATO would mean. Do you see?

In other words, the issue here is the capability of halting a course of aggression at the beginning, rather than waiting for it to produce a great conflagration.

*Mr. Abel:* But isn't Viet-Nam, Mr. Secretary, almost a copybook example of a situation in which we have perhaps reached the outside limits of American power to provide what is lacking? By that I mean a political foundation or footing. Surely it is not for lack of military hardware that the war has been going so badly.

*Secretary Rusk:* Well, I think there is—as a matter of fact, on the military side, one would not say that the war has been going badly in the usual sense. The political problem is not primarily a problem for the countryside where most of the people live. The people in the countryside, for the most part, are villagers who have paid little attention to political questions for the last 100 years at least. They are interested, as all villagers are—as I was when I was a very young, small boy—in the crops and getting a livelihood out of the soil and getting some education if possible, and health, and things of that sort. The political problem is primarily in the cities and especially in Saigon, where there are those who have developed political ideas, who have tried to find their place in the political life of the country.

We can't, ourselves, write prescriptions for these leaders. We can't tell them in detail how they should organize themselves. That would be something that would have very fragile roots

in the country. But we have tried to make it very clear to them that unity among themselves is a precondition for success in their effort.

One thing that is encouraging about the situation is that, although they have, upon occasion, quarreled rather badly among themselves, we are unable to find any significant group in South Viet-Nam, outside of the Viet Cong, who seem to be looking to Hanoi for an answer. In other words, these 14 million people seem to be committed to the notion that South Viet-Nam ought to be free and secure and be left alone to work out its own affairs.

*Mr. Abel:* As far back as John Hay, Mr. Secretary, the argument was made that the Secretary of State ought to stay out of politics, leave that to the President. Yet you and Secretary [of Defense Robert S.] McNamara both testified before the Democratic Convention's Platform Committee and on several occasions became involved in fairly sharp exchanges with Senator Goldwater. How do you justify that?

*Secretary Rusk:* Well, in the first place, the Democratic Platform Committee did, for a change, meet here in Washington. Let me point out that previous Secretaries of State have worked very closely with their Democratic leaders—Democratic or Republican leaders—in devising their party platforms insofar as foreign affairs are concerned. In other words, they have never taken a hands-off attitude toward party platforms. That was, I think, the only partisan event that I attended, although I did do speaking during the campaign before nonpartisan groups here and there about the country.

No, I took the view that, when foreign policy is under discussion, the Secretary of State should not be the only person in the country to remain silent. And this was particularly true when the very roots of a postwar, bipartisan policy seemed to be under challenge from those who would change it in important respects, or who seemed to want to change it in important respects. So I think that we came through that period without upsetting too much the traditional view. Let me say the traditional view was never quite as 100 percent pure as perhaps you suggested, and I think we will move now to take into account the views of the responsible leaders of both parties to see where we are with

respect to this great bipartisan effort of the post-war period.

### **Interpretation of President's Mandate**

*Mr. Abel:* There has been a great deal of discussion since the election about whether or not the President has a mandate to follow a particular course based on his enormous popular majority. How would you interpret that in your own area? Do you feel that the election returns confirmed and supported the basic and continuing foreign policy that you are dedicated to?

*Secretary Rusk:* I think it would be more for the President than for me to try to speak in detail about how one interprets a mandate of that sort. I would myself, however, believe that, to use the President's expression, "Our guard is up, but our hand is out," constitutes one element in the attitudes that seem to have the general approval of the American people.

You see, we have moved into a period of history in the last 10 years that man has never been in before, a period in which mass destruction on an almost unimaginable scale is literally possible, where a full nuclear exchange is an operational fact with which governments have to grapple. And that means that man has got to be a little careful about pursuing policies on the basis of glandular reactions. He has got to be prepared to use persistence and patience and to try to see where his interests really, in fact, lie, and not to suppose too quickly that all you have got to do is to say to the other side, "Do this, or bang," because the answers don't lie there any more.

*Mr. Abel:* On that very point, Mr. Secretary, a number of the newer countries, those who are trying to get into the nuclear club, seem to imagine that possession of these weapons is going to give them a great deal more power and influence in the world. I wonder whether we haven't found, with our very long experience in nuclear weaponry, that possession of these weapons in fact tends to limit our choices?

*Secretary Rusk:* I think that is a very perceptive comment. I think there are those who think that the possession of nuclear weapons somehow makes you a master of your own fate. In fact, I suppose there is nothing that more

readily limits your freedom of action than the possession of such enormous destructive power. This very power carries with it a responsibility, and I would say that the United States never in its history has been more limited by its worldwide responsibilities than it is today, and among those responsibilities is this awesome one for the nuclear arsenal which is in our hands.

#### **Attitude of New Soviet Leaders**

*Mr. Goralski:* It has been more than 2 months now since the Kremlin reshuffle, with [Aleksai N.] Kosygin and [Leonid] Brezhnev being the two top Soviet officials. Have you seen any indications of where the new Soviet leaders will go, what direction they will take?

*Secretary Rusk:* They have indicated in a variety of ways that they maintain the general posture of peaceful coexistence, that they would like to find additional points at which some agreement might be possible, that they would be prepared to search for points of further agreement. We have been, on the other hand, disturbed by the strong attitudes that they have taken with respect to South Viet-Nam and to the Congo. If these are examples of wars of liberation which are in accordance with their doctrine they seem still committed to support, then we have some very tough times ahead. We have some serious issues with them that we will have to work at. But in general I would think that there is, there continues to be, a certain caution in their approach, that their attitude is marked by a certain respect for the United States, just as our attitude is marked by a certain respect for the vital interests of the Soviet Union in terms of their own situation. But again, I don't see dramatic movement in either direction, either negatively or positively, at the moment.

*Mr. Abel:* Mr. Secretary, a related question, if I may: Who is at the other end of the "hot line" today, if we were to use it?

*Secretary Rusk:* Perhaps this is a little indiscreet. We asked that question, and the answer was, "The Government of the Soviet Union."

*Mr. Abel:* The head of that Government being Mr. Kosygin, I assume?

*Secretary Rusk:* He is the Prime Minister.

*Mr. Abel:* We will continue our conversation with Secretary Rusk in just one moment. (*Announcement.*) Mr. Secretary, you mentioned disappointments. What was your chief disappointment of the past 4 years?

*Secretary Rusk:* Oh, I think, Mr. Abel, undoubtedly the tragic failure of the Bay of Pigs, for which President Kennedy and I have taken our full share of responsibility.

#### **Developments in the Western Hemisphere**

*Mr. Goralski:* Speaking of Cuba, sir, in the beginning of the program you mentioned the two major centers of infection, the Congo and Southeast Asia. You did not mention Cuba. Do you think Castroism has waned and ebbed sufficiently that it is no longer a major concern to us?

*Secretary Rusk:* I think in the last 2 or 3 years it has become very clear that Castroism as a threat to the Western Hemisphere has been very, very severely reduced. One could illustrate that in a great many ways: The Organization of American States has effectively isolated Castro in the hemisphere, politically and economically, with a high degree of solidarity among the members of the hemisphere. There are not the Cuban embassies around the hemisphere that themselves were centers for agents and subversion and intimidation, as was the case, say, 2 or 3 years ago.

I think we also have seen in the events in Venezuela and Brazil, in Chile, of the past 12 to 14 months, a striking demonstration that the people of the hemisphere are not prepared to go down the slippery slope with the sort of thing that Castro has in mind.

We have seen in recent months a very sharp reduction in Castro activity in the hemisphere, partly because countries have reacted and are taking steps to prevent it. They are making it more difficult for his type of propaganda and action to have any success.

But then it is also true that the Alliance for Progress is now beginning to take hold, as a practical matter. That is, we had a year or two of planning, preparation. Now, funds in very



large amounts are beginning actually to be spent, and you are beginning to see some tangible movement forward in the Alliance for Progress. I remember, in 1961 President Kennedy, on the outskirts of Bogotá, dedicated the first unit of a housing project in an open field.<sup>6</sup> Today, I think there are 11,000 units at that project, and housing something like 60 to 70 thousand people. Dozens upon dozens of fresh-water installations are now available in cities where they were not before. Schools by the tens of thousands have been built, and these things now are beginning to make a deep imprint. And the hemisphere can now see that there is a way to bring about the necessary economic and social changes in the hemisphere without resorting either to repression from the extreme right or to dictatorship from the extreme left.

*Mr. Abel:* Mr. Secretary, I wonder, though, if there isn't a coincident development—I won't call it a related one—and that is that we seem to have become less moralistic about military dictatorships or dictatorships influenced largely by the military coming to power in some of these Latin countries.

*Secretary Rusk:* Well, I think that if you look, as I have had occasion to do, at the curve of coups d'état or *golpes* in Latin America, you can see that the frequency of such coups d'état is dropping off.

Something else to bear in mind is that, in country after country, the military establishment is committing itself more deeply to the maintenance of a constitutional and democratic system. Now, it is true that in some situations the military have upset a duly elected government. We have felt that, although we don't enjoy or like such developments, we have felt that the course of wisdom is not simply to draw back and break relations and pretend that we can ignore the results but to work with these countries to help them get back on the constitutional and democratic path as speedily as possible. I think this has shown some results. I don't think we ourselves ought to take a completely arbitrary or doctrinaire approach. Our

support is for constitutional and free systems, and we work at it all the time in trying to assist those that are constitutional and free to demonstrate that they can be successful and to assist those that are not to move in that direction.

### **The Burden of the Arms Race**

*Mr. Abel:* I have been a little—I have wondered some about the growing pains of some of these less developed countries. The Latin American countries are a case in point, but there are a good many others. Why is it that so many of them seem to wish to burden themselves with very heavy loads of armament at a time when the resources available for advancing the public good are so limited?

*Secretary Rusk:* Well, we have been concerned about that problem. I said earlier that the United States and the Soviet Union were the two principal countries that had a serious interest in disarmament as it might apply to themselves. I recall that at the United Nations and the General Assembly, at a time when they were voting unanimously for disarmament, 70 members were at that moment asking us for military assistance.

Now, we think it would be a great misfortune if all of these newly independent nations should be caught up in, shall we say, minor-league arms races among themselves. Because, compared to their resources, these could be very burdensome and stand in the way of their own economic and social development. A supersonic fighter squadron, for example, can build and maintain a university. This is one of the reasons why we proposed at Geneva that we—and the Soviet Union—organize a bonfire of certain weapons that in due course will be coming out of our military defense establishment.<sup>7</sup> In one sense it is true to say that they are becoming obsolescent or obsolete and therefore the bonfire is not very significant. But it would be important that those weapons, however obsolete they might be for us, not be distributed all over the rest of the world to bring about new levels of sophistication and expense for nations who may be tempted to

<sup>6</sup> *Ibid.*, Jan. 15, 1962, p. 91.

<sup>7</sup> For a statement made at Geneva on Mar. 19, 1964, by Adrian S. Fisher, see *ibid.*, Apr. 20, 1964, p. 643.

get into an arms race in their own neighborhoods.

### **The United Nations**

*Mr. Goralski:* With the proliferation of nation-states you have had a proliferation in U.N. membership—115 members now. Do you feel because of its size the U.N. is no longer as effective as it was immediately after World War II?

*Secretary Rusk:* I think the size creates some complications in procedure. For example, if everyone wants to speak on every issue, you have a problem of simply time. And it is true, too, that theoretically the majority of the General Assembly can now be voted in a way that may appear to be irresponsible to the rest of the world. For example, 5 percent of the contributions to the General Assembly can cast two-thirds of the vote of the General Assembly, and I think 10 percent of the population of the world can cast two-thirds of the vote in the General Assembly.

We studied this with considerable care in terms of weighted voting. We have tried about 15 different weighted voting formulas and compared them against the 275 or so key issues that have been before the General Assembly in the last few years. Quite frankly, thus far we have not found a weighted voting formula that would have improved the relative influence or position of the United States in dealing with these issues. This is because in the main—now, there have been some exceptions, but in the main—we find ourselves working ordinarily with the large majority of the U.N. Assembly in trying to strengthen the U.N. system. And so I would say that, with one or two painful exceptions, this issue has not been too difficult for us as yet.

*Mr. Abel:* Doesn't this, though, bring about a further mutuality of interest between ourselves and the Soviet Union? You mentioned the matter of nuclear war. You mentioned also the matter of a common interest, perhaps, in cutting down arms expenditures. Isn't there a third one: that we and they as two of the great powers which provide, in theory, a large part of the budget, in fact ought not to leave ourselves at the mercy of a two-thirds vote in the

General Assembly to commit us to all kinds of harebrained and irresponsible schemes?

*Secretary Rusk:* I think within limits that is so. For example, we have had some discussion with the Soviet Union and certain other delegations in New York about the possibility of underlining in some fashion the fact that the Security Council has primary responsibility for the maintenance of international peace and security. The Soviet Union is inclined to take the view that the Security Council ought to have the sole responsibility, where it would be governed in any event by a veto. We believe that the General Assembly ought not to be blocked out of its latent or its eventual responsibility in this field if the Security Council is unable to act.

Similarly on financial questions, we believe that those who make the largest contributions—say the 20 or 25 principal contributors to the United Nations—might well be given a special consultative status to the General Assembly on financial questions so that the large majority of the General Assembly will have before them the views of those who in fact come forward with the largest contributions.

Now, these are things that we are prepared to talk out, and so long as we can do it without trying to strip the ordinary members of the U.N. of the charter privileges that they have, I think we could make some headway on it. But we do have certain common interests with the Soviets on this matter.

### **Question of U.N. Membership for Peiping**

*Mr. Goralski:* Many people believe it is only a matter of time, a very short period of time, before Communist China is admitted to the United Nations. If you are still Secretary of State when that happens, what does this country do?

*Secretary Rusk:* Well, let's wait and see whether that situation develops while I am Secretary of State.

Let me say that the impression that we are an ostrich with its head in the sand with respect to mainland China, I think, rather misses the point. We know very much that they are there, and I suppose it is fair to say that we have

talked with Peiping on serious matters more than any other government in the world except, perhaps, the Soviet Union. We have been talking with them for at least 8 years, and we have raised with them very far-reaching questions. Those talks have not produced very much because they usually begin with an insistence by Peiping that we immediately abandon these 11 million people of the Republic of China on Formosa, and that we can't do, and so what follows after that gets to be a little stilted and a little formal in character. But we know they are there. What does concern us is what Peiping would think about its admission to the United Nations under present circumstances. You see, we believe that they are embarked upon a course of pressure and of aggression, a militant expansion of their system against their neighbors. They attacked India. They are pushing in on Southeast Asia. We have had problems of that sort with them before.

Now, if the leaders of their Politburo sit down to ask themselves, "How are we doing in the world?" the more they say to themselves, "We are doing fine, therefore let's continue to our path," the greater the dangers for the future, and we think that anything in terms of expansion of trade or recognition or admission to the U.N. that tends to encourage them to believe that their policy is paying dividends is not in the interests of getting a peace established in the Pacific area.

*Mr. Abel:* What about American correspondents going into China? I can recall that we did have American correspondents in Russia long before we had diplomatic relations with Moscow. Why aren't there American correspondents in China today?

*Secretary Rusk:* We have tried from time to time to work out exchanges for American correspondents to go to mainland China. That has not yet been accepted by Peiping. I will tell you, Mr. Abel, if you can get a visa to go to China, we will give you a passport.

*Mr. Abel:* Thank you very much indeed. I am afraid I have no such prospect.

*Mr. Goralski:* What about the prospects in Europe? Has President de Gaulle told you that France is going to withdraw from NATO in 1969?

## France and NATO

*Secretary Rusk:* No. He, as you know, draws a sharp distinction between what he calls the alliance, which is the North Atlantic Treaty, and the NATO organization, which is the structure which has been worked out since 1950 for the organization of the forces of NATO. This is largely because he does not himself wish to integrate French forces into NATO forces as such. He feels that he wants to strike their roots deep into France and to build his armed forces on a national basis rather than on an integrated basis. There are special circumstances in the recent history of France which perhaps have led him to that conclusion.

So I don't believe that he anticipates withdrawing from the alliance. He does have misgivings about the organization of NATO. We hope that at some stage France will come forward with specific suggestions about how they see the organization of the alliance—thus far, they haven't done so—so the rest of us can take a look at it to see what they have in mind. But I suppose that between now and 1969 these matters will be up for review. The alliance continues after 1969. The only significance of 1969 is that at that time any member has a privilege of withdrawing if they wish to do so. But the general assumption among the members of the alliance is that it will continue.

*Mr. Abel:* We have been maintaining a quarter of a million American troops in Western Europe all these years. Does that have to go on indefinitely? Wouldn't three divisions there be just as sure a guarantee of our intervention as six?

*Secretary Rusk:* Well, our general view has been that these forces should be there for as long as necessary and that we have felt that they at least thus far have been necessary.

You will remember, in 1961 we had a rather sharp crisis over Berlin. At that time we even augmented our forces there somewhat. Now, if some of these political questions such as Germany and Berlin either can be settled or it can be made clear that they are not going to be made the subject of a crisis, and there can be some easing off of the military confrontation of the two power groups, then perhaps this matter can be reviewed.

*Mr. Goralski:* Sir, one of the problems in the months ahead for you will certainly be the matter of foreign aid again. That is an annual thing, now, a fight before Congress for a certain amount of money—\$3.5 billion dollars last year. Do you foresee an end to foreign aid or a substantial reduction in the years ahead?

### **Foreign Aid**

*Secretary Rusk:* Well, I think there can be reductions of foreign aid to successive countries as they work themselves out of the need for aid. Most of the NATO countries are now off the aid list. There are others who—some dozen or 15—who are in the process of coming off of the aid list. Actually our foreign aid is much more highly concentrated than most people suppose. In other words, the—three-quarters of our foreign aid will be found going to some dozen countries or so, in a very rough sense—this isn't exactly accurate.

The fact that you find a great many countries on the list, I think, is a direct outcome of the technical assistance aspect of our policy, in line with President Truman's Point 4 operation. We have a great many things in this country to offer to countries who are in a development process. Some of them are not very costly: techniques, experience, advice. We feel we ought to make those available. Just one point, for example: 100 years ago we invented a university for the purpose of development. That is the land-grant college, these great agricultural and engineering colleges that are in every State. Now, this was a unique American development. This is highly relevant to the development problems of countries all over the world, and they are showing great interest in drawing out of that experience of ours something that is relevant to themselves.

Now, it would be, I think, churlish of us to withhold anything that we can contribute in this direction. So I think that for a long time to come we will be in the aid field in a variety of ways, I would hope strongly through international organizations, I would hope strongly through the technical assistance side of things. In such things as grants, I think we can see some reduction in that. In terms of lending, I think

we can see a strengthening of the borrowing capacity of developing countries so that concessional lending is not so heavily required. Now, if we can establish peace on a more solid basis, of course military assistance can drop off, but until it is established, all these things are part of our own defenses.

I tend to illustrate it, Mr. Goralski, in my own mind, this way: We have almost a million Americans in uniform outside the continental United States in this great struggle for freedom. We support them with a \$50-billion defense budget. It seems to me that 3 or 4 cents of our Federal tax dollar to be used for foreign aid, to get this job done without committing those young men to combat, is a good use of 3 or 4 cents of our Federal tax dollar.

*Mr. Abel:* Mr. Secretary, how do you propose to deal with the fact that the leaders of your own party in the House and the Senate seem to want different kinds of foreign aid bills? Senator [J. W.] Fulbright has said that he is not interested in "carrying the ball," so to speak, for a bill that lumps everything together. On the other hand, Congressman [Thomas E.] Morgan, the head of the House Foreign Affairs Committee, says just the opposite. He will not carry the ball for a bill that breaks it down into separate categories. What do you do about this?

*Secretary Rusk:* Well, Mr. Abel, since both of these views have been made public, I think my proper answer at this point is that I shall try to use some quiet diplomacy on the problem when these gentlemen get back to town.

### **Morality and U.S. Foreign Policy**

*Mr. Abel:* There is one point I would like to get—it is a little philosophical, but I know it interests you, and looking at Mr. Acheson [former Secretary of State Dean Acheson] over there on the wall reminds me of it. Do you or do you not see a connection between the moral tone of our life here in this country and the effectiveness of our foreign policy overseas?

*Secretary Rusk:* I personally think that there is a very close and very powerful connection. I don't believe that sanctimony helps us in our relations with the rest of the world, and I don't think that it is in our interests to preach to other

people without ourselves being willing to act and help in resolving problems that we want to preach to them about. But I have no doubt that the basic moral commitments, if you like, of the American people are a very important part of our relations with the rest of the world. Indeed, there have been times when I would think that other peoples' views of what kind of society we are trying to build here at home may be the most important element in their thinking about their relations with us. Think of F.D.R., for example. He was in some respects something of a—he was President during a period of relative American isolation, but he made a tremendous impact on ordinary people right around the world because of the kind of society he was trying to develop here at home. These things are important.

Nothing has been more important to me, as I see it, in our relations with the rest of the world in the last year or so than the dedicated, concerted effort by the President, the Congress, and the Supreme Court, and most Americans, to get on with real progress in the civil rights issue, for example. So I think these elementary notions which people have about what is worth living for and the springs of conduct have a great deal to do with what other people think about us and the extent to which we can work closely with them.

#### **Decline in International "Good Manners"**

*Mr. Goralski:* Many people have raised the question, sir, of who is worth helping. Around the world USIS libraries are being burned, particularly in Indonesia and Egypt, and yet we are assisting them. We will—we are now in the process of negotiating a wheat agreement with President Nasser of Egypt. Why do we continue helping these countries who obviously are not very happy with our policies? They don't like what we do, and yet we are helping them and they do little, in turn, for us.

*Secretary Rusk:* Well, we have been very much concerned about what might be called the decline in good manners in international society in the last few years, particularly in the last year or two.<sup>5</sup> Let's bear in mind that for the

most part these demonstrations that we run into abroad are organized, and usually organized by the Communists or by those who work with them. Indeed, this is so much the case that we can almost predict, now, given a particular development or circumstance, how many windows we shall lose in how many embassies at any given moment, because the Communists do organize this. And one of the reasons they attack our information libraries is that there is something which makes a difference to them. This is where the story of the free world is getting out effectively to people in other countries.

Once in a while we will get demonstrations because we try to help settle a dispute, and all parties get mad at us because we can't agree with them 100 percent. We have had demonstrating in Athens and in Ankara and in Nicosia in the same year over the Cyprus affair. Well, those things are part of being a great power.

Now, we do expect, however, that governments accept the responsibility of giving protection to the official representation of the United States in their countries. This is utterly fundamental to the fabric of international society, and we will be pressing that point in every possible way.

Now, when some of these things happen, it is very easy for one event to lead to another and the situations start to slide and, if each side kicks it further downward, then it just slides right down into the pit. It is not in our interest to have these things go to a final break. On the other hand, we do have to find ways and we do find ways to express our displeasure and our insistence that such things as good manners are important.

We as a great power, I think, are called upon to show a certain amount of patience in dealing with such issues, but even there, if patience goes to the point of encouraging them to do it again—encouraging them to ignore the rights of a legation and the conduct that has been worked out over several centuries for maintenance of official relations among nations—then patience becomes unrewarding. And so I think you will find that in 1965 we shall make it quite

<sup>5</sup> For a statement of Dec. 9 by Secretary Rusk, see *ibid.*, Dec. 28, 1964, p. 905.

clear that we are sensitive about this question of giving rights and protections to official representatives abroad, as an elementary condition for the maintenance of relations among nations.

### **The Strong Tradition of Freedom**

*Mr. Abel:* Mr. Secretary, all Americans, I suppose, must believe in the eventual triumph of freedom over tyranny. Surely that is the underlying justification for all of these rather costly efforts we have been talking about. Granting that we cannot forever control or sway the destinies of other countries, what grounds do you see for believing that freedom will prevail?

*Secretary Rusk:* Well, I have very deep convictions on that matter, Mr. Abel. The United States is a country which has military power that is almost beyond the capacity of the mind of man to comprehend. But it remains true that our greatest power as a people lies in those simple commitments to freedom that are a part of our entire national existence. The notion that governments derive their just powers from the consent of the governed remains the most powerful and explosive political idea in the world today. Now, you can see this working out in a variety of ways. It is not just that this is a part of a process of 2,000 years of history and that you put your faith in that inevitable process of history. You can see it in such things as the attitude of the rest of the world, including the nonaligned world, when great crises develop in which freedom seems to be the issue. For example, during the Cuban missile crisis, it was not just that NATO was unanimous and the hemisphere was unanimous. We had powerful support, much of it private, behind the scenes, from the nonaligned countries, who wished us well in coming through that in a way that was satisfactory to the free world.

This is a contagious idea behind the Iron Curtain, this notion of freedom. Little by little the use of terror has been lifted. When there was a recent change in the government of the Soviet Union, many Communists immediately sought the answer to the question: "Does this mean a restoration of terror, because we are concerned about that?" You hear talk, now, about initia-

tive, individual responsibility, decentralization, profits in the Communist world.

No, I think these notions of freedom are deep in human nature, and they help to establish almost instinctive allies among ordinary common people throughout the world. From this point of view, I think the American people are a part of a strong tradition that does, in fact, represent the course of history.

*Mr. Abel:* Thank you, Mr. Secretary.

### **President Sends New Year's Message to Soviet Leaders**

*Following is the text of a letter from President Johnson to Anastas Mikoyan, Chairman of the Presidium of the Supreme Soviet of the U.S.S.R., and Aleksai N. Kosygin, Chairman of the Council of Ministers.*

White House press release (Austin, Tex.) dated December 30

DECEMBER 30, 1964

DEAR MR. CHAIRMEN: Personally, and on behalf of the American people, I extend to you and the Soviet people greetings and best wishes for the New Year.

The year just ending has produced significant accomplishment in some areas of endeavor. But major international problems are unresolved and the most urgent business for all of us remains strengthening the foundation of world peace. In this task, our two Governments bear great responsibilities and it is my earnest wish that in the coming year we can make substantial progress.

Arms control remains especially urgent; nothing can contribute more to the hopes of mankind for the future. During the months ahead I hope we can work for practical agreements to this end. We can and should move to limit the spread of nuclear weapons; to achieve a verified worldwide comprehensive test ban; to make a cutoff of fissionable material production for weapons coupled with measures to safeguard the peaceful uses of nuclear power; and to agree on a verified freeze in existing offensive and defensive strategic nuclear delivery systems.

By progress in this critical area, our Governments can help to make this a happier and safer world for all peoples. You may be certain that the American people and their Government will never be second in this effort.

Sincerely yours,

LYNDON B. JOHNSON

## **U.S. Officials Send Congratulations to President Saragat of Italy**

*Following are the texts of congratulatory messages from President Johnson and Secretary Rusk to Giuseppe Saragat, who was elected President of Italy on December 28.*

### **Message From President Johnson**

White House press release (Austin, Tex.) dated December 28

DECEMBER 28, 1964

On behalf of the American people, I extend to you warm congratulations upon your election as President. I look forward to a continuation of the close friendship between our two countries in these times which present not only great problems but also great opportunities. Mrs. Johnson joins me in sending our personal best wishes.

Sincerely,

LYNDON B. JOHNSON

### **Message From Secretary Rusk**

DECEMBER 28, 1964

I wish to extend congratulations and warm personal best wishes on your election as President of the Republic of Italy. Our association during your tenure as Foreign Minister has been particularly rewarding to me. We are heartened to know that in the years ahead Italy will have your capable leadership, and we are confident that our two nations will continue to cooperate closely in the search for peace and justice.

DEAN RUSK

## **U.S. Regrets Malaysia Unable To Accept Military Credit Proposal**

*The Government of Malaysia announced on December 28 that it would be unable to accept that portion of a U.S. proposal dealing with the purchase of military equipment. Another portion of the proposal having to do with training of Malaysian personnel by the United States is still under consideration. Following is a Department statement read to news correspondents on December 29 by Robert J. McCloskey, Director of the Office of News, together with the text of a joint communique issued on November 23 by a U.S. defense team and officials of the Government of Malaysia at the conclusion of discussions held at Kuala Lumpur November 11-23.*

### **DEPARTMENT STATEMENT, DECEMBER 29**

We regret that the Government of Malaysia is unable to accept the U.S. offer of credit arrangements for the purchase of military equipment. The terms offered were standard for the purchase of military equipment under arrangements whereby the U.S. Government guarantees loans extended by banks. The United States has exceptionally heavy commitments in Vietnam and elsewhere in Asia where we are expending our resources to defend the independence of free nations. These efforts represent a real contribution to the security of Malaysia. Malaysia is already receiving substantial military aid from Britain, Australia, and New Zealand. The United States has offered grant aid for military training which the Malaysian Government has under consideration.

### **TEXT OF JOINT COMMUNIQUE, NOVEMBER 23**

The visiting United States defence team has held discussions with the Government of Malaysia during the past two weeks regarding the sale of military equipment and a programme of training for the Government of Malaysia's expanded defence programme. As a result the United States has offered to:

(1) Assist in arranging for the purchase in the United States of military equipment, principally aircraft on medium term credit arrangements, and

(2) To provide training for a number of Army and Air Force personnel in various military specialties.

The Ministers of Defence and Finance will now present the U.S. Government's offer to the Government of Malaysia for its consideration.

## **President Sends Christmas Greetings to Americans in Viet-Nam**

### *Presidential Message*

White House press release dated December 23

To my fellow-Americans in Vietnam, and to their wives, children and parents, I send warmest Christmas greetings.

Those of us who are at home, full of joy and thoughts of peace, are ever mindful of, and grateful to, those thousands of you who toil today where there is no peace.

You are in Vietnam, far from the places and people you love, because the forces that have given our nation strength and wealth have also placed upon it the burden of defending freedom—even in remote and distant villages.

In every generation the burden of protecting liberty has fallen to a few stouthearted men. We Americans celebrate this holy season in liberty because our forebears had the courage, the determination, the will to sacrifice, that was equal to the challenges before them. Future generations in many lands will spend Christmas days in freedom because there are men everywhere who are equal to this grim challenge in our time.

You who carry Freedom's banner in Vietnam are engaged in a war that is undeclared—yet tragically real. It is a war of terror where the aggressor moves in the secret shadows of the nights. Murder and kidnapping and deception are his tools. Subversion and conquest are his goals. It is a war waged with political, social,

economic and psychological weapons as well as guns and bombs. Thus every American in Vietnam, whether soldier, Embassy secretary or AID [Agency for International Development] official, whether in the jungle, in the mountains or in the cities, is on the front lines of this struggle.

Those of you who are helping the Vietnamese people to defend themselves against this insidious warfare may serve in places with names that ring strange to American ears: Long Khot, Kien Tuong, Binh Gia. But your sacrifices are known and honored in American towns and cities more familiar to you, for you are meeting your country's commitment to a world of justice.

All Americans join me in sending thanks—and not at Christmas only, but around the clock, and around the year.

## **U.S. Provides Emergency Food Supplies to Somalia**

### *Department Statement*<sup>1</sup>

In response to the appeal of the Somali Government, the United States is taking immediate steps to provide 500 tons of emergency food supplies to famine-stricken regions of that country. Prime Minister Abdirazak [Hagi Hussein] reported on Saturday [December 26] that 700,000 inhabitants of the Somali Republic are facing very severe famine conditions due to a crop failure and appealed to all diplomatic chiefs of mission in Mogadiscio for assistance.

One hundred tons of grain will be flown in from Khartoum by a C-130 MATS cargo plane. The first load is expected to arrive in Mogadiscio on Thursday [December 31]. Another 400 tons will be delivered by sea to Somalia within a matter of weeks, and additional shipments will be made as rapidly as transport can be provided.

In addition to the initial shipment of 500 tons, the United States will contribute 6,500 tons of grain sorghum.

<sup>1</sup> Read to news correspondents on Dec. 29 by Robert J. McCloskey, Director, Office of News.



## Economic Development in South and Southeast Asia

**ANNUAL MEETING OF THE COLOMBO PLAN CONSULTATIVE COMMITTEE,  
LONDON, NOVEMBER 17-20, 1964**

*The Consultative Committee of the Colombo Plan for Cooperative Economic Development in South and Southeast Asia held its 16th annual meeting at London November 17-20. Following are a statement made on November 19 by Frank M. Coffin, who headed the U.S. delegation,<sup>1</sup> a communique released at the close of the meeting, and chapter II of the 13th annual report, which was one of the annexes to the communique.*

### STATEMENT BY MR. COFFIN

Two years ago I crossed the Pacific to attend my first meeting of the Colombo Plan Consultative Committee at Melbourne.<sup>2</sup> This year I had only to cross the Channel, from Paris to London. But my interest and enthusiasm have increased in proportion to my experience with Colombo colleagues—whether I fly 1 hour or 1 day. To come once more to this table is to sense the bedrock of community and continuity in a sea of change. So much has happened in the past 2 years that one cannot resist using this forum of perspective as an ideal sounding board for reflection on the past and inspiration for the future.

<sup>1</sup> Mr. Coffin is the Permanent U.S. Representative to the Development Assistance Committee of the Organization for Economic Cooperation and Development.

<sup>2</sup> For an article by Matthew J. Marks dealing with proposals made at the Melbourne meeting, see BULLETIN of June 24, 1963, p. 977.

There are two sets of comments I would like to make as I reflect on these past 2 years. The first is the interpretation of our own experience in the United States in development assistance since I last shared your councils. The second, admittedly an area where we all must tread carefully, is the attempt to look ahead to the significance of this community of nations in the foreseeable future.

When I last spoke to this Committee, the United States Agency for International Development was 1 year and 1 week old. It is now celebrating its third birthday. Its new organization and mission represented the lessons of nearly a decade and a half, during which the emphasis in assistance programs shifted more and more toward long-range development programs, concepts of overall development planning, systematic assessment of priority needs, and encouragement of effective domestic policies in the developing countries. We had learned the lesson that the various arms, hands, and feet of development assistance—the toolshop of aid which had expanded to include the furnishing of food and fiber, the supply of experts and the training of students and officials, the extension of credits both middle and long term, the guaranteeing of investments and the making of feasibility studies—needed a central nervous system, a unified organization, to coordinate both strategy and tactics.

During the past 2 years we have put flesh on the bones of these concepts. We have stressed

the development of doctrine and analysis, which require from both the giver and receiver of assistance complementary decisions as to major objectives, priority needs, and policies best calculated to mobilize the national resources for development. This resulting strategy of development is the basis for both the vital domestic actions without which real development will not take place and for the type, amount, and duration of external assistance that can best stimulate and complement these actions.

This concept of joint enterprise and responsibility in development was articulated in chapter II of last year's Colombo Plan proceedings, as well as in the final actions of the United Nations Conference on Trade and Development.<sup>3</sup> Our own studies and techniques, recognizing the individual differences among countries, the fact that what is a crucial bottleneck for one country is not such for another, have gone far enough to teach us much about the maximizing of development assistance if done in partnership with domestic policies aiming at development—a complex interrelationship often bearing the oversimplified label of self-help. In saying this I do not forget the remarks of my colleague from Thailand, who pointed out that assistance must sometimes be given countries to require them to be effective in mobilizing their own resources.

Much more needs to be done, for development is a many-faceted process. The field is vast and yearns for more cultivation. But the harvest—supremely worth striving for—is a better use of resources, faster, more rewarding, and more productive development, and, as Mr. Moran [H. O. Moran of Canada] said yesterday, greater support of the development effort by both the industrialized and the developing countries.

Complementing our interest in refining the strategy of development is a steadily increasing emphasis which our Congress has given to research. Pragmatic and impatient for results as we Americans are reputed to be, I think it is highly significant that our Congress this past

<sup>3</sup> For the preamble and recommendations contained in the Final Act of the UNCTAD, which met at Geneva Mar. 23–June 16, 1964, see *ibid.*, Aug. 3, 1964, p. 150.

year saw fit to double the appropriation for research on problems of development.

Part of our analytical and research efforts are specially directed to the oldest of assistance fields—technical assistance. We are not satisfied that we know all that we should know—in what fields, to what purposes, and with what interrelationships we should allocate limited technical assistance resources to achieve a maximum development effect. We are well aware of the increasing quantity and quality of technical assistance being extended by regional Colombo Plan members to each other, and we hope to share your insights concerning what might be called an evolving technical assistance doctrine. Particularly important is the organic relationship between capital and technical assistance.

Within the broad field of technical assistance, we share the interest of many members of the Colombo Plan in a much more rigorous analysis of the relation between population growth and development. The past 2 years have seen in our Government, as in others, a more forthcoming acknowledgment of the priority of the problem posed by rapidly accelerating population levels. We are gratified that the special topic for next year's meeting is to be the problem of population. We hope it will provide us with insights into impact of population growth on development and the ranges of appropriate and available action programs.

#### **Improving Performance in U.S. Programs**

All that I have said so far concerns some of our newer efforts in the fields of doctrine, analysis, research, and programing. What remains of the development assistance effort is the submerged part of the iceberg—implementation, the finding of new and better ways to do the job. Here we are trying in many ways to improve our performance. Part of our approach lies in an expanding, close, long-range collaboration with our universities and foundations. Our objective is to develop, over time, a cadre of top specialists who are equally at home in their institutions of learning, research, and teaching and in critically important overseas work. And this, I take it, is in line with

one of the areas of exploration currently being undertaken by the new British Ministry of Overseas Development.

In the administration of our Food for Peace programs, we have seen increasingly flexible uses for education, health, and social welfare. A greater flexibility under the law now permits students in many countries to buy textbooks, scientists to engage in biomedical or nutritional studies, and a wide variety of health-research projects within the recipient countries. Food for Peace is now a direct tool for rural development in a number of countries. In Korea 6,500 workers under a community self-help program received food wages to build small dams, dikes, and irrigation canals following on the reclamation of 12,000 acres of much-needed land. You may have noticed in our exhibit the Vietnamese farmer pouring corn for feed purposes. This corn is sold at a modest price to upgrade livestock. The proceeds pay for transportation, milling, and distribution costs, vaccines, and insecticides. Thus the initial provision of surplus foodstuffs directly to meet acute needs is used in a way which hopefully puts in motion a series of developmental activities of widening and continuing impact.

Another element in our evolving efforts which has come to fruition in the last couple of years is the United States Peace Corps. This exciting program for mobilizing the skills of young American volunteers, launched at the beginning of the Kennedy administration, has in training or has sent overseas some 2,500 volunteers to Colombo Plan member countries. At the invitation of governments, Peace Corps volunteers have been working in Afghanistan, Ceylon, Indonesia, India, Nepal, Malaysia, Thailand, the Philippines, and Pakistan. Many are teachers, many try to assist local communities in a variety of development efforts. The response to the Peace Corps idea has been so universally favorable in the recipient countries that the concept has now spread to other industrialized countries, and several in Europe are launching similar volunteer movements of their own.

Finally, we have given increased emphasis to ways and means of stimulating private in-

vestment in developing countries, which holds a great potential for development as a supplement to governmental resources. We have made available to potential investors in a dozen industrialized nations a catalog of over 1,200 feasibility studies. We have now concluded investment guarantee agreements with 60 countries. One of our most recent initiatives is the creation of a nongovernmental organization, the International Executive Service Corps, whose objective is to make senior management skills available at local rates to developing countries.

To summarize the recent history of the United States development effort, I would say that it has been characterized by consolidating the organizational changes of 1961, breaking new ground in development assistance research, analysis, and doctrine, and striving to increase the flexibility and efficiency of operations. If I speak with a sense of pride, I do not want to be misunderstood. What I am proud about is that, behind all the debate and occasional misunderstandings, we are trying, constantly trying, to be more effective in building a better world.

At this point I want to express my admiration for the new initiative taken by Canada in its own aid program, both as to amounts of assistance and as to the terms on which it is available. The present enthusiasm and new thinking going into the United Kingdom program, as evidenced by the remarks of the Prime Minister and Minister Castle, are also heartening. This world is really a seamless web, and new and broader efforts such as those in Canada and the United Kingdom cannot fail to help reinforce our own will and commitment in the United States, and the will of other industrialized countries as well.

#### **Bilateral and Multilateral Development Efforts**

If the recent past has been one of innovation in our own program, on the international scene it has been one of steady growth and experimentation in bilateral aid, coupled with truly dramatic developments in international institutions.

As for the bilateral programs, new aid

agencies have been established in a number of countries, among them Colombo Plan members. The most recent step which has captured our attention is the creation of the Ministry of Overseas Development in the United Kingdom under the dynamic leadership of the distinguished lady who so effectively and graciously chairs our proceedings [Barbara Castle]. In addition to such strengthening of the governmental machinery to handle bilateral programs, there has been a wide variety of special laws, taxes, guarantee systems, equity investment corporations, volunteer organizations, and hundreds of religious, charitable, research, and education groups and foundations.

One can point to a substantial, varied, and growing aid effort, with bilateral aid being dominant but with multilateral aid, now about 12 percent of total aid, growing at a faster pace. Official aid has shown an increase for every year except one since 1956. Technical assistance has shown a sharper increase than capital aid. There has been a noticeable movement—though not a steady one—toward liberalizing interest rates and extending periods of repayment. This is a record of substantial response by the industrialized north to the underdeveloped south.

On the multilateral front we can look back on several years of almost uninterrupted innovation. The creation of IDA [International Development Association]; the new initiatives of its parent, the World Bank; the birth of the Inter-American Development Bank; the organization of the Inter-American Committee on the Alliance for Progress to assess and report on development plans and policies; the Central American Common Market; the Latin American Free Trade Area; the new African Development Bank—these are only some of the new international institutions created or enlarged within the very recent past.

But perhaps more dramatic than any of these institutional innovations was the United Nations Conference on Trade and Development, many of whose significant actions were foreshadowed in chapter II of last year's report. This may be said to mark both an extension and a convergence of the revolutions about which we have been speaking—the revolution

of rising demand on the part of the less developed two-thirds of the world, and—to use my phrase of 2 years ago—a corresponding counter-revolution of effective response. With respect to the first, UNCTAD is an extension in that it reflects to an unprecedented degree the aspirations of the developing countries, and there developed during the UNCTAD a unity of purpose among this group of nations. It produced many recommendations which state these aspirations. Agreement was reached at UNCTAD for new United Nations machinery to review systematically, in depth, and on a continuing basis virtually all the issues related to the trade and development of developing countries. It is probably accurate to say that, above all else, this was what the developing countries most wanted.

The UNCTAD also marked a significant step in the counterrevolution of response. Most of the developed countries entered into the proceedings with serious intent, a great deal of study, and, in the words of the Final Act, a genuine desire to find “by means of international co-operation, appropriate solutions to the problems of world trade in the interest of all peoples and particularly to the urgent trade and development problems of the developing countries.” To this end, in spite of disagreement on some key issues, there was, nevertheless, a substantial area of agreement on certain policies to be pursued, studies to be made, institutional arrangements to be established. It is no exaggeration to say that the Conference has had a profound impact on the participating countries and upon international programs concerned in one way or another with trade and development. More important, it went a long way in establishing a sense of common interest which is so necessary in order to arrive at a right and effective relationship between the developed and developing, the rich and the poor, the north and the south. By “sense of common interest” I mean an appreciation on both sides of the world's house that the giving and receiving of aid is realistic, necessary, dignified; neither an imposition on the rich nor an indignity to the poor.

May I say a few words about trade. Perhaps in no field of international relations has there

been greater attention given during the past months than to the field of trade. Trade has become in some ways almost synonymous with aid as a directional approach to meeting the economic development aspirations of the developing nations. Several important steps are under way in the GATT [General Agreement on Tariffs and Trade] responsive to the trade and development problems of such countries. Also it is our hope and intent that the Kennedy Round of trade negotiations will result in substantial benefits to the trade of the developing countries. I take particular encouragement from the low percentage of items noted for exception filed by, first, the United Kingdom, and also by the United States.

### **Colombo Plan's Future Role**

This brings us to the question: Where, in this world of new institutions, does this—perhaps the oldest institutional arrangement for cooperation in development—fit? How does UNCTAD affect Colombo? Does it affect it at all? If so, does it lessen or increase its importance? These are questions all of us are asking ourselves. It is well to face them openly.

I for one am convinced that what the Colombo Plan organization and meetings offer the world is more important than ever before. It fills a gap that cannot be filled simply by institutional fiat. Geneva helped dramatize development. The continuing machinery and other organizations such as the World Bank, IDA, the IMF [International Monetary Fund], my own organization—the Development Assistance Committee of OECD—regional organizations such as the Inter-American Committee for the Alliance for Progress, will do much to advance the analysis, the strategy, the coordination of development efforts. But if the relations between the industrialized and the developing countries are to move beyond simple confrontation to constructive dialog, the example of the Colombo Plan meetings must continue.

For it is here, among nations which have taken the time, year after year, to pore through country chapters, distill meaningful summaries, to

discuss special topics of common interest, to launch the first large efforts of intraregional assistance—it is here that understanding tempers the demands which each group of countries makes on the other.

We cannot allow the exchange between the rich and the poor to take on the character of trench warfare between fixed and unmovable positions—whether the subject be the size of the transfer of resources in the past, the magnitude of future needs, the legitimate objectives of assistance, or the conditions under which it should be made available.

The development effort is an exercise in mutuality. It must spring from a motivation recognizing a mutual self-interest in the progressive and orderly development of free societies. Development can take place only if both rich and poor recognize a mutuality of obligation. The industrialized countries have the obligation to give adequate aid on liberal terms and to assure reasonable access to their markets for expanding exports of the developing countries. The developing countries have the obligation to manage wisely their resources as a complement to external assistance, even with their own sacrifices, and not merely to tolerate but to solicit and seriously consider objective evaluation of their own policies and programs.

Both must listen and respond to the legitimate concerns of the other. And they must both understand that by so doing they are not doing the other a favor but that they are acting in their own self-interest—a self-interest, however, that is held in common. Upon this recognition rest the prospects of the newest Age of Development. It is in the fulfillment of the concept of mutuality thus defined that the Colombo Plan faces its newest opportunity. Its forum has always been useful. Its vitality will be even more important in the years ahead. I am therefore pleased to express on behalf of my Government a very affirmative position on the proposed extension of the Colombo Plan for another 5 years.

With these words I recommend that we approve the draft report which is before us.

**COMMUNIQUE**

The Sixteenth Meeting of the Consultative Committee of the Colombo Plan for Co-operative Economic Development in South and South-East Asia took place in London from the 17th to 20th November, 1964. The Rt. Hon. Harold Wilson, Prime Minister of the United Kingdom, delivered the Inaugural Address. The Leader of the United Kingdom Delegation, Mrs. Barbara Castle, was elected Chairman of the Meeting.

2. Countries represented at the meeting were: Afghanistan, Australia, Bhutan, Burma, Canada, Ceylon, India, Indonesia, Japan, Korea, Laos, Malaysia, the Maldives, Nepal, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom, the United States and Vietnam. Cambodia was not represented.

3. The meeting was attended by the Director and Staff from the Colombo Plan Bureau. Observers were present from the United Nations Economic Commission for Asia and the Far East, the International Bank for Reconstruction and Development, the United Nations Technical Assistance Board and Special Fund and the Asian Productivity Organization.

4. The Consultative Committee reviewed economic development in the Region during the past year and the progress of the Colombo Plan. An assessment was made of the tasks ahead of the countries of the Region. The Committee adopted the Annual Report which was drafted by Officials at their Meeting, preceding the Meeting of the Consultative Committee.

5. The Committee agreed that the Colombo Plan should be extended for a further period of five years from 1966 to 1971.

6. The Committee recognised the importance of the United Nations Conference on Trade and Development, which has inaugurated a new phase in the international discussion of problems of development. The Committee has itself devoted much attention to many of the problems with which the Conference concerned itself and the Committee expressed the hope that the Committee would continue to play a creative role in seeking solutions for these prob-

lems with special reference to the needs of the Region.

7. The Committee noted that, as in earlier years, there were wide disparities over the past year in the rate of growth in real terms of gross national product among the developing countries in the Colombo Plan Region. There were also great differences between the rates of increase in population. However, it can be said that the gain in real national income per head was, in general, only about half that in total national income. The Committee recognised the implications of rapid population growth for the possibilities of achieving an early substantial improvement in living standards.

8. The indications are that the total agricultural output in the Region continued to rise only modestly in 1963-64; there were occasional food shortages in some countries. Nevertheless, many countries secured significant increases in agricultural production for export and in export earnings. Industrial production continued to expand in the Region as a whole in 1963, though it is to be borne in mind that the economy of the area is still dominated by agriculture and only some countries have as yet a significant industrial sector.

9. There was a substantial increase in development expenditures in many countries in the Region during 1963; other expenditures also rose, particularly on defence. Despite the efforts made by some countries to mobilize domestic resources, there was some resort to deficit financing and, therefore, an increase in money supply and in the domestic price level in many countries. Individual countries of the Region experienced problems in maintaining internal financial stability which varied in acuteness, and they had varying degrees of success in combating them. Continued efforts will be necessary to pursue policies which will maintain financial stability while not inhibiting investment in essential development.

10. Development in the Region depends heavily on export earnings and this, in turn, is strongly influenced by changes in the prices of the Region's main primary commodities, mainly rubber, tin, jute and tea. Experience was varied during the period; but because of increased production and more favourable prices for some

products during the year 1963-64, the value of exports from the Region rose considerably. By contrast, imports rose much less, partly because of restrictions imposed by member countries in 1962-63 in order to halt the deterioration in their external trade position. There was, however, some further rise in import prices. The net result was an improvement in the trade balance and, consequently, in the balance on current account of the Region and in the reserves of member countries.

11. The Committee noted that the achievement of adequate growth depended, among other things, on an increase of the trade of developing economies with the industrially advanced countries and with each other. Stabilization of the prices of primary commodities at reasonable levels and access both for these and for manufactures in world markets will continue to call for attention in the coming years.

12. The level of public expenditure in development per head over the area as a whole remains low, and measures are urgently necessary to accelerate the rate of investment and to moderate the rapid rate of population growth.

13. There has been some increase in the amount of aid available to countries of the Region though this has resulted from the more rapid disbursement of aid previously committed rather than from an increase in new commitments. Aid on a large scale will continue to be necessary if the area as a whole is to be able to finance development programmes at the same time as financing its essential current imports.

14. The total aid provided by Australia, Canada, Japan, New Zealand, United Kingdom and U.S.A. to countries in the Region since the beginning of the Plan rose to \$14,864 million. The value of the aid contributed in 1963-64 was \$2,165 million. In addition, an increasing amount of aid is being provided by Regional members to each other and there is substantial private investment in countries within the Region from member countries outside.

15. Some member countries have taken steps to make aid available on easier terms during the past year. The resources of the International Development Association (which includes several members of the Colombo Plan among its major contributors and which has contrib-

uted largely to financing development in the Region on easy terms) have been increased. Most aid continues to be tied to purchases from the donor countries though there has been an increase in the proportion of aid not tied to specified projects. Further efforts will be needed to provide aid on liberal terms and conditions and thus assist in dealing with the problem of the accumulation of external debt.

16. The Consultative Committee recognised the importance of intra-regional training and emphasised that there was scope for considerable expansion in this field. It welcomed the appointment of the Adviser on Intra-Regional Training and took note of the recommendations in the Report which he circulated to it. The Committee also welcomed the attention drawn to the importance of the co-ordination by Member Countries of their capital and technical assistance programmes and welcomed the action which certain countries were taking, or considering taking, in order to expand their own capacities to recruit more qualified experts and provide training facilities in certain fields where demand exceeds supply.

17. In accordance with the precedent set in 1962, a selected topic of special interest to Member Governments is discussed each year. The topic selected for discussion this year was "Development Problems of the Rural Areas". In most of South and South East Asia, the rural sector accounts for the greater part of gross national product and occupies an overwhelming majority of the working population. Many countries' earnings of foreign exchange are heavily dependent on agricultural exports. In many countries there is widespread unemployment and under-employment in rural areas. The Committee noted with concern that while demand for food was increasing constantly, both because of population growth and because of higher incomes, current food production seems barely to be keeping ahead of population growth. It was felt that priority should be given to expanding agricultural output. At the same time, it was suggested, Governments should not think of rural development in isolation but should try to achieve a balanced growth between agricultural and industrial sectors.

18. Factors on which successful development

of the rural areas must depend, include adequate national planning and administration, applied research, advisory and extension services, improved seeds, fertilisers, pesticides, irrigation, mechanisation, transport and other infrastructure, marketing and price arrangements, credit and incentives for farmers, systems of land tenure, social reforms and community development.

19. The special topic for discussion at next year's Meeting of the Consultative Committee will be "The Relationship between Population and Economic Development in the Colombo Plan Area".

20. The Consultative Committee agreed that in 1966 the Information Committee should be a Committee of the whole; that each member government should endeavour to send to that meeting a specialist information officer; and that it should discuss the role of information and mass communications in economic and social development.

21. The Thirteenth Annual Report adopted by the Committee this year will be published in the capitals of Member Countries on or after 15th January, 1965. Chapter I of the Report, "Review of Economic Progress",<sup>4</sup> and Chapter II, "The Task Ahead", are annexed to this Communique.

22. The Consultative Committee welcomed the invitation of the Government of Pakistan to hold the 1965 Meeting in Karachi.

*20th November, 1964*

## CHAPTER II

### THE TASK AHEAD

1. The Colombo Plan Consultative Committee meets for the first time after the United Nations Conference on Trade and Development at Geneva. The Committee has always been a meeting place where developed and developing countries could discuss the problems to be faced in reaching the stage of self-sustaining development, and the ways in which all could cooperate to overcome them. The United Nations Conference on Trade and Development has covered a wider range of issues than those of development and aid within the Colombo Plan area, with which the Consultative Committee has traditionally concerned itself, though this is not to underrate the contribu-

<sup>4</sup> Not printed here.

tion which the Consultative Committee itself has made in the field of international economic co-operation.

2. The dialogue between developed and developing countries is concerned, of course, not merely with development and aid, but also with trading relations between them, since these relations vitally affect financing of development. In this field, the UNCTAD emphasized especially the need for improved access by the less developed countries to the markets of the world, and for international arrangements covering primary commodities, especially those exported by developing countries.

3. In the field of development a number of objectives were summarized in the Recommendation on Guide Lines for International Financial Co-operation which was adopted without dissent at the UNCTAD; they have been finding general acceptance. Among the more important are:—

(a) Adequate plans and policies at national and multi-national levels;

(b) the maximum use of national resources for the achievement of balanced growth;

(c) the promotion of regional development;

(d) a greater measure of external aid, which should be sufficiently flexible to take account of any decline in external income arising from causes beyond the control of developing countries;

(e) freedom, so far as is practicable, in the use of aid, which should take account of the possible need to finance local costs;

(f) the provision of aid on terms which take account of the capacity of recipients to service the debt;

(g) the limitation of short and medium-term commercial credit to the capacity of the less developed countries to repay it;

(h) attention to the problems which may be created for developing countries through the accumulation of external debt;

(i) an increase in the inflow of private capital;

(j) an increase in the flow of technical assistance.

These measures, to be taken by developing and developed countries as appropriate, were recognised as necessary in order to achieve the higher rates of economic growth by developing countries.

4. Previous reports of the Consultative Committee have shown an awareness of most of these questions. This is not surprising: the problems of economic development do not change quickly, nor are they easily solved. The preceding survey of developments in the past year (Chapter I) and the Country Chapters which follow show their importance in the Colombo Plan area.

5. The picture is far from uniform. The countries of the area differ in size, in resources, and economic structure (though in all of them agriculture is the most important sector). They differ also in their systems of government, and therefore in the manner in which their economic life is organised. They differ widely, indeed, in the degree to which they find it possible to formulate and implement ambitious and comprehensive



economic plans. They differ, also, in the degree of financial stability which they currently enjoy. Nevertheless, certain general comments can be made.

6. There has been a significant growth in national income in most countries of the region, but the growth of population (though unevenly distributed) has remained rapid, so that the rise in national income per head has been very much smaller. In recent years there has been relatively little increase in agricultural production, and the problem remains of achieving higher yields in agriculture. The increase has, in general, been much larger in the nascent industrial sector. Reports from individual countries do not show, as yet, much evidence of plans for development on regional lines, with the development of one country complementing that of others.

7. Countries in the region have taken steps to increase Government revenue, mobilise domestic savings more effectively, and reduce inflationary financing. The extent and success of these efforts has varied, however, between different countries. Some, especially those with large development programmes, whose financial position may have been affected by natural disasters or deterioration in the terms of trade, have found it difficult to maintain essential consumption and the rate of public investment without resort to deficit financing and a consequent increase in money supply and prices. In view of the diversity of experience in the region it must be recognized that, in spite of the efforts which have been made, there is no cause for complacency. The problem has been aggravated for a number of countries of the Colombo Plan area by heavy expenditure on defence. This not only diverts substantial amounts of scarce resources from economic and social development but it also tends to generate inflationary pressures which hamper development. Continued efforts will be necessary to pursue policies which will maintain financial stability while not inhibiting investment in essential development.

8. There has been some increase in the amount of aid available to countries of the area, both from fellow members of the Colombo Plan and from elsewhere, though this has resulted more from rapid expenditure of aid previously committed than from an increase in commitments during the year. This, together with an increase in export prices for some of the products of the region (coming after a downward trend lasting several years), and the consequent increase in export earnings, has led to an improvement in the balance of payments position of most countries of the region. It remains true, however, that aid on a large scale will continue to be necessary to enable the region as a whole to finance its development programmes as well as some of its current imports. Some countries in the region have adopted measures to encourage an inflow of foreign private investment, and further efforts in this direction would be of help in supplementing resources available for development.

9. The International Bank is now studying the feasi-

bility of a scheme, to be administered by I.D.A., of supplementary financial measures to help countries whose development plans may be endangered by a falling-off in export earnings. If, as a result, a successful scheme could be implemented a welcome increase in the flexibility of aid would be provided.

10. In view of the continuing need for external assistance on a large scale and the continuing problem of external debt servicing, it is recognised that external assistance should be made available to area members on liberal terms by Governments and institutions. During the past year certain member countries—notably Canada and the United Kingdom—have taken steps to soften the terms of their lending. A large part of the initial contributions to the I.D.A. (which includes several members of the Colombo Plan among its major contributors) has been allocated to members of the Colombo Plan area for loans on very soft terms, and it is to be hoped that the recent replenishment of I.D.A. resources by \$750 million over a 3-year period will substantially benefit the countries of the region. While the greater part of aid continues to be tied to purchasers from the donor countries, during the past year there has been an increase in the proportion of aid not tied to specific projects, both by member countries and by multi-lateral institutions. Continued attention must, however, be paid to the questions of terms and conditions of aid and of debt, and further efforts must be sought through bilateral or multilateral programmes to provide aid on liberal terms and conditions.

11. Technical Co-operation in the form of the provision of experts' services, training facilities and training and research equipment, continues to play an important role in the development of the region. While expenditure on technical assistance during 1963-64 decreased from the previous year's record figure the number of new training places provided for 1963-64 is the highest on record for any single year. As the pace of development increases, the need for technical assistance will grow further and it is hoped that this greater need will be met. A special feature is the attention which is now being given to intra-regional training programmes. Another development has been the increasing emphasis placed by member countries on co-ordinating their capital and technical assistance programmes. It is felt, however, that there may still be scope for the improved co-ordination in recipient countries of the technical assistance activities of the various donor countries and international agencies.

12. The achievement of stable growth of developing economies is dependent, among other things, on an increase in their trade with one another and with the industrially advanced countries. In this connection, stabilisation of the prices of primary commodities at reasonable levels and increased access for these, as also for manufactures in the world markets, are among the measures to which attention will need to be given in the coming years.

13. These, then, are the major problems which confront the region. They will have to be dealt with

partly through continuing co-operation within the Colombo Plan, which has been a pioneer in the field, and partly through international co-operation on a wider scale, including the new machinery which is to be set up within the United Nations framework for this purpose. While a number of steps have been taken to solve these problems, it remains true that progress in many directions is only in the early stages.

## **U.S.S.R. Vetoes U.S.-U.K. Resolution on Syrian-Israeli Complaint**

*Following is a statement made in the Security Council on December 21 by Charles W. Yost, Deputy U.S. Representative, together with the text of a U.S.-U.K. draft resolution which that day had been vetoed by the Soviet Union.*

### **STATEMENT BY AMBASSADOR YOST**

U.S./U.N. press release 4484/Corr. 1

It is a little late to reopen the debate on this subject which we have been considering for so many days,<sup>1</sup> and I do not propose to say but a few words. The Council is generally familiar with the extensive consultations and negotiations which were held over a period of weeks in which a number of permanent members and a number of nonpermanent members and the parties made efforts to arrive at a consensus. They endeavored to deal in the first instance in an unbiased and generally acceptable way with the incident of November 13. That did not prove possible to do. I think some of the reasons why it was not possible have emerged in our discussions this afternoon.

As the Council is well aware, there are in the long history of unhappy incidents along the Syria-Israel demarcation line cases in which the majority of the Council feels that the blame should be attributed rather clearly to one side or the other side. This apparently was a case in which the majority of the Council did not feel so, and that is the reason why it was impossible to reach a generally acceptable consensus.

<sup>1</sup> For background, see BULLETIN of Jan. 4, 1965, p. 27.

However, my delegation does very much regret that the Council because of the exercise of the veto has been unable to endorse at least the constructive recommendations of the United Nations Chief of Staff [Lt. Gen. Odd Bull] in regard to the continued maintenance of peace along the demarcation line.

We believe that the draft presented by the United Kingdom and ourselves did reflect the Council's best judgment as to how it might continue its longstanding responsibility in the maintenance of peaceful conditions between Israel and Syria. Obviously, it was impossible to give perfect satisfaction to any of us, but these were constructive steps based squarely on the recommendations of the Chief of Staff which certainly would have seemed to us worthwhile to approve.

We note that in its statement before the Council on December 3 the Soviet delegation did not make any constructive suggestions and limited itself to dealing in what seemed to us a partial manner with the immediate incident. Other delegations, however, in referring to the Chief of Staff's report<sup>2</sup> commented favorably and generally supported the proposals of the Chief of Staff which he offered in paragraphs 24 through 27 of his report. May I say in this connection that the clause in the draft resolution which we submitted in paragraph 2(b) which dealt with the survey and demarcation of the armistice line was based on the reports of General Bull of August 1963<sup>3</sup> and November 1964, and provided clearly while commencing in the area of Tel El Qadi for proceeding thereafter to the completion of the full survey. It is heartening to note that the majority of the Council are in favor of the continued strengthening of the U.N. peacekeeping role in this crucial area and that the majority do endorse the Chief of Staff's efforts to improve the present situation.

Further and finally we should like to stress that lack of unanimity on the part of the permanent members of the Council in this matter derogates in no way from the responsibility of the parties to carry out in cooperation with General Bull the terms of the General Armistice

<sup>2</sup> U.N. doc. S/6061, Corr. 1 and 2, and Add. 1.

<sup>3</sup> U.N. doc. S/5401 and Adds. 1-4.

Agreement. We consider the vote which has just taken place on this resolution to represent a strong consensus on the part of the Council, and we firmly believe that in carrying out the recommendations approved by the majority of the Council the parties would be setting their feet on the path that would lead to more peaceful conditions in the area. We earnestly hope that they will do so.

#### TEXT OF DRAFT RESOLUTION<sup>4</sup>

*The Security Council,*

*Having heard* the statements of the representatives of Israel and the Syrian Arab Republic.

*Taking into consideration* the report of the Secretary-General of 24 November 1964.<sup>5</sup>

1. *Deplotes* the renewal of military action on the Israel-Syria Armistice Demarcation Line on 13 November 1964 and *deeply regrets* the loss of life on both sides;

2. *Takes note* in the report of the Secretary-General of the observations of the Chief of Staff in paragraphs 24 through 27, and in the light of these observations, *recommends*:

(a) That Israel and Syria co-operate fully with the Chairman of the Mixed Armistice Commission in his efforts to maintain peace in the area;

(b) That the parties co-operate promptly in the continuation of the work begun in 1963, of survey and demarcation as suggested in paragraph 45 of document S/5401, commencing in the area of Tel El Qadi, and proceeding thereafter to completion, in fulfilment of the recommendations of the Chief of Staff's reports of 24 August 1963 and 24 November 1964;

(c) That Israel as well as Syria participate fully in the meetings of the Mixed Armistice Commission;

3. *Requests* the Secretary-General to inform the Council by 31 March of the progress that has been made toward implementing these suggestions.

#### Current U.N. Documents

*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 November 21 from the Representative of Belgium drawing attention to the gravity of the situation in the Stanleyville region and stating that "preliminary measures" had been taken "against the possibility that it might prove necessary to evacuate the hostages." S/6055. November 22, 1964. 3 pp.

Letter dated November 21 from the Representative of the United States regarding the "situation of extreme danger to the lives of innocent civilians" prevailing in Stanleyville. S/6056. November 22, 1964. 2 pp.

Letter dated November 24 from the Representative of the United States regarding the emergency rescue operation and transmitting texts of a U.S. Government statement and a letter from the Prime Minister of the Democratic Republic of the Congo to the U.S. Ambassador at Léopoldville. S/6062. November 24, 1964. 6 pp.

#### TREATY INFORMATION

### U.S. and Rumania Sign Cultural Exchange Agreement for 1965-66

Press release 527 dated December 23

#### DEPARTMENT ANNOUNCEMENT

William R. Tyler, Assistant Secretary of State for European Affairs, and Rumanian Ambassador in Washington Petre Bălăceanu on December 23 exchanged diplomatic notes in the Department of State, Washington, D.C., which provide a framework for arranging visits and exchanges between the two countries for the calendar years 1965 and 1966. On the occasion of the exchange of the documents, Assistant Secretary Tyler noted with satisfaction that these provide for an increase in the number of exchanges over those of the past 2 years and contain new provisions for expanded contacts between institutions of the two countries.

Initial arrangements for a United States-Rumanian exchanges program for 1961 and 1962 were made through an exchange of notes at Washington on December 9, 1960.<sup>1</sup> Another exchange of notes on April 2, 1963,<sup>2</sup> provided

<sup>1</sup> U.N. doc. S/6112, as amended; failed of adoption because of the negative vote of a permanent member of the Council. The vote on Dec. 21 was 8 to 3 (Czechoslovakia, Morocco, U.S.S.R.).

<sup>2</sup> U.N. doc. S/6061, Corr. 1 and 2, and Add. 1.

<sup>3</sup> For texts, see BULLETIN of Dec. 26, 1960, p. 969.

<sup>4</sup> For texts, see *ibid.*, Apr. 29, 1963, p. 661.

for a continuation of the program in 1963 and 1964.

The notes exchanged on December 23 provide for exchanges in the fields of education, science, technology and industry, performing and creative arts, sports, and tourism. The notes also provide for cooperation in the fields of motion pictures, exhibits, books and publications, radio and television, and for the exchange of university professors, scientists, and cultural leaders.

### TEXT OF U.S. NOTE<sup>3</sup>

DEPARTMENT OF STATE,  
*Washington, December 23, 1964*

EXCELLENCY: I have the honor to refer to the recent discussions between representatives of the Government of the United States of America and the Government of the Rumanian People's Republic regarding the program of visits and exchanges in cultural, educational, scientific, and other fields during the calendar years 1965 and 1966.

In this connection, I wish to inform you that the Government of the United States approves the following provisions which record the understandings reached in the discussions:

#### 1. *Education Exchanges*

a. Both Parties agree to provide for the exchange of graduate students, young instructors, and research scholars for purposes of advanced scholarly and scientific study between United States and Rumanian universities and other institutions of higher learning, including scientific institutes.

b. Both Parties agree to provide for exchanges between United States and Rumanian universities of professors and instructors for lectures, language instruction and study, consultations, and seminars.

#### 2. *Scientific, Technical, and Industrial Exchanges*

a. Both Parties agree to encourage the development of exchanges in the field of science,

including such exchanges as may be carried out between academies of sciences of both countries. To this end, each Party agrees to facilitate visits of scientists from the other country for the purpose of delivering lectures and addresses at scientific institutes and institutions of higher learning.

b. Both Parties favor the exchange of delegations composed of specialists and technicians who wish to study various aspects of technical and industrial activity in the other country.

c. Each Party, through diplomatic channels or appropriate authorized organizations, and on a mutual basis, shall continue to invite scientists and technicians to participate in national scientific meetings, congresses, and conferences as opportunities may arise.

#### 3. *Exchanges in Performing and Creative Arts*

a. Both Parties agree to encourage and to support exchanges in the field of performing arts, including artistic, musical, and theatrical groups, conductors, theatrical supervisory personnel, and individual artists.

(1) Both Parties agree to facilitate the attendance of invitees to national musical competitions and other similar events with international participation which may be organized in each country.

b. Both Parties agree to encourage and support exchanges in the field of creative arts, including groups of writers, composers, artists, and others, as well as individuals in these categories.

#### 4. *Exchanges in Sports*

a. Each Party agrees to encourage and facilitate invitations from its athletic and sports organizations in order that athletes from one country can participate in athletic and sports exhibitions and contests in the other country.

#### 5. *Exchanges of Books and Publications and Cooperation in the Field of Publishing*

a. Both Parties agree to encourage and to assist in the exchanges of books, pamphlets, periodical literature, scholarly and scientific studies, microfilms, and other printed and dupli-

<sup>3</sup>The Rumanian note (not printed here) is identical but in the Rumanian language.

ated materials devoted to educational, scientific, technical, cultural, and other subjects between university, public and specialized libraries and other appropriate institutions of both countries.

(1) Educational materials and publications may include university catalogues, textbooks, study programs, curricula, syllabi, visual aids, and documentary materials in various field of study.

b. Both Parties agree to use their good offices to encourage the sale through commercial channels of books and other publications in the Rumanian language in the United States and in the English language in the Rumanian People's Republic.

c. Both Parties agree to encourage, subject to the consent of the authors or other parties in interest, the translation and publication in one country of scientific and literary works, including anthologies, dictionaries, and other compilations, as well as scientific studies, reports and articles published in the other country.

## 6. *Radio and Television Exchanges*

a. Both Parties agree to assist in the exchange of radio and television programs between American and Rumanian radio and television companies and organizations. The details of these exchanges will be worked out between the representatives of American radio and television companies designated by the Department of State and Rumanian radio and television organizations designated by the legal authorities, or between the Parties.

b. Each Party agrees to facilitate appearances, either recorded or in person, over radio and television by government officials, artists and public figures of the other country.

## 7. *Exhibits*

a. Both Parties agree to provide for showings in several cities of exhibits from the other country during each of the two years these arrangements are in effect.

## 8. *Cooperation in the Field of Motion Pictures*

a. Both Parties will encourage the conclusion of commercial contracts between American film

companies approved by the Department of State and Rumanian film organizations approved by the legal authorities for the purchase and sale of mutually acceptable feature films.

b. Both Parties will encourage the exchanges of approved documentary and scientific films between corresponding organizations and assist their distribution through appropriate distribution channels.

c. Both Parties will seek to arrange annual special showings in their respective capitals and other cities of representative films to which film personalities from the other country may be invited.

d. Both Parties agree that all of the films exchanged, purchased, or sold in accordance with this section will be released in dubbed or subtitled versions. The contents of the films will be preserved and any changes must be agreed to by the supplying Party. Prior to its distribution, the release version of each film must be agreed to by a representative designated by the supplying Party.

e. The Parties favor and agree to encourage, under appropriate conditions, other means of cooperation in this field, such as the joint production of feature, documentary, and other films.

## 9. *Tourism*

a. Both Parties favor the development of tourism between the two countries and agree to take measures, on the basis of equality of opportunity, to satisfy better the requests of tourists to acquaint themselves with the way of life, work, and culture of the respective peoples.

Specific details and programs of the above-mentioned visits and exchanges will be agreed upon through diplomatic channels or by approved organizations. Except where other mutually satisfactory arrangements have been made, it is agreed that individual visitors and delegations will pay their own expenses to and in the receiving country. It is understood that the arrangements agreed upon do not exclude the possibility of additional visits and exchanges which may be mutually acceptable to the two Parties or which may be undertaken by interested United States and Rumanian orga-

nizations or private citizens, it being understood that arrangements for additional exchanges, as appropriate, will be facilitated by prior agreement in diplomatic channels or between approved organizations. It is also understood that the commitments provided for above shall be subject to the constitutional requirements and applicable laws and regulations of the two countries.

It is further understood that this arrangement may be renewed by an exchange of notes between the two Parties prior to the end of 1966.

The Government of the United States of America takes note of the approval by the Government of the Rumanian People's Republic of these understandings as confirmed in your note of today's date.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

WILLIAM R. TYLER  
*Assistant Secretary of State*

His Excellency  
PETRE BALACEANU,  
*Ambassador of the  
Rumanian People's Republic.*

## Current Actions

### MULTILATERAL

#### Atomic Energy

Agreement for the application of safeguards by the International Atomic Energy Agency to the bilateral agreement between the United States and Norway of February 25, 1957 (TIAS 3836), for cooperation concerning civil uses of atomic energy. Signed at Vienna June 15 and December 18, 1964. Enters into force on the date on which the Agency accepts the initial inventory.

*Signatures:* International Atomic Energy Agency, Norway, United States.

#### Caribbean Organization

Agreement for the establishment of the Caribbean Organization with statute annexed. Done at Washington June 21, 1960. Entered into force September 6, 1961. TIAS 4853.

*Notifications of withdrawal:* France, December 22, 1964; United Kingdom, December 31, 1964; United States, December 29, 1964, all effective December 31, 1965.

<sup>1</sup> Not in force for the United States.

## Diplomatic Relations

Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Entered into force April 24, 1964.<sup>1</sup>

*Ratification deposited:* Costa Rica, November 9, 1964.

Optional protocol to Vienna convention on diplomatic relations concerning the compulsory settlement of disputes. Done at Vienna April 18, 1961. Entered into force April 24, 1964.<sup>1</sup>

*Accession deposited:* Costa Rica, November 9, 1964.

## Safety of Life at Sea

International convention for the safety of life at sea, 1960. Done at London June 17, 1960. Enters into force May 26, 1965.

*Acceptance deposited:* Iceland, December 11, 1964.

## Trade

Second procès-verbal extending period of validity of declaration on provisional accession of Argentina to the General Agreement on Tariffs and Trade of November 18, 1960, as extended (TIAS 5184, 5266). Done at Geneva October 30, 1964. Entered into force for the United States December 18, 1964.

*Signatures:* Argentina, November 17, 1964; Canada, November 25, 1964; Israel, December 1, 1964; Italy, November 27, 1964; Rhodesia, November 26, 1964; United States, December 18, 1964.

Second procès-verbal extending the declaration on provisional accession of Switzerland to the General Agreement on Tariffs and Trade of November 22, 1958, as extended (TIAS 4461, 4957). Done at Geneva October 30, 1964. Entered into force for the United States December 18, 1964.

*Signatures:* Canada, November 25, 1964; Israel, December 1, 1964; Italy, November 27, 1964; Rhodesia, November 26, 1964; Switzerland, November 6, 1964; United States, December 18, 1964.

Procès-verbal extending declaration on provisional accession of United Arab Republic to the General Agreement on Tariffs and Trade of November 13, 1962 (TIAS 5309). Done at Geneva October 30, 1964. Entered into force for the United States December 18, 1964.

*Signatures:* Canada, November 25, 1964; Italy, November 27, 1964; Mauritania, November 25, 1964; Rhodesia, November 26, 1964; United Arab Republic, November 19, 1964; United States, December 18, 1964.

## Weather

Convention of the World Meteorological Organization. Done at Washington October 11, 1947. Entered into force March 29, 1950. TIAS 2052.

*Accession deposited:* Zambia, December 28, 1964.

### BILATERAL

#### Afghanistan

Agreement amending the technical cooperation program agreement of June 30, 1953, as amended and extended (TIAS 2856, 4670, 4979, 5243, 5477). Effected by exchange of notes at Kabul October 31 and November 7, 1964. Entered into force November 7, 1964.

#### Iran

Agreement amending the agricultural commodities agreement of November 16, 1964 (TIAS 5696). Effected by exchange of notes at Tehran December 15, 1964. Entered into force December 15, 1964.

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**Check List of Department of State Press Releases: December 28-January 3**

Press releases may be obtained from the Office of News, Department of State, Washington, D.C., 20520.

Release issued prior to December 28 which appears in this issue of the BULLETIN is No. 527 of December 23.

No.	Date	Subject
*529	12/28	Brown sworn in as Ambassador to Liberia (biographic details).
*530	12/28	Program for visit of Prime Minister of Japan.
*531	12/29	Advisory Committee on Arts reports on cultural presentations program (portions of the report will be printed in a later issue of the BULLETIN).
†532	12/30	Board of Foreign Scholarships annual report (rewrite).

\*Not printed.

†Held for a later issue of the BULLETIN.

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THE  
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OF  
STATE  
**BULLETIN**

*Vol. III, No. 155*



*January 25, 1965*

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# The State of the Union

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

MR. SPEAKER, MR. PRESIDENT, MEMBERS OF THE CONGRESS, MY FELLOW AMERICANS: On this Hill, which was my home, I am stirred by old friendships. Though total agreement between the Executive and the Congress is impossible, total respect is important. I am proud to be among my colleagues of the Congress whose legacy to their trust is their loyalty to their nation. I am not unaware of the inner emotions of the new Members of this body tonight. Twenty-eight years ago I felt as you do now. You will soon learn that you are among men whose first love is their country, men who try each day to do as best they can what they believe is right.

We are entering the third century of the pursuit of American union.

<sup>1</sup> Delivered before a joint session of the House and Senate on Jan. 4 and simultaneously broadcast to the Nation by television and radio (White House press release; as-delivered text); the advance text is available as H. Doc. 1, 89th Cong., 1st sess.

Two hundred years ago, in 1765, nine assembled colonies first joined together to demand freedom from arbitrary power.

For the first century we struggled to hold together the first continental union of democracy in the history of man. One hundred years ago, in 1865, following a terrible test of blood and fire, the compact of union was finally sealed.

For a second century we labored to establish a unity of purpose and interest among the many groups which make up the American community.

That struggle has often brought pain and violence. It is not yet over. But we have achieved a unity of interest among our people that is unmatched in the history of freedom.

And so tonight, now, in 1965, we begin a new quest for union. We seek the unity of man with the world that he has built—with the knowledge that can save or destroy him—with the cities which can stimulate or stifle him—with

---

### DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1335 PUBLICATION 7810 JANUARY 25, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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NOTE: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the Department of State Bulletin as the source will be appreciated. The Bulletin is indexed in the Readers' Guide to Periodical Literature.

the wealth and machines which can enrich or menace his spirit.

We seek to establish a harmony between man and society which will allow each of us to enlarge the meaning of his life and all of us to elevate the quality of our civilization.

This is the search that we begin tonight.

### **The State of the World**

But the unity we seek cannot realize its full promise in isolation. For today the state of the Union depends, in large measure, upon the state of the world.

Our concern and interest, compassion and vigilance, extend to every corner of a dwindling planet.

Yet, it is not merely our concern but the concern of all free men. We will not, and we should not, assume that it is the task of Americans alone to settle all the conflicts of a torn and troubled world.

Let the foes of freedom take no comfort from this. For in concert with other nations, we shall help men defend their freedom.

Our first aim remains the safety and the well-being of our own country.

We are prepared to live as good neighbors with all, but we cannot be indifferent to acts designed to injure our interests, or our citizens, or our establishments abroad. The community of nations requires mutual respect. We shall extend it—and we shall expect it.

In our relations with the world we shall follow the example of Andrew Jackson, who said: "I intend to ask for nothing that is not clearly right and to submit to nothing that is wrong." And he promised that "the honor of my country shall never be stained by an apology from me for the statement of truth or for the performance of duty." That was this nation's policy in the 1830's and that is this nation's policy in the 1960's.

Our own freedom and growth have never been the final goal of the American dream.

We were never meant to be an oasis of liberty and abundance in a worldwide desert of disappointed dreams. Our nation was created to help strike away the chains of ignorance and misery and tyranny wherever they keep man less than God means him to be.

We are moving toward that destiny, never more rapidly than we have moved in the last 4 years.

In this period we have built a military power strong enough to meet any threat and destroy any adversary. And that superiority will continue to grow so long as this office is mine—and you sit on Capitol Hill.

In this period no new nation has become Communist, and the unity of the Communist empire has begun to crumble.

In this period we have resolved in friendship our disputes with our neighbors of the hemisphere, and joined in an Alliance for Progress toward economic growth and political democracy.

In this period we have taken more steps toward peace—including the test ban treaty—than at any time since the cold war began.

In this period we have relentlessly pursued our advances toward the conquest of space.

Most important of all, in this period the United States has reemerged into the fullness of its self-confidence and purpose. No longer are we called upon to get America moving. We are moving. No longer do we doubt our strength or resolution. We are strong and we have proven our resolve.

No longer can anyone wonder whether we are in the grip of historical decay. We know that history is ours to make. And if there is great danger, there is now also the excitement of great expectations.

### **America and the Communist Nations**

Yet we still live in a troubled and perilous world. There is no longer a single threat. There are many. They differ in intensity and in danger. They require different attitudes and different answers.

With the Soviet Union we seek peaceful understandings that can lessen the danger to freedom.

Last fall I asked the American people to choose that course.

I will carry forward their command.

If we are to live together in peace, we must come to know each other better.

I am sure that the American people would welcome a chance to listen to the Soviet leaders

on our television—as I would like the Soviet people to hear our leaders on theirs.

I hope the new Soviet leaders can visit America so they can learn about our country at first hand.

In Eastern Europe restless nations are slowly beginning to assert their identity. Your Government, assisted by leaders in labor and business, is now exploring ways to increase peaceful trade with these countries and with the Soviet Union. I will report our conclusions to the Congress.

In Asia, communism wears a more aggressive face.

We see that in Viet-Nam.

Why are we there?

We are there, first, because a friendly nation has asked us for help against the Communist aggression. Ten years ago our President pledged our help. Three Presidents have supported that pledge. We will not break it now.

Second, our own security is tied to the peace of Asia. Twice in one generation we have had to fight against aggression in the Far East. To ignore aggression now would only increase the danger of a much larger war.

Our goal is peace in Southeast Asia. That will come only when aggressors leave their neighbors in peace.

What is at stake is the cause of freedom, and in that cause America will never be found wanting.

### **The Non-Communist World**

But communism is not the only source of trouble and unrest. There are older and deeper sources—in the misery of nations and in man's irrepressible ambition for liberty and a better life.

With the free Republics of Latin America I have always felt—and our country has always felt—very special ties of interest and affection. It will be the purpose of my administration to strengthen these ties. Together we share and shape the destiny of the new world. In the coming year I hope to pay a visit to Latin America. And I will steadily enlarge our commitment to the Alliance for Progress as the instrument of our war against poverty and injustice in the hemisphere.

In the Atlantic community we continue to pursue our goal of 20 years—a Europe that is growing in strength, unity, and cooperation with America. A great unfinished task is the reunification of Germany through self-determination.

This European policy is not based on any abstract design. It is based on the realities of common interests and common values, common dangers and common expectations. These realities will continue to have their way—especially in our expanding trade and especially in our common defense.

Free Americans have shaped the policies of the United States. And because we know these realities, those policies have been, and will be, in the interest of Europe.

Free Europeans must shape the course of Europe. And, for the same reasons, that course has been, and will be, in our interest and in the interest of freedom.

I found this truth confirmed in my talks with European leaders in the last year. I hope to repay these visits to some of our friends in Europe this year.

In Africa and Asia we are witnessing the turbulent unfolding of new nations and continents.

We welcome them to the society of nations.

We are committed to help those seeking to strengthen their own independence, and to work most closely with those governments dedicated to the welfare of all their people.

We seek not fidelity to an iron faith but a diversity of belief as varied as man himself. We seek not to extend the power of America but the progress of humanity. We seek not to dominate others but to strengthen the freedom of all people.

I will seek new ways to use our knowledge to help deal with the explosion in world population and the growing scarcity in world resources.

Finally, we renew our commitment to the continued growth and effectiveness of the United Nations. The frustrations of the United Nations are a product of the world that we live in and not of the institution which gives them voice. It is far better to throw these differences open to the assembly of nations than to permit them to fester in silent danger.

These are some of the goals of the American nation in the world in which we live.

For ourselves we seek neither praise nor blame, neither gratitude nor obedience.

We seek peace.

We seek freedom.

We seek to enrich the life of man.

For that is the world in which we will flourish and that is the world that we mean for all men to ultimately have.

### **Toward the Great Society**

World affairs will continue to call upon our energy and courage.

But today we can turn increased attention to the character of American life.

We are in the midst of the greatest upward surge of economic well-being in the history of any nation.

Our flourishing progress has been marked by price stability that is unequalled in the world. Our balance-of-payments deficit has declined and the soundness of our dollar is unquestioned. I pledge to keep it that way, and I urge business and labor to cooperate to that end.

We worked for two centuries to climb this peak of prosperity. But we are only at the beginning of the road to the Great Society. Ahead now is a summit where freedom from the wants of the body can help fulfill the needs of the spirit.

We built this nation to serve its people.

We want to grow and build and create, but we want progress to be the servant and not the master of man.

We do not intend to live—in the midst of abundance—isolated from neighbors and nature, confined by blighted cities and bleak suburbs, stunted by a poverty of learning and an emptiness of leisure.

The Great Society asks not only how much, but how good; not only how to create wealth, but how to use it; not only how fast we are going, but where we are headed.

It proposes as the first test for a nation: the quality of its people.

This kind of society will not flower spontaneously from swelling riches and surging power.

It will not be the gift of government or the creation of Presidents.

It will require of every American, for many generations, both faith in the destination and the fortitude to make the journey, and like freedom itself, it will always be challenge and not fulfillment.

Tonight we accept that challenge.

### **A National Agenda**

I propose that we begin a program in education to insure every American child the fullest development of his mind and skills.

I propose we begin a massive attack on crippling and killing diseases.

I propose we launch a national effort to make the American city a better and more stimulating place to live.

I propose we increase the beauty of America and end the poisoning of our rivers and the air that we breathe.

I propose we carry out a new program to develop regions of our country that are now suffering from distress and depression.

I propose we make new efforts to control and prevent crime and delinquency.

I propose we eliminate every remaining obstacle to the right and the opportunity to vote.

I propose we honor and support the achievements of thought and the creations of art.

I propose that we make an all-out campaign against waste and inefficiency.

Our basic task is threefold: first, to keep our economy growing; to open for all Americans the opportunity that is now enjoyed by most Americans; and to improve the quality of life for all.

In the next 6 weeks I will submit special messages with detailed proposals for national action in each of these areas.

Tonight I would like briefly to explain some of my major recommendations in the three main areas of national need.

### **A Growing Economy**

First, we must keep our nation prosperous. We seek full employment opportunity for every American citizen. I will present a budget designed to move the economy forward. More money will be left in the hands of the consumer by a substantial cut in excise taxes. We will

continue along the path toward a balanced budget in a balanced economy.

I confidently predict—what every economic sign tells us tonight—the continued flourishing of the American economy.

But we must remember that fear of a recession can contribute to the fact of a recession. The knowledge that our Government will, and can, move swiftly will strengthen the confidence of investors and business.

Congress can reinforce this confidence by insuring that its procedures permit rapid action on temporary income tax cuts. And special funds for job-creating public programs should be made available for immediate use if recession threatens.

Our continued prosperity demands continued price stability. Business, labor, and the consumer all have a high stake in keeping wages and prices within the framework of the guideposts that have already served the Nation so well.

Finding new markets abroad for our goods depends on the initiative of American business. But we stand ready—with credit and other help—to assist the flow of trade which will benefit the entire Nation.

Our economy owes much to the efficiency of our farmers. We must continue to assure them the opportunity to earn a fair reward. I have instructed the Secretary of Agriculture to lead a major effort to find new approaches to reduce the heavy cost of our farm programs and to direct more of our effort to the small farmer who needs help most.

We can help insure continued prosperity through a regional recovery program to assist the development of stricken areas left behind by our national progress; further efforts to provide our workers with the skills demanded by modern technology, for the laboring man is an indispensable force in the American system; the extension of the minimum wage to more than 2 million unprotected workers; the improvement and modernization of the unemployment compensation system. And, as pledged in our 1960 and 1964 Democratic platforms, I will propose to Congress changes in the Taft-Hartley Act, including section 14-B. I will do so hoping to reduce conflicts that for

several years have divided Americans in various States of our Union.

In a country that spans a continent modern transportation is vital to continued growth.

I will recommend heavier reliance on competition in transportation and a new policy for our merchant marine.

I will ask for funds to study high-speed rail transportation between urban centers. We will begin with test projects between Boston and Washington. On high-speed trains, passengers could travel this distance in less than 4 hours.

### **Opportunity for All**

Second, we must open opportunity to all our people.

Most Americans tonight enjoy a good life. But far too many are still trapped in poverty, idleness, and fear.

Let a just nation open to them the city of promise: to the elderly, by providing hospital care under social security and by raising benefit payments to those struggling to maintain the dignity of their later years; to the poor, through doubling the war against poverty this year; to Negro Americans, through enforcement of the civil rights law and elimination of barriers to the right to vote; to those in other lands that are seeking the promise of America, through an immigration law based on the work a man can do and not where he was born or how he spells his name.

### **To Enrich the Life of All**

Our third goal is to improve the quality of American life.

We begin with learning.

Every child must have the best education that this nation can provide.

Thomas Jefferson said no nation can be both ignorant and free. Today no nation can be both ignorant and great.

In addition to our existing programs, I will recommend a new program for schools and students with a first-year authorization of \$1,500,000,000.

It will help at every stage along the road to learning.

For the preschool years we will help needy children become aware of the excitement of learning.

For the primary and secondary school years we will aid public schools serving low-income families and assist students in both public and private schools.

For the college years we will provide scholarships to high school students of the greatest promise and greatest need and guaranteed low-interest loans to students continuing their college studies.

New laboratories and centers will help our schools lift their standards of excellence and explore new methods of teaching. These centers will provide special training for those who need and those who deserve special treatment.

Greatness requires not only an educated people but a healthy people.

Our goal is to match the achievements of our medicine to the afflictions of our people.

We already carry on a large program for research and health.

In addition, regional medical centers can provide the most advanced diagnosis and treatment for heart disease, cancer, stroke, and other major diseases.

New support for medical and dental education will provide the trained men to apply our knowledge.

Community centers can help the mentally ill and improve health care for school-age children from poor families, including services for the mentally retarded.

An educated and healthy people require surroundings in harmony with their hopes.

In our urban areas the central problem today is to protect and restore man's satisfaction in belonging to a community where he can find security and significance.

The first step is to break old patterns—to begin to think and work and plan for the development of entire metropolitan areas. We will take this step with new programs of help for basic community facilities and for neighborhood centers of health and recreation.

New and existing programs will be open to those cities which work together to develop unified long-range policies for metropolitan areas.

We must also make important changes in our housing programs if we are to pursue these same basic goals. So a Department of Housing and Urban Development will be needed to spearhead this effort in our cities.

Every citizen has the right to feel secure in his home and on the streets of his community.

To help control crime we will recommend programs to train local law enforcement officers; to put the best techniques of modern science at their disposal; to discover the causes of crime and better ways to prevent it.

I will soon assemble a panel of outstanding experts of this nation to search out answers to the national problem of crime and delinquency, and I welcome the recommendations and the constructive efforts of the Congress.

For over three centuries the beauty of America has sustained our spirit and enlarged our vision. We must act now to protect this heritage. In a fruitful new partnership with the States and cities the next decade should be a conservation milestone. We must make a massive effort to save the countryside and establish—as a green legacy for tomorrow—more large and small parks, more seashores and open spaces than have been created during any period in our history.

A new and substantial effort must be made to landscape highways and provide places of relaxation and recreation wherever our roads run.

Within our cities imaginative programs are needed to landscape streets and transform open areas into places of beauty and recreation.

We will seek legal power to prevent pollution of our air and water before it happens. We will step up our effort to control harmful wastes, giving first priority to the cleanup of our most contaminated rivers. We will increase research to learn more about control of pollution.

We hope to make the Potomac a model of beauty here in the Capital, and preserve unspoiled stretches of some of our waterways with a wild rivers bill.

More ideas for a beautiful America will emerge from a White House Conference on Natural Beauty which I will soon call.

We must also recognize and encourage those who can be pathfinders for the Nation's imagination and understanding.

To help promote and honor creative achievements, I will propose a National Foundation on the Arts.

To develop knowledge which will enrich our lives and insure our progress, I will recommend programs to encourage basic science, particularly in the universities—and to bring closer the day when the oceans will supply our growing need for fresh water.

### **The Government**

For government to serve these goals it must be modern in structure, efficient in action, and ready for any emergency.

I am busy currently reviewing the structure of the executive branch of this Government. I hope to reshape it and reorganize it to meet more effectively the tasks of the 20th century.

Wherever waste is found, I will eliminate it.

Last year we saved almost \$3,500,000,000 by eliminating waste in the Government. And I intend to do better this year.

And very soon I will report to you on our progress and on new economies that your Government plans to make.

Even the best of government is subject to the worst of hazards.

I will propose laws to insure the necessary continuity of leadership should the President become disabled or die.

In addition, I will propose reforms in the electoral college—leaving undisturbed the vote by States, but making sure no elector can substitute his will for that of the people.

Last year in a sad moment I came here and I spoke to you after 33 years of public service, practically all of them here on this Hill.

This year I speak after 1 year as President of the United States.

Many of you in this Chamber are among my oldest friends. We have shared many happy moments and many hours of work, and we have watched many Presidents together. Yet, only in the White House can you finally know the full weight of this Office.

The greatest burden is not running the huge operations of government—or meeting daily troubles, large and small—or even working with the Congress.

A President's hardest task is not to *do* what is right but to *know* what is right.

Yet the Presidency brings no special gift of prophecy or foresight. You take an oath, step into an office, and you must then help guide a great democracy.

The answer was waiting for me in the land where I was born.

It was once barren land. The angular hills were covered with scrub cedar and a few large live oaks. Little would grow in the harsh caliche soil of my country. And each spring the Pedernales River would flood our valley.

But men came and they worked and they endured and they built.

And tonight that country is abundant—abundant with fruit and cattle and goats and sheep—and there are pleasant homes and lakes, and the floods are gone.

Why did men come to that once forbidding land?

They were restless, of course, and they had to be moving on. But there was more than that. There was a dream—a dream of a place where a free man could build for himself, and raise his children to a better life—a dream of a continent to be conquered, a world to be won, a nation to be made.

Remembering this, I knew the answer.

A President does not shape a new and personal vision of America. He collects it from the scattered hopes of the American past.

It existed when the first settlers saw the coast of a new world, and when the first pioneers moved westward.

It has guided us every step of the way.

It sustains every President. But it is also your inheritance and it belongs equally to all the people that we all serve.

It must be interpreted anew by each generation for its own needs; as I have tried, in part, to do tonight.

It shall lead us as we enter this third century of the search for "a more perfect Union."

This, then, is the state of the Union: free, restless, growing, and full of hope.

So it was in the beginning.

So it shall always be, while God is willing and we are strong enough to keep the faith.



## Treasury Issues Statement on Gold and Foreign Exchange Markets

*The Treasury Department on January 8 issued the following statement.*

A wave of speculative comment has distorted the significance of recent developments in the gold and foreign exchange markets. The underlying factors influencing these markets have not changed in recent days. Comparatively wide price fluctuations have been set off, in these customarily small and narrow markets, by mistaken interpretations of the coincidence of several unrelated official actions or statements by various governments.

The Treasury is able to give categorical assurance that neither the announced purchases of gold by the French Treasury, nor the minor technical adjustment that has been executed in the market quotations for the pound sterling, nor newspaper stories concerning a possible revision in gold cover requirements in the United States, reflect or imply any fundamental change in the basic supply and demand situation that has prevailed in the gold and foreign exchange markets in recent months.

With regard to the French gold purchase announced yesterday [January 7], this transaction adjusts the current French position. Future demand will be primarily tied to whatever developments there may be in the French balance of payments over coming months. After this transaction, French dollar holdings will total about \$1.2 billion, of which nearly \$700 million are held to cover the outstanding debt of the French Government to the United States and Canada while an adequate working balance would require about \$400 million.

With respect to market trading for currently available and forward purchases of the British pound sterling, price changes have reflected a technical adjustment to repeated but modest speculative pressures that accumulate from time to time. Such pressures could become disruptive if it were not for the fact that market quotations can vary within a moderate range to increase the costs and risks of unwarranted speculation of this nature.

There is an obvious problem with regard to the 25 percent gold reserve requirement. Action will be needed sooner or later to correct the situation. Some change will be appropriate in order both to assure the availability of credit in a growing domestic economy and to relieve any doubt that may remain anywhere that the U.S. gold supply stands firmly behind the dollar in international markets at the immutable price of \$35. While legislative action will undoubtedly have to be requested of the Congress, the form or timing of the request has not been finally determined.

Concerning the movement in the London gold price the need for operational flexibility in market dealings should be emphasized. Any speculation against the basic price of gold would inevitably end on the losing side. The market is under firm control but has been allowed to fluctuate from time to time as needed to make such speculation more costly.

## President Johnson Receives Report on Increasing Trade With U.S.S.R.

*A group of American businessmen reported to President Johnson on January 7 on their participation in the Business International Executive Roundtable held at Moscow November 15-20. Following are remarks made at the White House meeting by President Johnson, Secretary of Commerce Luther H. Hodges, and William Blackie, president of the Caterpillar Tractor Co., who was spokesman for the group.*

White House press release dated January 7; as-delivered text  
**Secretary Hodges**

This is a very distinguished group of U.S. businessmen who have been to Moscow and discussed trade. Mr. Blackie, the president of Caterpillar Tractor, will speak for the group in telling you what they are bringing to the Government and to you.

### **Mr. Blackie**

Mr. President, I believe that I might best serve my purpose this morning by making a

further conservation of summary of views struck out by this group somewhere between 1 and 2 o'clock this morning.

Our first observation is that the Soviet Union desires greater trade with the United States and has indicated a willingness to discuss the settlement of whatever obstacles there may be to that trade, including the lend-lease obligation. As businessmen we naturally are interested in any opportunities there might be for advancing the growth and prosperity of our companies and through them our country, but we are much more interested in the security and welfare of the United States and the rest of the free world. We would not have gone to Moscow without the approval of our Government, and we would not be willing to seek greater trade with Soviet Russia unless our Government's policy would encourage us to do so.

The basic problems between the United States and Soviet Russia are political, and trade can never be a complete substitute for continuous effort to solve these problems. But in this context trade policy could be made an instrument of national policy, and it is in that light that we would prefer it be regarded. Mutual beneficial trade is normally a desirable goal in and of itself, but in the case of trade with the Soviet Union under today's conditions, it could have added meaning. It presents an opportunity to bridge a communications gap, to establish more contacts, and to develop greater understanding between the two countries. It seemed to us very possible more trade could improve the climate for political settlement, just as political settlement might pave the way for more trade.

It also occurs to us that our objective should be to seize every reasonable opportunity to influence the evolution of Soviet society toward goals that are more acceptable to the West, and, if capitalism and free enterprise be as good as we think we are proving they are, they should also be better for the Soviet people than world communism dominated by the Kremlin. This could be part of our continuing effort to persuade Soviet leaders the goals of peace and higher standards of living for their people can be achieved more surely and more quickly by their accepting the permanence and the political-economic systems of the West, by seeking

assurances of security at the conference table and advancing economic growth through mutually beneficial trade.

The opportunity to influence this kind of evolution of Soviet attitude obviously depends on the number and quality of the contacts we were able to make, and as matters stand today, contacts between American business and the Soviet Union are limited almost entirely to Government officials on both sides. On the other hand, if the United States does not see fit to modify some of its present policies, then we can expect that Soviet Russia will continue to obtain most of what it wants from other Western powers and will continue to build plants to produce what it is unable to obtain either from them or from us. This might slow its economic growth somewhat, but in the long run might have the effect of putting the Russians in better position to compete with us in third markets. That is where major competition is most likely to occur to deny economic benefits to the United States that arise from mutually beneficial trade, to further restrain relations between our countries, to strain them, to further separate United States policy from cooperation with those of our allies, and to deny opportunities for contact and influence over the evolution of Soviet attitude, policy, and practice. If, within the limits of military security, we were now to open the channels of trade with the Soviet Union, contact with Soviet officials, with foreign trade organizations, and Soviet industrial managers, all would multiply. Mutually beneficial deals, licensing arrangements, and possibly even joint ventures might be developed. Through successful experience in cooperation, successful for both sides, it would be our hope that some present fears would fade and that confidence might grow. Thank you.

#### **Secretary Hodges**

Thank you, Mr. Blackie. And now, ladies and gentlemen, the President of the United States.

#### **President Johnson**

Secretary Hodges, Mr. Haynes [Eldridge Haynes, president, Business International, Inc.], Mr. Connor [Secretary of Commerce-

designate John T. Connor], Mr. Blackie, ladies and gentlemen: It is a pleasure for me to welcome you to the White House this morning and to thank you for spending the day in Washington to tell us about your recent conversations in Moscow and about the prospects for trade between ourselves and the Soviet Union.

I have been very stimulated by the discussions that some of our exchanges have had with other countries in the world concerning our future relations with them and particularly our exchanging trade with them.

The Science Adviser to the President [Donald F. Hornig] brought in a group the other day that had accompanied him to the Soviet Union, in the Bell Laboratories and IBM and other prominent industrialists, and I spent a very fruitful few minutes listening to their experiences and to their recommendations.<sup>1</sup>

As I have observed in my communications to my countrymen, I have suggested that the leadership in government—and that would be Secretary Hodges and the new Secretary, Mr. Connor, and the Secretary of Labor, and other Cabinet officers—pursue relentlessly with the leaders of business in this country and the leaders of labor some of their recommendations that have come out of these exchanges and out of these studies. The chairman of the Foreign Relations Committee has recently sent a questionnaire to leading business people throughout our country asking for their views and their recommendations. I look forward to receiving reports from these various groups that are applying themselves to this project, and I will carefully review their findings and conclusions and reach some of my own and at an appropriate time submit my recommendations to the Congress.

I think all of you know your Government is committed to explore ways to increase peaceful trade with the Soviet Union and with the countries of Eastern Europe. Now the leaders of both business and labor have had some exchanges and have some good solid recommendations, some of which you made this morn-

ing and we will want to pursue further. I am confident that the results of these meetings will—and these trips, these exchanges, will be to improve both our understanding and theirs of what must be done if we are to take advantage of the possibility of trade between us.

As I observed a night or so ago when I addressed the Congress,<sup>2</sup> if we are to live together in peace, we must know each other better. A long axiom in my political thinking has been that a man's judgment is no better than his information on any given subject, and you men who have gone there and made a study of these problems are bringing the American people information which is quite essential to their determining what is a wise policy for this nation. I think there is no better way to come to know each other than to engage in peaceful and profitable commerce together. I think it is extremely important that we constantly keep in view our own national interest, what is best for our own country, and these exchanges no doubt will help some of you to point up what is best for our national interest.

I want to again thank you for your initiative and for your enterprise and for the time that you have taken to make this study. Your assessment of what we might do to expand our trade with these countries in peaceful goods is most welcome, and I assure you that in the early days of the new administration the most competent talent available to us in government, in business, and in labor will be recruited and their recommendations considered to the end that we determine what would be a wise and proper policy for our Government.

I thank you for coming here. I enjoy getting to know you. I don't want to put in any commercials for any particular companies, but to those men that have had to shoulder an extra load while you have been gone from your desks I hope you will carry them the President's appreciation. I started out my career as a youngster on a highway gang riding a 5-ton tractor, and last week I observed with a great deal of pride what a Caterpillar bulldozer can do; so I want to say to Mr. Blackie, if his recommendations are as solid as his equipment, they are going to receive very good consideration.

<sup>1</sup> For a White House announcement and remarks made by President Johnson on Dec. 15, 1964, see *BULLETIN* of Jan. 4, 1965, p. 12.

<sup>2</sup> See p. 94.

## Agricultural Development in Africa

by *G. Mennen Williams*

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

It is a great pleasure to be here on the western slope of the Rockies and to have this opportunity to talk about one of my favorite subjects—Africa. Your interest in that part of the world is heartening, because there is a great need for all Americans to know more about Africa.

In the two decades since the United Nations was formed in San Francisco, its membership rose from 46 to 115. Of the new members, 32 are African nations which have come to independence in the past 13 years. And next month the small West African country of Gambia will join the ranks of free African states. With the exceptions of the Congo, which was disrupted by internal strife, and Algeria, which fought a bitter war of independence, most of Africa's transition from colonialism to independence took place in relatively harmonious circumstances.

Although there are many linguistic, physical, cultural, and other differences among the 265 million Africans who inhabit a landmass more than three times the size of the United States, there are several important aspirations that are shared by Africans in all parts of the continent.

First of all, there is the pressure for freedom and independence that has drawn world attention to Africa.

A second major aspiration—and in some ways the most important—is African insistence on personal and national dignity and equality of treatment with the rest of the world.

A third major aspiration is the new nations'

determination to improve their standards of living and reduce their burdens of illiteracy, poverty, illness, and malnutrition.

A fourth important force at work in Africa is a desire for unity, which, while not precisely definable, can be seen in the 35-nation Organization of African Unity.

And, lastly, there is the African aspiration of nonalignment. In the long run, we believe nonalignment will work to the advantage of the free world, as long as each country remains truly devoted to preserving its independence.

In attempting to achieve these aspirations, Africa's new and emerging nations have two advantages over other underdeveloped areas of the world. Most African countries do not have the enormous population pressures that are encountered in Asia, for example. Nor do they have landholding systems that tend to retard progress, such as those existing in some Latin American areas. Although these two advantages—together with Africa's extensive mineral resources—are favorable factors in Africa's struggle for economic development, the continent nevertheless has formidable problems to overcome before standards of living can be improved substantially.

Almost every African leader faces such problems as:

1. Low annual per capita incomes—average only about \$120 per person for the continent as a whole.
2. High illiteracy rates—about 85 percent throughout most of Africa.
3. A shortage of doctors, nurses, hospitals. There are more than 17,000 people per doctor in Africa, or 25 times the ratio in this country.

<sup>1</sup> Address made before the Western Colorado Horticultural Society at Grand Junction, Colo., on Jan. 7.

4. High infant mortality. One of every five African children dies before reaching his teens.

5. A lack of trained technicians and administrators.

6. Little private capital, few local businessmen, and a shortage of industry.

7. Inadequate transportation and communications facilities.

8. Tribal frictions.

9. A movement of young rural people to the cities and the inevitable urban problems that such drift causes.

10. And, perhaps most important of all, low agricultural productivity in countries where about 75 percent of the people make their living from the land. Although Africa has more arable land (632.5 million acres) than either the Soviet Union (575 million acres) or the United States (462.5 million acres), the average African farmer is only about 4 percent as productive as a North American farmer. Furthermore, Africa accounts for only some 5 percent of the world's agricultural products, compared with our 16 percent.

Despite those handicaps, however, there has been much quiet progress in Africa—the kind of progress that cannot be easily or quickly measured. There are new schools and universities and improved training in those institutions. Medical facilities, too, are expanding and improving.

There also has been measurable economic progress, although up-to-date figures are difficult to come by. For example, gross national products in such countries as Liberia, Ethiopia, Sudan, and Nigeria have been increasing by an average of 4 to 5 percent annually for several years.

The recent growth of Africa's international trade is another indication of progress. The continent's total exports rose from \$5.7 billion in 1958 to \$7.9 billion in 1962—an increase of some 40 percent. This increase has permitted Africa to purchase more needed goods from abroad to help speed its development.

In Africa's most widespread economic activity—agriculture—there have been many gains in recent years. Agricultural production for the entire continent in 1963 was 25 percent above the total for the average production in the

years 1952–54, and African agricultural exports have been rising slowly but steadily in recent years.

Cocoa production, for example, rose about 25 percent in Ghana and Nigeria, and 33½ percent in Ivory Coast between 1959 and 1963. Production of another important crop—peanuts—doubled in Nigeria and increased 150 percent in Ghana in the same years. Vanilla production in Madagascar more than doubled between 1959 and 1963, and Ivory Coast's coffee crop increased by one-third in the same period. Ethiopian cotton fabric production increased fourfold between 1959 and 1962.

In terms of the continent as a whole, one important longrun development is the recognition by African leaders that they must undertake regional economic programs if they want to avoid wasting scarce African plant and capital. To promote African unity in the economic field, as well as to provide a cooperative means to help individual nations, African countries are cooperating with the U.N. Economic Commission for Africa. Although young in years, the ECA has helped create an African Development Bank and an Institute for Economic Development and Planning, and is working on regional industrial development schemes.

#### **U.S. Aid Program**

There can be little question, however, that foreign assistance is needed to bolster Africa's individual and cooperative efforts in the economic field. Our Agency for International Development program in Africa, as is assistance from other friendly nations, is geared to meet Africa's most urgent needs.

In recent years, our assistance has approximated \$500 million a year, about half of which is surplus farm products and Export-Import Bank development loans. In addition, some 3,500 Peace Corps volunteers are hard at work in 19 African countries.

Our overall aid program covers a broad range of activities, including education, health, transportation, community development, industrial development, and mining. Tonight, however, I want to cite a few examples of U.S. assistance in the fields of agriculture and livestock that may be of particular interest.

Under Public Law 480, better known as the Food for Peace program, the United States has made surplus U.S. foodstuffs available to 20 African nations. Some of this has been in the form of emergency assistance in times of disaster. Another use of U.S. food is to provide better diets for African children. In this connection, I recall the eagerness with which schoolchildren in the middle of the Congo lined up to get their daily cup of milk during the recess period. Another vivid memory is that of refugee children from Angola at Sona Bata in the Congo, who ate milk in powdered form, so eager were they for food.

Another interesting use of surplus food can be found in Algeria, Morocco, and Tunisia, where "food for work" projects have been organized. In Algeria, for example, some 110,000 men who otherwise would be unemployed are engaged in reforestation, terracing, irrigation, dam building, and other rural rehabilitation programs. Part of their pay is P.L. 480 foodstuffs, and the other part is in cash wages provided by the Algerian Government. These programs give highly useful work both to unemployed workers in Africa and to unemployed foodstuffs from the United States.

A number of American organizations and individuals are helping to improve agricultural techniques and production in Africa. The National Farmers Union, for example, is engaged in providing training in cooperative techniques in both East and West Africa. Land-grant colleges also are playing important roles in agricultural teaching. Oklahoma State in Ethiopia, Michigan State in Nigeria, and the University of Illinois in Sierra Leone provide three such examples.

One highly successful individual effort took place in eastern Nigeria, where a Negro American poultry specialist from Mississippi made chicken and eggs important parts of the people's diets. Charles L. Davis, affectionately known as "Chicken Charlie," greatly increased the number of private local chicken farmers and helped lower the price of eggs from \$1.25 a dozen for imported eggs to 75 cents for domestic fresh eggs. Mr. Davis' work in Nigeria was so successful that Zambia recently asked to have him survey opportunities for poultry produc-

tion in that country, and he is there now on temporary duty.

In Tunisia, Nassir Lateef, an American horticultural specialist of Arab ancestry, is directing a project that has raised the country's horticultural production and is making a significant improvement in Tunisia's economy. By scientific farming methods and new techniques, Mr. Lateef's work has helped increase Tunisia's vegetable production from 260,000 tons in 1958 to more than 400,000 tons. This has helped lower Tunisia's need for imported horticultural products from \$14.4 million annually in 1959 to about \$1.4 million today.

### **Importance of Livestock Farming**

Livestock, after agriculture, is Africa's second most important pursuit. The U.N. Food and Agriculture Organization estimates that Africa has 28 percent of the world's goats, 14 percent of its sheep (approximately 225 million sheep and goats), and 12 percent of its cattle (more than 110 million cattle). Although hides, skins, and wool are important exports in some parts of Africa, the primary importance of livestock lies in the continent's internal economy. In addition, livestock plays important social and religious roles in some parts of Africa.

Livestock's importance as an economic factor, however, is sharply limited by animal diseases. Of these, the most serious is trypanosomiasis, which is spread by the deadly tsetse fly. The main areas of such infestation are found in a broad belt that runs just below the Sahara from southern Senegal to East Africa, and across central Africa from Angola to Mozambique.

Because of the importance of livestock in Africa, a number of our AID projects are in the field of livestock farming.

In Chad, for example, we are helping the Chadians erect 22 prefabricated slaughtering and drying sheds for beef processing and hide production.

In Ethiopia we have developed a research station which includes a veterinary laboratory and instruction in rapid crossbreeding of cattle.

In Kenya the United States is assisting in range and livestock development.

In Morocco U.S.-recommended feeding

methods are helping sheep farmers realize prices 50 to 100 percent above those of farmers using traditional methods.

In Nigeria AID has helped improve range management practices in an area of some one million acres, and the calf death rate has been cut by 50 percent. In that country, also, a private American firm is developing cold-storage plants in the northern, cattle-raising part of the country, and recently made the first successful rail shipment of chilled beef to the southern coastal cities.

Let me point out, too, that our agricultural and livestock assistance to Africa is not designed to make African products competitive with American products. In fact, Africa, which has the lowest per capita consumption of proteins in the world, will require many years to produce sufficient livestock products to meet local consumption and help close its nutritional gap. Our agricultural imports are almost entirely tropical commodities that cannot be produced in this country.

What I have mentioned today are only a few of the ways in which Africa and the United States are cooperating to help build strong and free African nations. But I think they are illustrative of the broad range of challenging problems and opportunities that must be faced in Africa's development.

At this point in time, there is no end to the challenges and opportunities in Africa. I am pleased to find your healthy interest in Africa and its development, and I hope many of you will continue to remain interested in the progress of Africa and its relations with the United States.

## **Board of Foreign Scholarships Reports on Exchange Program**

The Department of State announced on December 30 (press release 532) the release of the annual report of the Board of Foreign Scholarships for the year September 1963-64. Entitled *Teacher and Scholar Abroad*,<sup>1</sup> the report con-

tains a collection of excerpts from the first-person reports of former students, teachers, professors, and scholars who have been abroad under the Department of State's educational exchange program. The excerpts also cover experiences of foreign grantees in this country. It is the most detailed collection of such statements made public since governmentally sponsored educational exchanges began under the Fulbright Act in the late 1940's.

In a foreword John M. Stalnaker, chairman of the Board of Foreign Scholarships and president of the National Merit Scholarship Corporation, wrote:

Each of the grantees, in preparing [his] accounts and comments . . . made a thoughtful effort to add up his experiences, his failure and success in fulfilling these aims [of the Mutual Educational and Cultural Exchange Act]. Their accounts amply testify, we feel, to the unique challenge and rewards of this world-wide program.

Members of the Board of Foreign Scholarships, which administers the program of exchanges with some 135 countries and territories, are appointed by the President. Besides Dr. Stalnaker, they are: Oscar Handlin, Winthrop Professor of History, Harvard University, vice chairman; John N. Andrews, U.S. Veterans Administration; Robert B. Brode, professor of physics, University of California, Berkeley; G. Homer Durham, president, Arizona State University; John Hope Franklin, professor of American history, University of Chicago; Mrs. Ella T. Grasso, secretary of state of Connecticut; Francis Keppel, U.S. Commissioner of Education, Department of Health, Education, and Welfare; A. Wesley Roehm, Oak Park and River Forest High School, Oak Park, Ill.; George F. Taylor, director, Far Eastern and Russian Institute, University of Washington; Frederick E. Terman, vice president and provost, Stanford University; and A. Curtis Wilgus, director of Caribbean conferences, Center of Latin American Studies, University of Florida.

<sup>1</sup> Copies are available upon request from the Operations Staff, Board of Foreign Scholarships, Department of State, Washington, D.C., 20520.

## Arts Committee Reports Progress on Cultural Presentations

*The Department of State announced on December 29 (press release 531) the release of a report to Congress on the cultural presentations program by the Advisory Committee on the Arts.<sup>1</sup> Following is the text of the transmittal letter from Roy E. Larsen, chairman of the Advisory Committee, to John W. McCormack, Speaker of the House of Representatives,<sup>2</sup> together with the section of the report containing the Committee's recommendations.*

### LETTER OF TRANSMITTAL

DEAR MR. SPEAKER: This report has been prepared for the members of the Congress by the Advisory Committee on the Arts, in accordance with Section 107 of Public Law 87-256. This report will also be widely distributed to the American public, and will thus serve as one of the means of fulfilling the Committee's function, as required by the Congress, to "make reports to the public in the United States and abroad to develop a better understanding of and support for the programs authorized by this Act."

The material in this report is based on the first full year of operation of the Cultural Presentations Program, following a temporary discontinuance of program operations in the latter months of 1962 and early months of 1963 and completion of an intensive study of the entire program. The study, which covered the policies and management of the program, as well as its relationship to overall United States objectives in foreign affairs, set new goals and provided new guidelines for the Cultural Presentations Program. Known as the Larsen-Wolfe report, it was approved by Assistant Secretary Lucius D. Battle, who later said:

<sup>1</sup> Copies of the report, entitled *Annual Report of the Cultural Presentations Program, Department of State, for the Year July 1, 1963 to June 30, 1964*, will be available upon request from the Office of Cultural Presentations, Department of State, Washington, D.C., 20520.

<sup>2</sup> An identical letter was sent to the President pro tempore of the Senate.

The report marked a decisive turning point in the program. First, it recognized, and sanctioned, the gradual emergence of the program from its original competitive character: when it was launched as the "President's Special Program" in 1954, it was in effect a response to the Soviet cultural offensive. After 8 years, it had matured enough to merit a higher and more difficult challenge. Messrs. Larsen and Wolfe suggested a new—and, I think, admirably expressed—statement of purpose . . . "to reflect abroad the state of the performing arts in America, both in terms of creative cultural vitality and the desire and capacity of a free people to support the development of a flourishing national culture."

A copy of that study is attached to this report.<sup>3</sup> In the latest fiscal year, a great many of its recommendations and suggestions have been implemented by the Department of State in the conduct of the program. The major recommendations that have been followed were these:

1. The Department of State has assumed full responsibility for direct management of all phases of the program by contrast with the former arrangement, whereby a major part of the management was handled outside the Government under contract.

2. Expert artistic counsel is provided directly to the Department of State by a revitalized and expanded Advisory Committee on the Arts and by its panels, which nominate performing groups and individuals for the Program.

3. A formal policy of long-range planning has been put into effect and program plans are now projected three years ahead.

A great many other recommendations, most of them narrower in scope, have also been implemented. Some others are still in the process of being put into effect, and the continuing experience with the program has indicated still other changes that would appear to help effectuate the long-range goals of the program.

Although some operational problems are almost inevitable in a world-wide, many faceted program of this type, the Committee is gratified by the exceptional progress made during Fiscal

<sup>3</sup> Not printed here; a limited number of copies of the *Report of Survey of Cultural Presentations Program* are available upon request from the Office of Cultural Presentations, Department of State, Washington, D.C. 20520.



Year 1964. A stability and sense of direction were achieved to a degree that had not been previously reached and that should make Cultural Presentations an increasingly important arm of U.S. foreign policy. With improved management and a consistently high standard of excellence in choice of cultural attractions, the program is being more fully utilized by American embassies abroad than ever before in its ten-year history, and it is now an integral part of the embassies' total effort to communicate and to develop favorable relationships with people of host countries.

Performers, both professional and amateur, who go abroad under the Cultural Presentations Program render valuable services for our country through their performances and their planned offstage activities. The Committee gives its highest commendation to the many performers and, in particular, their conductors or directors, who served so successfully this past year as "cultural ambassadors of good will." It is the earnest hope of the Committee that ways will be found in the near future to give well-deserved recognition to the performing artists who make it possible to communicate between nations through the highest peaceful arts, and who in doing so may have to make career sacrifices and subject themselves to health hazards.

The role of the Ambassadors is, of course, exceedingly important, and most Ambassadors have given generously of their time in helping the performing arts groups and individuals to carry out their missions effectively. Special tribute is also due the Public Affairs Officers and Cultural Affairs Officers of the U.S. Information Agency stationed at American embassies abroad. On them falls much of the burden of planning, scheduling and arranging the activities to take place as a consequence of the visits of performing groups and individuals. It is part of their job to fit these visits appropriately into the total context of the embassies' social and cultural relationships within host countries. It is also part of their job to prepare careful and objective assessments of the performers. To do justice to these tasks calls for creative thinking, long hours, determined effort, and diplomacy of a high order. Based on the experience of the past year, it has ap-

peared to be almost axiomatic that the success of the performers as "cultural ambassadors" depends on the thought, time, and care that have gone into the plans and arrangements made by the Public Affairs Officer and the Cultural Affairs Officer at each post.

The Committee has been gratified in observing that its advice with regard to the Cultural Presentations Program has been consistently heeded and that, wherever possible, sound ideas growing out of Committee discussion have been put into practice. The Committee is also pleased to note that the President, the Secretary of State and other leaders of the executive and legislative branches continue to give encouragement, through both word and deed, to the development of a flourishing national culture, which can serve as a powerful force to bring together the peoples of the many countries throughout the world.

Respectfully submitted,

ROY E. LARSEN  
*Chairman*

#### **COMMITTEE RECOMMENDATIONS**

It has already been noted that progress of the Cultural Presentations Program during fiscal year 1964 was substantial, and heartening to those directly concerned. Nevertheless, there are still areas in which improvement would help the program to approach its optimum usefulness. The Committee recommends continued strengthening of the following aspects of the program:

##### **Public Understanding**

There is a need to make clear that the program is primarily to encourage international communication and understanding, not to provide entertainment, and that the performer is uniquely equipped to demonstrate American cultural achievements and to surmount political, geographic, and language barriers because of the universality of the arts among peoples of the world. The relation of our cultural exports to our country's domestic development of the arts must be emphasized, as should the point that the cultural standing of the United States is increasingly important in our relation-

ships with other countries interested in, and even inspired by, our aspirations to develop "The Great Society."

One of the major recommendations of the Larsen-Wolfe report was that the public recognition given to those who participate in the program be increased measurably. This problem of recognition remains to be worked out, and deserves concerted thought and effort.

### **Selection**

The artistic judgment of panels of experts is an invaluable element in the total program. Excellence is the criterion against which all performing groups and individuals are assessed by panels in the fields of music, drama, and dance. Backgrounds and interests of panel members have a bearing, of course, on the emphasis given to the many different forms of performing arts within the three broad fields. To assure that important forms of art are not overlooked, the composition of panels should be re-examined from time to time and rotation of panel membership instituted.

### **Planning**

Program balance by geographic areas and fields of art was accomplished to a large degree by reports from Foreign Service posts and analysis by area representatives of the U.S. Information Agency and of the Bureau of Educational and Cultural Affairs. However, the process of matching cultural attractions to the interests and potentialities of specific geographic areas should be further developed so that the kinds of performing groups and individuals selected will be well suited to the purposes for which they are being presented. In particular, this would mean deeper analysis of locations and audiences to be reached, and determination of (1) the appropriate form of art of interest at certain seasons, (2) whether the attraction should be a large or small group or an individual, (3) whether there is need for professional or amateur performers or samplings at different times of both types, and (4) whether the timing of appearances will fit in with local events of significance. To complement this kind of planning, means should be

explored to build up a greater reservoir of information on highly competent performing groups and individuals traveling abroad under private or commercial sponsorship. The "extension" of private or commercial tours is a technique that can be used to increased advantage in the future; however, such tours are often concentrated in the European area and the performers are not readily available for sponsorship under the program in the less developed areas of the world.

Although repetition of excellent types of attractions is useful, and even necessary, in many areas, there should be a continuing search for new ideas and ways to demonstrate abroad the variety and depth of American achievements in the performing arts.

Drama should again be represented in the program and, with due consideration of program balance and limitations of funds, some of the new, carefully studied proposals of the *Ad Hoc* Drama Panel should be put into effect, including the Drama Coaching Team, the husband-wife acting teams, theater in the round, and use of the Porto Theater concept after it has been developed through private research efforts. Use of outstanding academic theatrical productions should again be considered after it has been possible to sponsor tours abroad of professional productions of the type recommended by the Drama Panel and planned for fiscal year 1965. The Playwright Project, developed by the panel, would lead to the commissioning of leading American playwrights to apply their creative talents to producing great works of drama that would help tell the story of the American way of life and the American idea. There is a dearth of such works in existence; however, their development should arise out of the normal artistic channels with private financial support. The Committee encourages this development but believes it is not, and should not, be the role of the Government to bring it about.

### **Programing**

Overscheduling of activities in which performers are expected to take part, both in performance and offstage, is a common problem. It reflects the interest of embassy officers in

utilizing the performers to the fullest extent during the short time they are available in the particular area. This enthusiasm indicates a strong interest in the program, but at the same time may not take into account the effects on the performers who try to keep up with a packed schedule in each country, who may have to travel at odd hours and under rugged conditions, and who because of frequent changes in location encounter health problems. The scheduling at each post should therefore be carefully and selectively developed to serve the priority interests of the post, but also with due consideration to the health, safety, and other touring problems confronting performers.

Commercial sponsors in a few areas may tend to exploit academic performing groups by billing or promoting them in such a way that audiences attracted expect to witness professional performances. Most of the seven college groups who toured for the program during the past year performed so well that many people who saw and heard them could not believe that they were other than professional. However, any kind of misrepresentation is not in keeping with the program's standards or objectives. Embassy officers should guard against abuses of this type by choosing reliable sponsors who are interested in reaching the kinds of audiences desired by the embassy and by assuring agreement on the specific terms and conditions under which performances can be given.

#### **Interagency Coordination**

Responsibilities for the Cultural Presentations Program are shared by the Department of State and the U.S. Information Agency. The Department's Office of Cultural Presentations carries out the overall planning, policy, and management aspects, with USIA personnel responsible for promotional, operational, and reporting activities in each foreign country visited. Working relationships have been cooperative, and coordination has been good, despite the many administrative, logistical, and program complications. There are still areas for improvement. USIA could well devote a larger portion of its resources to promotional plans and materials and give a higher priority in some countries to preparations for visits of

performing groups and individuals. Where there are opportunities for regional area meetings of Cultural Affairs Officers and Public Affairs Officers, there should be frank, informal discussions of problems, experiences, and new ideas in carrying out the program. The Department should make greater use of advance men and escorts carefully chosen for the job to be done.

## **Centennial of the Birth of Jean Sibelius**

*Following are texts of a message to the Finnish people from President Johnson and a message to the American people from Finnish President Urho Kekkonen, both of which were released in the United States and in Finland on January 1 at the beginning of the Sibelius centennial year.*

#### **Message From President Johnson**

White House press release (Austin, Tex.) dated January 1

We in America celebrate this year the centennial of the birth of Jean Sibelius, the great Finnish composer. His achievement has become a part of the world's cultural heritage. Through his art, Sibelius has made an enduring contribution to the enrichment of the human spirit, and his music continues to bring enjoyment to people throughout the world. For us, as for the people of Finland, his *Finlandia* has become a symbol of man's indomitable will for freedom. We are therefore proud to join in doing homage to this son of Finland during Sibelius Year.

#### **Message From President Kekkonen**

Finland will celebrate 1965, the centennial of the birth of Jean Sibelius, as a Festival Year. In the long history of music, few composers have reflected the faith of a nation to the same extent as Sibelius' music reflects the faith of the Finnish people. Some of his works have come to symbolize the desire of the Finnish people for freedom, and the greatest of them have given the world high examples of Finnish cultural achievement. But the art of

Sibelius, springing from a national context, has grown until it can be said to belong to humanity as a whole. I am proud and happy that the American people, whose interest in the music of Jean Sibelius has always meant so much to us, are honoring with affection and appreciation the memory of our great composer.

## President Issues Executive Order on Communications Satellite Act

### AN EXECUTIVE ORDER<sup>1</sup>

PROVIDING FOR THE CARRYING OUT OF CERTAIN PROVISIONS OF THE COMMUNICATIONS SATELLITE ACT OF 1962

By virtue of the authority vested in me by Section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. *Definitions.* As used in this order:

(a) The term "the Act" means the Communications Satellite Act of 1962 (76 Stat. 419), and includes, except as may for any reason be inappropriate, that Act as amended from time to time.

(b) The term "the Corporation" means the Communications Satellite Corporation (incorporated on February 1, 1963, under title III of the Act and under the District of Columbia Business Corporation Act).

(c) The term "the Director" means the Director of Telecommunications Management provided for in Executive Order No. 10995 of February 16, 1962.

(d) The term "the Secretary" means the Secretary of State or his designees.

SEC. 2. *Director of Telecommunications Management.*

(a) Subject to the provisions of this order, the Director shall generally advise and assist the President in connection with the functions conferred upon the President by the provisions of Section 201(a) of the Act.

(b) The Director shall:

(1) Aid in the planning and development, and aid in fostering the execution, of a national program for the establishment and operation, as expeditiously as possible, of a commercial communications satellite system.

(2) Conduct a continuous review of all phases of the development and operation of such a system, including the activities of the Corporation.

(3) Coordinate the activities of governmental agencies with responsibilities in the field of telecommunication, so as to insure that there is full and effective compliance at all times with the policies set forth in the Act.

<sup>1</sup> No. 11191; 30 *Fed. Reg.* 29.

(4) Make recommendations to the President and others as appropriate, with respect to all steps necessary to insure the availability and appropriate utilization of the communications satellite system for general Government purposes in consonance with Section 201(a) (6) of the Act.

(5) Help attain coordinated and efficient use of the electromagnetic spectrum and the technical compatibility of the communications satellite system with existing communications facilities both in the United States and abroad.

(6) Prepare, for consideration by the President, such Presidential action documents as may be appropriate under Section 201(a) of the Act, make necessary recommendations to the President in connection therewith, and keep the President currently informed with respect to the carrying out of the Act.

(7) Serve as the chief point of liaison between the President and the Corporation.

SEC. 3. *Secretary of State.* (a) The Secretary shall exercise the supervision provided for in Section 201(a) (4) of the Act and, in consonance with Section 201(a)(5) of the Act, shall further timely arrangements for foreign participation in the establishment and use of a communications satellite system.

(b) The Secretary shall have direction of the foreign relations of the United States with respect to the Act, including all negotiations by the United States with foreign governments or with international bodies in connection with the Act.

SEC. 4. *Annual reports.* The Director shall timely submit to the President each year the report (including evaluations and recommendations) provided for in Section 404(a) of the Act.

SEC. 5. *Assistance and Cooperation.* The Director and the Secretary shall effect such mutual coordination, and all other federal agencies concerned, and the Corporation, shall furnish the Director and the Secretary such assistance and documents, and shall otherwise extend to them such cooperation, as will enable the Director and the Secretary properly to carry out their responsibilities under this order and best promote the implementation of the Act in an orderly and expeditious manner. In connection with his responsibilities under section 3 of this order, the Secretary shall consult with the Director and other federal officers concerned, and, as may be appropriate, with the Corporation.

SEC. 6. *Functions reserved.* The functions, or parts of functions, conferred upon the President by the Act that are not assigned herein are reserved to the President.



THE WHITE HOUSE,  
January 4, 1965.

## The United States Scientific Attaché Program

*by William H. Taft III*

Postwar science has added a new dimension to foreign policy. Its importance as a gage of a nation's international standing, in peace as well as war, is fully recognized. Advanced nations strive to strengthen existing science and technology, less developed ones to possess them as keys to economic progress. All understand the prestige that accrues to nations which contribute significantly to the advancement of knowledge and to the improvement of technical skills. Witness the worldwide impact of space exploration and other scientific discoveries only slightly less dramatic.

The world applauds a Sputnik, a Ranger's pictures of the moon, installations of atomic power stations, international exchanges of scientists. On the politicoscientific level the tracking station on foreign territory, nuclear safeguard guarantees, exchange arrangements may bring many diplomatic complexities in their train.

The Department of State's scientific attaché program complements these developments. The position of the United States as a very prominent scientific power demands both the sophisticated projection of our science elsewhere and an intelligent response to foreign science. To answer these imperatives the Department appointed its first scientific attachés in the early 1950's. Their counterpart within the Department is the Office of International Scientific Affairs. The program has grown to include 23 attachés, who are posted at our more important embassies. Six of the largest, London, Paris, Bonn, Stockholm, Rome, and Tokyo, have two apiece. Where an embassy's size does not warrant assignment of a scientific attaché, Foreign Service officers are being especially designated

to tend to scientific problems. Indeed the affinity between science and diplomacy is now so close that the Department this year has also established a science curriculum within its training program for officers in the Foreign Service. The new courses cannot turn the latter into scientists, but they will contribute to the officers' ability to observe, report, and advise on matters of a scientific nature.

Excepting some of the assistant attachés, the Department has stressed from the inception of the new program the need for having U.S. science and scientific interests abroad represented by men of science. Their professional standing is of primary importance; it enables them the more easily to associate with the foreign scientific community on their own merits. In the past foreign scientists have been less likely than other groups to fall within the purview of embassy personnel.

Our scientific attachés have all been trained in science and research, many of them being scientists of distinction and reputation. Among them are chemists, physicists, a geologist, and a physiologist. One, our attaché in Canberra, is an Antarctic explorer and polar biologist. He exemplifies the Department's effort to make its scientist appointments as logical as possible; he is accredited to New Zealand and Australia, which are close collaborators with the United States in Antarctic research as well as in other

● *Mr. Taft is a Foreign Service officer, currently on the staff of the Office of International Scientific Affairs.*

scientific fields. He acts to link the United States with science developments in a far corner of the world. Australia especially shares with us scientific interests beyond those of the Antarctic. Space projects and installations, atomic energy research, problems of Pacific flora and fauna are subjects of common concern. Like his counterparts in other embassies, he is his ambassador's scientific adviser in these and all scientific matters.

The task of recruiting scientists of ability for a variety of scientific attaché positions around the world is difficult in itself. To fit them appropriately to the position and to choose those whose flexibility will enable them to work smoothly in an alien environment on matters of foreign relations as well as on science is doubly so. Their selection has demanded patience and perseverance. Like others, our scientific attaché in Stockholm illustrates the care of selection. He is an internationally known meteorologist, who in 1961 became the chairman of the department of geophysical sciences at the University of Chicago. He has also served as professor at Caltech and at M.I.T. His early life was spent in Norway, so that his knowledge of Scandinavian languages and his early associations assist him in his new position. Although posted to Stockholm, he is expected to concern himself with science in all of Scandinavia.

There is certainly a U.S.-Scandinavian mutuality of interest in weather matters, and the Stockholm attaché's specialty is not inappropriate. However, this has in no way deterred him from reporting in detail what in the recent emphasis of Swedish science is much more important to the Department, namely: Sweden's planning to bring research and invention speedily from the laboratory to practical industrial use. No area of technological management is more in demand.

### **Science in the Developing Countries**

All our earlier scientific attaché posts were established in Europe, where scientific achievement in parallel with that in the United States continues to attract primary interest in its relations to American research and to the management problems of science. But posts have

also been more recently opened at embassies in new countries, where science and technology are destined to play a significant role in rapidly changing societies. It is internationally fashionable as well as essential to the new countries' development to encourage the organization and improvement of their science.

Thus there is now a scientific attaché posted in our Cairo embassy. He represents U.S. interests in the U.A.R.'s efforts to progress scientifically. Egyptians have been working hard to increase the numbers, skill, and performance of their scientific and technical personnel in order to assist the general living standards of an expanding population in a land oppressed by desert and disease. America has in Egypt as in other developing nations an important stake in the local growth of science. For several years, more than 1,000 Egyptian students have been training in the United States, the bulk of them studying in engineering and in the medical, physical, and biological sciences. The appropriateness of U.S. training to Egyptian conditions and needs is a continuing concern. The scientific attaché represents the U.S. scientific presence in Egypt, material illustrations of which are the U.S. Navy and National Institutes of Health programs there. He helps to define the Department's approach.

Other developing countries with U.S. scientific attachés are Pakistan, India, Brazil, and Argentina. Some consideration has been given to the possibility of creating new posts in capitals such as Lagos and Bogotá. An important purpose is to recognize the new countries' interest in establishing science and their scientists on a firm local footing. Their governments feel that modern science and research and the application of technology arising therefrom are the best hope of speeding backward economies forward; but custom and the habits of local society unfortunately make it difficult to give the local scientist useful authority and status to do the job. This may be despite the less developed nations' firm determination to build a science structure, the upgrading of their scientific academies, and the like. A serious problem lies in guaranteeing the young scientist, more likely than not educated to his profession in a developed modern society, a useful

career in his home country. Too many are lost to the areas which have provided their education. Our scientific attachés seek to keep abreast of those problems, which tie in with U.S. concern for development. They can also be a bridge between good but isolated local scientists and our important, prestigious science community.

In Israel the U.S. scientific attaché follows a rapidly expanding local science and research, a considerable proportion of which has from time to time been supported by U.S. agencies. Israel is significant as a new nation energetically exploring the problems of its arid areas. It has a particular interest in the desalination of sea water,<sup>1</sup> an efficient means to which will solve myriad difficulties in developed and underdeveloped nations. Also, it is acting as an exporter of science and technical assistance to many African nations. These activities parallel U.S. interests. The scientific attaché at Tel Aviv by locality and training is a valuable professional observer.

#### **Tokyo and the European Capitals**

The U.S. scientific attachés in Tokyo and in the larger European capitals, where the almost endless ramifications of science and technology make analysis of scientific developments exceedingly complex, of necessity select certain aspects for emphasis. In Japan, for example, the U.S. Embassy and its scientific attachés have played a part in facilitating operations of the 3-year-old U.S.-Japan Committee on Scientific Cooperation.<sup>2</sup> It fosters the collaboration of the two countries' scientists, stimulates the exchange of students, and naturally stresses scientific research of special concern in the Pacific region.

Some recent preoccupations of our scientific attachés in European capitals, combining matters of science and international politics, include the following: in London, the drain of English scientists to the United States, which

has mixed some traditional English antipathy against the United States with misunderstanding; in Rome, the problem of taxes and U.S.-supported research; in Paris and Bonn, local advances in technology and fields of science such as microbiology, space, medicine, and atomic energy, all of which separately or jointly have a long-range effect upon national prestige and political effectiveness. In Paris, also, a second scientific attaché is responsible for assisting the science committees of regional organizations such as the North Atlantic Treaty Organization and the Organization for Economic Cooperation and Development. The work of those organizations in science gives to them, in U.S. opinion, a more generally useful existence. Our attaché seeks to collaborate in this aspect of their activity.

It should be clear from this partial listing of the Department's scientific attachés and their assignments that their business is as varied as their posts. They act too in support of the scientific interests of other U.S. agencies. What gives them a common denominator of value for the Department of State and the embassies in which they serve is essentially their professional familiarity with science, together with their scientific point of view. Whatever their immediate work, they are in a wider sense concerned in their respective posts with the impact of science and technology upon foreign affairs and its bearing upon the U.S. position. This is an increasingly large order, drawing into consideration of it all foreign affairs personnel, who in their turn can profit from the scientist's approach.

The universality of science has within it a potential for peace and international understanding basic to all U.S. foreign policy. Questions of international resources, of worldwide health, of social welfare and material standards of living, of population control, and others involving science both abroad and at home affect our well-being. In addition we have a shared interest with other peoples in advancing knowledge for its own sake. The scientific attaché is related to any and all such things and lends to them a scientist's authority.

<sup>1</sup> For background, see BULLETIN of Nov. 16, 1964, p. 724.

<sup>2</sup> For background, see *ibid.*, July 13, 1964, p. 61.

## The Plowshare Program—Developing Peaceful Uses of Nuclear Explosives

*Statement by Glenn T. Seaborg  
Chairman, U.S. Atomic Energy Commission*<sup>1</sup>

Mr. Chairman, I appreciate the opportunity to appear before the Joint Committee to discuss our program, called Plowshare, for the development of peaceful uses of nuclear explosives. I will give you some general information on the recent progress and future plans for the program. I have with me Mr. John S. Kelly, the Director of our Division of Peaceful Nuclear Explosives, who will provide you with more detailed information.

Generally, the potential peaceful applications of nuclear explosives can be divided into three classes or types of applications. One we call the scientific application. The nuclear explosive has several unique characteristics which can make possible some kinds of research investigations not possible by other means. The second type of application is in an area that might be called underground engineering. Here, nuclear explosives can be detonated deep underground to shatter rock to facilitate mining of ores and recovery of oil, stimulate flow of gas, or produce underground permeable zones for storage or waste disposal. The third type of application is the potential use of nuclear explosives in excavation for large engineering projects.

We have made substantial progress in each of these areas during 1964. Specifically, we conducted seven major Plowshare experiments in 1964, including at least one in each type of application.

<sup>1</sup> Made before the Joint Committee on Atomic Energy on Jan. 5.

Most of our effort in this field is directed toward designing a nuclear explosive which will produce new isotopes of the very heavy elements and possibly even new elements. There are 92 elements which exist in nature, ranging from the lightest, hydrogen with atomic number 1, to the heaviest, uranium with atomic number 92. In addition to these, man has produced 11 "transuranium elements," that is, elements which are heavier than uranium. These may be produced in a specially designed nuclear explosion where a target material such as uranium is bombarded with neutrons.

Two of 11 transuranium elements, einsteinium and fermium, in fact, were first produced and found in the debris from the Mike thermonuclear explosion in 1952. Since then, several experiments have been conducted underground at the Nevada Test Site to develop an improved, lower yield device to produce these very heavy elements.

The goal is to design a device in which a very large number of neutrons from the nuclear explosion bombard a target material such as uranium. Some of the atoms of the target material undergo multiple neutron capture and thus are built up to heavier elements.

In October 1964 the Lawrence Radiation Laboratory, Livermore, California, conducted one of the latest experiments in this work. This experiment was called Par. The attached chart<sup>2</sup> summarizes these results. The Par experiment shows that with the approximately

<sup>2</sup> Not printed here.



30-kiloton yield of the Par event, the neutron intensity of the 15-megaton Mike shot was exceeded by about fourfold. It would require several tens of years of operation of the world's best reactor to equal the integrated neutron flux obtained from the Par explosion.

In terms of producing isotopes of transuranium elements, the results of Par are very exciting. The analyses, to date, of the Par debris have shown that isotopes as heavy as fermium 257 were produced. More detailed analyses of larger samples of the debris are underway, and there is some evidence that isotopes of mass number 259 may be found. Isotopes of mass number 259 would be the heaviest yet produced by man by any means.

In October 1964 the Los Alamos Scientific Laboratory conducted an experiment similar to Par in conjunction with the Barbel test in the weapons program. The results from the Barbel experiment nearly match those from Par.

It now seems clear that nuclear explosives can be used to produce new isotopes and even new elements. A modest improvement in neutron flux, accompanied by the use of a heavier target material, such as one of the transuranium elements, plutonium, curium, or californium, could lead to the creation of isotopes with mass numbers greater than 270 and atomic numbers greater than 103, which would mean the discovery of new elements.

We expect to continue investigation of the scientific application at a modest but steady level. At least one such experiment will be conducted in 1965.

### **Underground Engineering**

Prior to 1964 we had experience with fully contained underground nuclear detonations in tuff, alluvium, salt, and granite. The Handear event of November 1964 provided important data on the effects of such detonations in dolomite. The Handear data are particularly valuable since many underground resources are associated with carbonate formations.

We believe that we now have enough data on underground engineering to warrant undertaking a demonstration project in cooperation with industry. We have had numerous discussions

with several companies about possible joint projects. Our next step in this area will probably be guided by these interests.

### **Excavation Application**

There are two facets to the development of nuclear excavation technology. One, of course, is the development of the cratering technology; the other is the development of clean devices and other techniques to reduce the amount of radioactive materials reaching the atmosphere from cratering detonations.

During 1964 five experiments were conducted in the excavation program. One was a high-explosive row-charge cratering experiment in basalt. More recently, the Sulky experiment was executed. We conducted three events, Kliekitat, Ace, and Dub, in the clean-device and debris-entrapment program. The results of these are very promising. The amount of radioactive material reaching the atmosphere from a cratering detonation employing these techniques would be at least a factor of a hundred or more less than would have been possible prior to 1964. We have been concentrating on the development of clean nuclear explosives and on techniques for keeping debris underground.

About six or seven additional device-development tests are required to refine the device technology pioneered by the 1964 tests. Four basic cratering experiments and an intermediate-size demonstration project are required to refine the cratering technology sufficiently to permit undertaking large, useful projects. Two of the four basic tests would be row-charge experiments. For the demonstration project, we are investigating, in cooperation with the Atchison, Topeka and Santa Fe Railroad, the Bureau of Public Roads, and the California Highway Department, the feasibility of a project called Carryall. This is a 2-mile cut through the Bristol Mountains in California about 200 miles east of Los Angeles. Carryall, if conducted, would provide a cut to be used by the railroad for relocation of its main line and for a segment of new Interstate 40 (Route 66).

Despite the progress in the development of clean cratering techniques, every nuclear cratering detonation will release some radioactive

material to the atmosphere. Therefore, the present test ban treaty,<sup>3</sup> which bans underground nuclear detonations that cause radioactive debris to be present beyond the territorial limits of the country conducting such an explosion, imposes some restrictions on nuclear excavation. It appears, therefore, that large nuclear excavation projects, particularly those near territorial boundaries, such as a new sea-level, transisthmian canal, would require an agreement with other parties to the treaty.

On the other hand, as I, and other members of the administration, testified before the Senate Foreign Relations Committee on behalf of the treaty, there are some cratering experiments necessary to develop excavation technology which can be conducted without violating the treaty.

As the allowable experiments proceed, as present technical uncertainties are resolved, and as even cleaner explosives become available, we believe it will be possible to conduct, under the treaty, additional cratering experiments which will advance excavation technology. In addition, through carrying out such experiments as can be done within the limitations of the treaty and allowing international observation of the principal ones, as we did with Project Gnome, we believe that other nations may be able to observe for themselves the practicability, safety, and feasibility of using nuclear explosives for large excavation projects.

Our opinion that there is international interest in Plowshare was strengthened by the discussions on Plowshare and international cooperation in Plowshare which occurred in Geneva during the Third International Conference on Atoms for Peace.<sup>4</sup>

We probably should begin to give serious consideration to some form of international cooperation in Plowshare. This could either be in connection with the IAEA [International Atomic Energy Agency] or other appropriate international groups.

<sup>3</sup> For text, see BULLETIN of Aug. 12, 1963, p. 239; for a statement made by Secretary Rusk before the Senate Committee on Foreign Relations on Aug. 12, 1963, see *ibid.*, Sept. 2, 1963, p. 350.

<sup>4</sup> For a statement made by Dr. Seaborg at Geneva on Aug. 29, 1964, see *ibid.*, Sept. 21, 1964, p. 408.

## **U.N. Asks All States To Refrain From Intervention in Congo**

*Following are texts of statements made in the Security Council by U.S. Representative Adlai E. Stevenson on December 30 and a resolution adopted by the Council on that day.*

### **STATEMENTS BY AMBASSADOR STEVENSON**

U.S./U.N. press release 4487

First let me also express the thanks of my delegation to our colleagues, Ambassador [Arsène Assouan] Usher of the Ivory Coast and Ambassador [Dey Ould] Sidi Baba of Morocco, for their indefatigable, patient, and resourceful work in bringing this long debate to a conclusion by a resolution that I believe expresses in general the anxiety of all of the members of the Security Council to see law and order restored to an independent and stable Congo.

Mr. President, the United States believes that the resolution which we have just adopted is a positive and constructive step toward the establishment of a better climate in the Congo, which in turn will facilitate an eventual solution, and that it is also a step toward improved relations between the Democratic Republic of the Congo and its neighbors. The resolution is consistent with past resolutions on the Congo in that it explicitly reaffirms the sovereignty and the territorial integrity of the Congo. It is also consistent with the OAU [Organization of African Unity] resolution of September 10, 1964.<sup>1</sup>

Perhaps the most important provision, as the distinguished representative of France has pointed out, is operative paragraph 1, which requests all states to refrain or desist from interfering in the internal affairs of the Congo. It is

<sup>1</sup> The operative sections of this resolution are contained in U.N. doc. S/6076 dated Dec. 1.

clear that the Congolese Government cannot successfully restore law and order and pursue a policy of national reconciliation in the face of such intervention. This resolution clearly obligates those states which are now providing assistance to factions that are openly in rebellion against the duly constituted Central Government to cease and desist from such intervention. Any other course of action will make the implementation of this resolution impossible.

With respect to operative paragraph 2, my Government subscribes to the view that fighting must cease. And I wish in this connection to recall that the OAU resolution of September 10th, which provides the setting for this paragraph, remains in full effect and that one of the primary objectives of that resolution was to stop the fighting. I am sure, Mr. President, that we all share the hope that bloodshed will end and peace be restored to this sorely troubled country. At the same time I think we all recognize that it is not the intention of the resolution that we have just voted to restrict the freedom of the Government of the Congo to govern or to exercise its responsibilities for maintaining the sovereignty and the unity of the Congo. This paragraph seeks only an end to the fighting which has so disrupted the Congo and which has made governing difficult and, at some times and places, impossible.

I also draw attention to the fact that operative paragraph 3 calls for action with respect to mercenaries in accordance with the OAU resolution of September 10th. Like the members of the OAU, we would prefer to see the mercenaries withdrawn. The Congolese Prime Minister has also expressed agreement with the OAU resolution. Therefore, it is up to all of the states to help create the conditions which would enable the Government of the Democratic Republic of the Congo to take action in accordance with this provision. Compliance with all provisions of the resolution would help to create those conditions.

Now, concerning operative paragraph 4, which encourages the OAU to continue its effort to assist the efforts of the Congo in the conciliation process, we believe that the resolution which we have adopted will provide a firm basis for effective OAU action in this direction.

And we stand ready in any appropriate way to cooperate with the OAU as requested by operative paragraph 5.

Finally, I believe that the Council has acted wisely in asking the Secretary-General to follow the situation in the Congo and keep the Council informed as appropriate. In this connection, I would point out in particular that if there is to be any meaningful cease-fire of any duration it can be achieved only by a proper observation of a neutral and impartial body. I trust, therefore, that as part of his mandate the Secretary-General will do whatever is possible and feasible to help assure compliance with this provision and keep us informed of the results. The same consideration, of course, also applies to the Council's appeal for nonintervention in the internal affairs of the Congo.

I believe there is one point that I should make. In his remarks on December 28, the representative of Guinea indicated that the members of the group for which he was speaking interpreted preambular paragraph 2 as referring to the Belgian-American rescue mission in the Stanleyville area and as, therefore, deploring it. Mr. President, I think it is quite clear from the statements made during this debate that the overwhelming majority of the members of this Council do not so interpret this paragraph of this resolution. And the fact that my delegation has voted for the resolution as amended makes it perfectly clear that we do not so interpret it.

And, finally, Mr. President, let me say that I cannot agree with the representative of Guinea, if I understood him correctly, that the United Nations has failed in the Congo. Perhaps he spoke this morning more in temper than in reflection for, on the contrary, the United Nations has a long history of constructive involvement in helping to develop a central government in the Congo, in helping to deal decisively with several secessions in several provinces of that country, and in helping to achieve unity, progress, and development in the Congo. But that there is rebellion, violence, and death there now is not the fault of the United Nations. Let us not deprecate what the United Nations has done in its greatest and most difficult peacekeeping operation, an opera-

tion that was authorized by this Council. Rather let us now strive to fulfill the promises of that great collective effort in which so many members of the United Nations participated so gallantly. Let us strive in good faith to finish what was started in this chamber and do our loyal best to insure that all those who have died for the preservation of the independence and the integrity of the Congo shall not have died in vain.

[In a further intervention, after the statement of the Soviet representative, Ambassador Stevenson said:]

Mr. President, I had not assumed that we were going to reargue this case after a month here this afternoon, but in view of what the representative of the Soviet Union has said, I shall have to add a further word.

He said that the interventionists had been unmasked here in the Security Council. The interventionists were not unmasked. They admitted their intervention with pride, indeed, with exultation. They were not the United States and Belgium.

Moreover, he said that he had expected that there would be some recognition of the crime perpetrated by the United States and Belgium. The crime was helping, in the case of my country, to save the lives of 2,000 innocent hostages held illegally.

I have nothing more to say.

## TEXT OF RESOLUTION<sup>2</sup>

*The Security Council,*

*Noting with concern* the aggravation of the situation in the Democratic Republic of the Congo,

*Deploring* the recent events in the Democratic Republic of the Congo,

*Convinced* that the solution of the Congolese problem depends on national reconciliation and the restoration of public order,

*Recalling* the pertinent resolutions of the General Assembly and the Security Council,

*Reaffirming* the sovereignty and territorial integrity of the Democratic Republic of the Congo,

*Taking into consideration* the resolution of the Organization of African Unity dated 10 September, in par-

<sup>2</sup> U.N. doc. S/6129 (as reissued); adopted by the Security Council on Dec. 30 by a vote of 10 to 0, with 1 abstention (France). On a separate vote France voted for operative paragraph 1.

ticular paragraph 1 relating to the mercenaries,

*Convinced* that the Organization of African Unity should be able, in the context of Article 52 of the Charter, to help find a peaceful solution to all the problems and disputes affecting peace and security in the continent of Africa,

*Having in mind* the efforts of the Organization of African Unity to help the Government of the Democratic Republic of the Congo and the other political factions in the Congo to find a peaceful solution to their dispute.

1. *Requests* all States to refrain or desist from intervening in the domestic affairs of the Congo;

2. *Appeals* for a cease-fire in the Congo in accordance with the Organization of African Unity's resolution dated 10 September 1964;

3. *Considers*, in accordance with the Organization of African Unity's resolution dated 10 September 1964, that the mercenaries should as a matter of urgency be withdrawn from the Congo;

4. *Encourages* the Organization of African Unity to pursue its efforts to help the Government of the Democratic Republic of the Congo to achieve national reconciliation in accordance with resolution CM/Resolution 5 (III) dated 10 September 1964 of the Organization of African Unity;

5. *Requests* all States to assist the Organization of African Unity in the attainment of these objectives;

6. *Requests* the Organization of African Unity, in accordance with Article 54 of the Charter, to keep the Security Council fully informed of any action it may take under this resolution;

7. *Requests* the Secretary-General of the United Nations to follow the situation in the Congo, and to report to the Security Council at the appropriate time.

## 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 November 23 from the Representative of Italy regarding the danger threatening a number of foreign civilians in Stanleyville, including about 100 Italian citizens. S/6058. November 23, 1964. 1 p.

Letter dated November 23 from the Representative of the United Kingdom regarding the granting of facilities in Ascension Island in connection with the proposed rescue operation. S/6059. November 24, 1964. 1 p.

Letter dated November 24 from the Prime Minister of the Democratic Republic of the Congo regarding the authorization by his Government for the evacuation of hostages by Belgium and the United States. S/6060. November 24, 1964. 1 p.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

*Adherence deposited:* Malta, January 5, 1965.

##### 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:* Rwanda, December 1, 1964.

##### Marriage

Convention on consent to marriage, minimum age for marriage, and registration of marriages. Done at United Nations Headquarters, New York, December 10, 1962. Entered into force December 9, 1964.<sup>1</sup>  
*Accessions deposited:* Niger, December 1, 1964; Upper Volta, December 8, 1964.

##### Trade

Declaration on provisional accession of Swiss Confederation to the General Agreement on Tariffs and Trade. Done at Geneva November 22, 1958. Entered into force for the United States April 29, 1960. TIAS 4461.

*Signature:* Cuba, August 20, 1964.

Declaration on relations between contracting parties to the General Agreement on Tariffs and Trade and the Government of the Polish People's Republic. Done at Tokyo November 9, 1959. Entered into force November 16, 1960. TIAS 4649.

*Ratification deposited:* Yugoslavia, July 6, 1964.

Declaration on provisional accession of Tunisia to the General Agreement on Tariffs and Trade. Done at Tokyo November 12, 1959. Entered into force for the United States June 15, 1960. TIAS 4498.

*Signature:* United Arab Republic, May 26, 1964.

*Ratification deposited:* Yugoslavia, July 6, 1964.

Declaration on provisional accession of Argentina to the General Agreement on Tariffs and Trade. Done at Geneva November 18, 1960. Entered into force October 14, 1962. TIAS 5184.

*Signature:* Nigeria, August 4, 1964.

*Ratification deposited:* Yugoslavia, July 6, 1964.

Procès-verbal extending and amending declaration of provisional accession of Swiss Confederation to the General Agreement on Tariffs and Trade of November 22, 1958 (TIAS 4461). Done at Geneva December 8, 1961. Entered into force for the United States January 9, 1962. TIAS 4957.

*Signature:* Cuba, August 20, 1964.

Procès-verbal extending declaration on provisional accession of Tunisia to the General Agreement on

<sup>1</sup> Not in force for the United States.

Tariffs and Trade of November 12, 1959 (TIAS 4498). Done at Geneva December 9, 1961. Entered into force for the United States January 9, 1962. TIAS 4958.

*Signature:* Federal Republic of Germany, August 6, 1964.

Protocol for accession of Cambodia to the General Agreement on Tariffs and Trade. Done at Geneva April 6, 1962.<sup>2</sup>

*Signature:* Nigeria, August 4, 1964.

Protocol for accession of Israel to the General Agreement on Tariffs and Trade. Done at Geneva April 6, 1962. Entered into force July 5, 1962. TIAS 5249.

*Signature:* Nigeria, August 4, 1964.

Long-term arrangements regarding international trade in cotton textiles. Concluded at Geneva February 9, 1962. Entered into force October 1, 1962. TIAS 5240.

*Accession deposited:* Korea, December 10, 1964.

Procès-verbal extending period of validity of declaration on provisional accession of Argentina to the General Agreement on Tariffs and Trade of November 18, 1960 (TIAS 5184). Done at Geneva November 7, 1962. Entered into force January 1, 1963. TIAS 5266.

*Signatures:* Nigeria, August 4, 1964; Uganda, October 26, 1964.

Declaration on provisional accession of the United Arab Republic to the General Agreement on Tariffs and Trade. Done at Geneva November 13, 1962. Entered into force for the United States May 3, 1963. TIAS 5309.

*Signatures:* Australia, November 25, 1964; Central African Republic, October 14, 1964; Finland, July 28, 1964; Mauritania, November 25, 1964; Spain, October 6, 1964; Uganda, October 26, 1964.

*Ratifications deposited:* Italy, November 19, 1964; Yugoslavia, July 6, 1964.

Declaration on provisional accession of the Federal People's Republic of Yugoslavia to the General Agreement on Tariffs and Trade. Done at Geneva November 13, 1962. Entered into force for the United States November 21, 1964. TIAS 5678.

*Signatures:* Federal Republic of Germany (subject to ratification), October 20, 1964; Nigeria, August 4, 1964.

Protocol for the accession of Spain to the General Agreement on Tariffs and Trade. Done at Geneva July 1, 1963. Entered into force August 29, 1963.

*Signature:* Israel, June 24, 1964.

Second procès-verbal extending declaration on provisional accession of Tunisia to the General Agreement on Tariffs and Trade of November 12, 1959 (TIAS 4498). Done at Geneva December 12, 1963.

*Signatures:* Austria (subject to ratification), July 24, 1964; Cuba, August 20, 1964; Netherlands, July 31, 1964; Nigeria, August 4, 1964; Rhodesia, September 4, 1964; Tunisia, November 21, 1964.

*Entered into force:* November 24, 1964.

## BILATERAL

### Belgium

Supplementary convention to the extradition convention of October 26, 1961, as supplemented (32 Stat. 1894; 49 Stat. 3276). Signed at Brussels November 14, 1963. Entered into force December 25, 1964. *Proclaimed by the President:* December 30, 1964.

<sup>2</sup> Not in force.

## China

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Taipei December 31, 1964. Entered into force December 31, 1964.

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Taipei December 31, 1964. Entered into force December 31, 1964.

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#### Foreign Affairs Outline [No. 5]—1965: International Cooperation Year (Revised).

Article based on an address by Harlan Cleveland, Assistant Secretary of State for International Organization Affairs, before the Conference Group of U.S. National Organizations for the United Nations at New York, N.Y. Pub. 7763. International Organization and Conference series 56. 7 pp. 5¢.

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**Responsibilities of a Global Power.** Article by Under Secretary of State George W. Ball is based on an address he made before the Chicago Council on Foreign Relations at Chicago, Ill. Pub. 7777. General Foreign Policy series 197. 22 pp. 15¢.

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No.	Date	Subject
*1	1/4	U.S. participation in international conferences.
*2	1/6	Program for visit of Prime Minister of Japan.

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THE  
DEPARTMENT  
OF  
STATE  
**BULLETIN**

*Vol. LII, No. 1336*



*February 1, 1965*

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# Foreign Aid

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

*To the Congress of the United States:*

### I

We live in a turbulent world. But amid the conflict and confusion, the United States holds firm to its primary goal—a world of stability, freedom, and peace where independent nations can enjoy the benefits of modern knowledge. Here is our difference with the Communists—and our strength. They would use their skills to forge new chains of tyranny. We would use ours to free men from the bonds of the past.

The Communists are hard at work to dominate the less-developed nations of Africa, Asia, and Latin America. Their allies are the ancient enemies of mankind: Tyranny, poverty, ignorance, and disease. If freedom is to prevail, we must do more than meet the immediate threat to free world security, whether in southeast Asia or elsewhere. We must look beyond—to the

<sup>1</sup>H. Doc. 53, 89th Cong., 1st sess.; transmitted on Jan. 14.

long-range needs of the developing nations.

Foreign assistance programs reach beyond today's crises, to offer—

*Strength* to those who would be free;  
*Hope* for those who would otherwise despair;  
*Progress* for those who would help themselves.

Through these programs we help build stable nations in a stable world.

### II

Acting on the experience of the past 4 years, I am presenting a program which—

is selective and concentrated;  
emphasizes self-help and the fastest possible termination of dependence on aid;  
provides an increasing role for private enterprise;  
improves multilateral coordination of development aid;  
reflects continuing improvement in management.

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ment, 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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Specifically, for fiscal year 1966 I recommend—

no additional authorizations for development lending or the Alliance for Progress; existing authorizations for those purposes are adequate; authorizations of \$1,170 million for military assistance;

\$369 million for supporting assistance;

\$210 million for technical cooperation;

\$155 million for contributions to international organizations;

\$50 million for the President's contingency fund; and

\$62 million for administrative and miscellaneous expenses.

I am also requesting a special standby authorization for use if necessary in Vietnam only.

My appropriation request for fiscal year 1966 under these authorizations is for \$3,380 million: \$1,170 million will be used for military assistance; \$2,210 million is for the other categories of aid.

This is a minimum request, the smallest in the history of the foreign aid program. It is \$136 million less than requested last year, and will impose the smallest assistance burden on the American people since the beginning of the Marshall plan in 1948.

This minimum request reflects my determination to present to the Congress the lowest aid budget consistent with the national interest. It takes full account of the increasing efficiency of the assistance program, and the increasing availability of assistance funds from international agencies in which the costs are shared among a number of countries.

I believe that in carrying out this program the American people will get full value for their money. Indeed, we cannot afford to do less. Russia and Red China have tripled their promises of aid in the past year. They are doing more than they have ever done before; the competition between them has led to increased efforts by each to influence the course of events in the developing nations.

If, during the year, situations should arise which require additional amounts of U.S. assistance to advance vital U.S. interests, I shall not hesitate to inform the Congress and request additional funds.

### III

I am requesting \$1,170 million for the military assistance program. This is an increase of \$115 million over the total appropriation for military assistance for the current fiscal year. In order to meet urgent requirements in southeast Asia during fiscal year 1965, we cut back programs in other countries which are under pressure. Some of the fiscal year 1966 appropriation will be needed to make up what we have left undone.

Still, the program is highly concentrated. Nearly three-quarters of the money will go to 11 countries around the great arc from Greece to Korea. Vietnam alone will absorb an important share.

Military assistance makes it possible for nations to survive. It provides a shield behind which economic and social development can take place. It is vital to our own security as well. It helps to maintain more than 3½ million men under arms as a deterrent to aggression in countries bordering on the Sino-Soviet world. Without them, more American men would have to be stationed overseas, and we would have to spend far more for defense than we now do.

### IV

As a supplement to military assistance, I am requesting \$369 million for supporting assistance—economic aid which is directly related to the maintenance of stability and security. Eighty-eight percent of the money will be used in Vietnam, Laos, Korea, and Jordan.

### V

The world's trouble spots—the Vietnams and the Congos—dominate the headlines. This is no wonder, for they represent serious problems. Over \$500 million of the current request for military and supporting assistance will be deployed to meet the frontal attack in Vietnam and Laos.

Indeed, \$500 million may not be enough. I am therefore requesting for fiscal year 1966 an additional standby authorization for military or supporting assistance which would be used only in Vietnam and only in case we should need more funds to protect our interests there. Any program which would make use of this additional authorization will be presented to the au-

thorizing committees of the Congress concurrently with the appropriation request.

\* \* \*

Our past investment in the defense of the free world through the military assistance and supporting assistance programs has paid great dividends. Not only has it foiled aggressions, but it has brought stability to a number of countries. Since the beginning of this decade, the funds used each year for military aid and supporting assistance have been sharply reduced. Today, we are spending \$1 billion less on these accounts than we did in 1960 and 1961.

## VI

Military security in the developing world will not be sufficient to our purposes unless the ordinary people begin to feel some improvement in their lives and see ahead to a time when their children can live in decency. It follows that economic growth in these regions means as much to our security as their military strength. That is an important reason why the United States has taken the lead during the past few years in organizing, on an international basis, a program of development assistance.

Of course, such assistance is and must be concentrated where it will contribute to lasting progress. Experience has demonstrated that certain requirements need to be met by the developing countries if such progress is to occur.

They need to undertake sound measures of self-help—to mobilize their own resources, eliminate waste, and do what they can to meet their own needs. And they need to avoid spending their resources on unnecessary armaments and foreign adventures. Our aid can contribute to their economic and social progress only if it can be provided within a framework of constructive and sensible policies and programs.

Fortunately, most of the developing countries recognize the relationship between the wise use of their own resources and the effectiveness and availability of external aid.

It is a cardinal principle of U.S. policy that development assistance will go to countries which have undertaken effective programs of self-help and are, therefore, able to make good use of aid. During fiscal year 1964, for example, 64 percent of our development assistance

went to seven such countries: India, Nigeria, Pakistan, Tunisia, Turkey, Brazil, and Chile. In other countries as well, including a number of smaller countries, sound self-help efforts are making it possible for us to provide effective development aid.

\* \* \*

With development assistance we seek to help countries reach, as rapidly as possible, the point at which further progress is possible without external aid.

A striking example of how, through self-help, a developing country can reach the point where it can carry on without concessional aid is the Republic of China. Little more than 10 years ago, free China faced enormous security and development problems. The prospects for economic growth looked dim. But in only 10 years, as a result of determined self-help supplemented by effective U.S. aid—

per capita gross national product has risen 45 percent;

saving accounts for one-fifth of the national income;

exports have tripled;

industrial output has tripled;

the private share of output has doubled, and now accounts for two-thirds of all industrial production;

agricultural production has increased by 50 percent.

Free China has also joined other nations as a good cash customer for U.S. exports, particularly agricultural commodities.

This remarkable cooperative effort has brought the Republic of China to the point where it no longer needs AID [Agency for International Development] assistance. Fiscal year 1965 marks the end of this successful program.

\* \* \*

I am requesting \$580 million as our fiscal year 1966 aid commitment to the Alliance for Progress. This is an increase of \$70 million over last year's appropriation.

Impatient expectations of this great joint undertaking have sometimes in the past blinded us to its achievements—achievements which now touch the lives of nearly half of the 200 million

people of Latin America. Increasingly, however, the people of the United States have come to recognize what the Alliance means.

To date, as a result of U.S. assistance in support of the Alliance—

over 75,000 teachers have been trained;

nearly 10 million schoolbooks have been put in circulation;

over 12 million children are now participating in school lunch programs—an increase of over 8 million in the past 2½ years;

development banks and other credit institutions which support the private sector have been established in 15 countries;

over 300,000 houses have been or are being built;

savings and loan associations, nonexistent a few years ago, have now accumulated and are investing local deposits of \$75 million;

25 of our own States have joined the partners for the Alliance program—they bring to bear a vital people-to-people effort on our relationships with Latin America;

40 U.S. colleges and universities are working to modernize teaching and training in Latin America.

The Inter-American Committee for the Alliance for Progress (CIAP), established to provide even closer ties for mutual economic effort, successfully completed its first review of country performance under the Alliance. The work of this Committee is further evidence that the governments and people of Latin America are accepting increasing responsibility for their own development. The failure of Castroism is becoming clearer each day. More and more, Latin America is facing up to the fundamental problems of poverty, a rapidly growing population, and financial disorder. Increasingly, more and more of these countries are moving toward economic viability and self-sustaining growth.

The Alliance is taking hold. The war on poverty in Latin America is underway. We in the United States are proud of the way our good neighbors to the south are meeting the challenge of development. We are proud, too, of the role the United States is playing in this great effort and pledge our steadily enlarged support.

\* \* \*

The problem of food requires special mention.

Growing population and rising standards of living increase the demand for food. Production in most developing countries is barely keeping pace. In some countries, it is actually falling behind.

In the years ahead, if the developing countries are to continue to grow, they must rapidly enlarge their capacity to provide food for their people. Up to a point, they can and should improve their ability to buy some of their food from abroad. For the most part, however, they must expand and diversify their own production of food. This will require many things: Changes in traditional methods, abundant use of fertilizer, greater incentives for producers, and, frequently, changes in pricing practices and more effective organization of distribution.

To meet their needs for food, the developing countries will need help.

We, in the United States, are uniquely equipped to give it.

We are rightly proud of our dynamic and progressive agriculture, with its record of success which contrasts so sharply with the agricultural failures of the Communist countries. We must use our agricultural abundance and our extensive technical skills to assist the less-developed countries to strengthen their ability both to produce and to buy agricultural commodities and, more generally, to support rural development.

We can and must mount a more comprehensive program of technical assistance in agriculture engaging the U.S. Department of Agriculture, our State universities and land-grant colleges, and the most creative of our people in agriculture, marketing, and industry.

At the same time, we can help meet the food needs of the developing nations through our food-for-peace program under Public Law 480. Even under the most favorable conditions, it will be a number of years before the developing countries can produce and import on commercial terms all the food they need. In the interim, our own agricultural plenty can help provide for the hungry and speed the day when these countries can stand on their own feet and pay for their food imports on commercial terms—as happened in the case of Japan and Europe.

## VII

We are placing increasing emphasis on the role of private institutions and private enterprise in the development process, and we shall continue to do so.

Foreign aid cannot succeed if we view it as a job for government alone. For government can only do a small part of the job. We must bring to bear on the problems of the developing world, the knowledge and skills and good judgment of people from all walks of American life. The Agency for International Development provides the means for utilizing the resources of private business, of our universities and colleges, of farm groups, labor unions, banks, cooperatives, savings and loan associations, and professional groups.

I am happy to report that most AID-financed capital projects and a large and growing part of technical assistance are already administered by contract with private American firms and institutions.

In this connection, the privately managed International Executive Service Corps has an important role to play. I welcome the interest of business executives in serving overseas.

The Advisory Committee on Private Enterprise in Foreign Aid established by the 88th Congress has been meeting for a number of months. It is working hard. We are looking forward to their report which we hope will suggest new ways of enlarging the role of the private sector in the aid program.

\* \* \*

To mobilize additional private capital, and the skills which go with it, I am asking the Congress to enact an investment tax credit. I am also asking for expanded authority in connection with the investment guarantee program of the Foreign Assistance Act. However, such measures to encourage the flow of capital to the developing world can do only a part of the job. The less-developed countries must pursue policies that will create new opportunities for their own businessmen and a favorable climate for investors from abroad.

We are making a special effort to encourage private enterprise in the developing countries, through—

- technical assistance for private enterprise;
- productivity centers and schools of business administration for training in management and new techniques;
- commodity loans to provide materials and parts for private business;
- loans to industrial development banks and agricultural credit banks;
- loans to private business.

All of these programs have one object—to get private enterprise more heavily engaged in the task of development.

## VIII

We will persist in our efforts to put more aid on a multilateral basis, to improve the coordination of bilateral aid, and to increase the share of the burden borne by other free world nations.

A growing proportion of economic assistance is directly administered by international financial institutions such as the World Bank, IDA [International Development Association], and the Inter-American Bank. In the past 4 years, such multinational institutions increased their capital assistance to the developing nations by 50 percent. We, in turn, are prepared to increase our contribution to those organizations—as rapidly as other members do so. It is essential that these institutions maintain their international character.

To strengthen multinational aid, and further to strengthen the Alliance for Progress, I urge the Congress promptly to approve the 3-year authorization of \$750 million which constitutes the U.S. contribution to the Fund for Special Operations of the Inter-American Development Bank.

\* \* \*

Besides channeling aid through multilateral institutions, we are increasingly relying on international consortia and consultative groups to coordinate our bilateral aid with that of others. India, Pakistan, Turkey, Nigeria, and Tunisia are among the countries where such arrangements have been established, in most cases under the auspices of the World Bank. The Inter-American Committee for the Alliance for Progress (CIAP) is fast becoming a most useful forum for the coordination of assistance to Latin American countries.

In addition to these arrangements in support of individual countries and regions, the United States consults regularly with other major donor countries and international agencies in the Development Assistance Committee of the Organization for Economic Cooperation and Development.

All in all, in fiscal year 1966, 85 percent of U.S. development loans in Asia and Africa will be committed under international arrangements. All U.S. aid to Latin America is made available within the international framework of the Alliance for Progress.

\* \* \*

We are continuing to urge other donors to give more aid on better terms.

Since 1960, new commitments of bilateral economic assistance by other free world nations have increased by 50 percent. In the past year, the United Kingdom has organized a Ministry of Overseas Development. Canada has undertaken a program of lending on terms which are more liberal than ours.

We are particularly concerned about the terms of aid. The burden of debt borne by the developing countries is rising. Their accumulated public foreign debt now runs to about \$30 billion. The volume of repayments comes to nearly \$5 billion per year and it is rising by 15 percent each year. This is a heavy load for nations with small resources struggling to raise the capital they need for economic and social betterment.

We will continue to emphasize in our discussions with other donors during the coming year the need to improve the terms on which aid is extended.

## IX

Tight, effective management is essential for tight, effective aid program.

I am especially pleased to report to the Congress about the progress being made by the Administrator of the Agency for International Development in improving the management and operations of the program. The result is greater efficiency for less money.

In keeping with our Government-wide economy program, the Agency—

cut direct hire employment during fiscal year

1964 by 1,200; the downward trend has continued during the past 6 months;

cut superstructure and overhead; during the past 18 months, separate AID organizations in 13 countries and 27 positions at the mission director and deputy level have been eliminated; streamlined management procedures.

Since the Congress adopted the unified approach to the organization of assistance which is reflected in the 1961 Foreign Assistance Act, our aid programs have been better coordinated, better planned, and have better served the requirements of U.S. foreign policy.

We are giving continuing attention to the problem of improving the Agency's personnel structure and achieving the highest possible quality in our staff. We expect to do so in the context of a program which is designed to strengthen the personnel capabilities of all the foreign affairs agencies of the Government.

\* \* \*

AID has made great progress in reducing the effect of economic assistance on our balance of payments.

The bulk of our assistance—well over 80 percent—now takes the form of U.S. goods and services, not dollars. Dollar payments abroad have sharply declined. In 1960, the dollar drain to other countries which resulted from the aid program measured over \$1 billion. This year and next the drain is expected to be less than \$500 million. Moreover, a significant part of this is offset by interest on and repayment of past U.S. loan assistance.

## X

In my message on the state of the Union,<sup>2</sup> I spoke of the need to create a harmony between man and society—a harmony which will allow each of us to enlarge the meaning of his life and all of us to elevate the quality of our civilization. This summons is not—and cannot be—addressed to Americans alone. For our own security and well-being, and as responsible free men, we must seek to share our capacity for growth, and the promise of a better life, with our fellow men around the world.

That is what foreign aid is all about.

We have pledged our strength—economic and

<sup>2</sup> For text, see BULLETIN of Jan. 25, 1965, p. 94.

military—in defense of those who would be free and in support of those who would join in working toward a stable, prosperous world.

I call upon the Congress to join with me in renewing this pledge and to provide the tools to do the job.

LYNDON B. JOHNSON

THE WHITE HOUSE, *January 14, 1965.*

## **Foreign Aid, an Investment in Man's Future**

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

It is a pleasure to welcome you to the White House. The National Committee for International Development is an outstanding example of the constructive help which private citizens can give to their country by taking an active part in public affairs. It is good that you have come to Washington to inform yourselves at first hand of the work of our aid program. I have just completed my own careful review of this program as a part of the annual budgetmaking, and I want you to know that I am proud of the story that Dean Rusk and David Bell have to tell.

The foreign aid program is an investment in man's future. Some of its returns are already in. We have strong and vigorous neighbors today in Europe and Japan. With our help, the first of the developing countries are approaching self-support; thus economic aid to Free China ends this year because it has done its job. Our Latin American partners are moving forward in the Alliance for Progress. But we have a long pull ahead of us, and our continued support for the progress of the developing countries is far too important to allow waste or scattering of effort.

The Agency for International Development has done a good job of tightening management,

<sup>1</sup> Made before the National Committee for International Development at the White House on Jan. 11 (White House press release).

cutting costs, squeezing more aid from every tax dollar. You can expect David Bell to carry these reforms still further.

Under his leadership we have taken a harder look at the kinds of things we are asked to support and at the performance of the countries which ask for assistance. The saving effected is a direct result of concentration on the most productive activities and on the countries that make the best use of our help.

To make our aid still more effective, we will rely even more on private American leadership and skill in the aid program. It was the great American land-grant colleges that sparked our own agricultural revolution. They are now beginning to play an increasingly effective role in the developing countries, and we will turn to them more and more, through contracts for technical assistance.

Private enterprise made our industrial plant the world's most productive; so we must use every tool we can, from technical assistance to insurance for private ventures abroad, to get more Americans to share their know-how.

Under the aid program today, American engineering and construction firms are in the field designing and building more than \$4 billion in wealth-producing capital projects in Asia, Africa, and Latin America: dams to generate power and irrigate new lands, roads to get goods to markets, factories to produce the fertilizer these countries need so badly.

So we are glad that you have come to examine this program and to review our plans with us. This whole program is more and more a partnership between Government and non-Government institutions of every kind. It is more and more an effort of the whole American community.

I hope that your Committee will be able to help in the task of insuring the widest possible public understanding of this constantly changing and improving program. For it is now becoming a partnership of Government and private citizens to serve the objective I set forth last year—"strengthening the family of the free."<sup>2</sup>

<sup>2</sup> For text of President Johnson's message on foreign aid of Mar. 19, 1964, see BULLETIN of Apr. 6, 1964, p. 518.



## **President Johnson and Prime Minister Sato of Japan Exchange Views on Matters of Mutual Interest**

*Eisaku Sato, Prime Minister of Japan, visited the United States January 9-16 at the invitation of President Johnson. He met with the President and other U.S. officials at Washington January 12 and 13. Following are an exchange of greetings between President Johnson and Prime Minister Sato at the White House on January 12 and the text of a joint communique released on January 13.*

### **EXCHANGE OF GREETINGS**

White House press release dated January 12

#### **President Johnson**

Mr. Prime Minister, Mr. Secretary of State, on behalf of the American people it is a great personal pleasure for me to welcome you to our country and particularly to our Capital City.

For our land and for yours and for all lands everywhere this new year is a year of high hope and a year of rare opportunity. It is for that reason that we are especially glad to welcome you as our first visitor of this year.

In nearly half of the nations of this earth, Mr. Prime Minister, new leaders, even as you and I, are beginning a time of new service. In the last 14 months more than 50 governments have had a change in leadership of their governments.

This is a rare and hopeful moment for mankind, and certainly its promise must not be lost. Together the world's leaders must serve the will of the world's peoples by working for lasting peace and by working for meaningful progress in the development and the improvement of all humanity.

Here in the United States as we look to the

east and to the south we are reassured and sustained by our membership in the Atlantic community and the community of the Americas. Yet today, Mr. Prime Minister—I want to tell you and I want you to carry this message to your people—we look equally to the west, to the Pacific family of man and to the goal of Pacific partnership. Our investment in Pacific trade, in defense, in development is vast, and that investment is growing each day. Our most populous State happens to now be a Pacific State.

Japan is a keystone of Pacific partnership. The people of Japan, whom you represent, have combined what we think is extraordinary economic successes with a fierce devotion to the democratic processes. In honoring you and honoring your people we pledge afresh our commitment to that partnership: first, partnership in the challenging tasks of nation building and international cooperation; second, partnership in the defense of free nations that seek our assistance; third, partnership in the unrelenting pursuit of peace for all mankind. Under conditions of conflict the full promise of the Pacific is denied to all its people. Under conditions of peace that promise is boundless.

Mr. Prime Minister, I want to assure you this morning that the United States of America has no higher goal on its national agenda than the achievement of lasting peace with freedom for all the nations of the Pacific. We have much to discuss together in the next few days while you are here as our guest. For 20 years the United States and Japan have forged bonds of common purposes. Now this morning you come to America when historic forces of change are at work in the Pacific region. Those forces will of course affect the destiny of both of our nations,

and that is why I think your visit is so well timed and that is why your visit is so deeply important.

Our opportunity is to build out of our common past a new understanding between our respective peoples with which to approach our common future together.

So in this spirit, with the hammers of the inauguration in the background and the snow in the foreground, all America welcomes you to this first house most warmly.

#### **Prime Minister Sato**

Thank you very much, Mr. President, Mr. Secretary of State, distinguished participants in this very warm welcome on a brisk winter's day, and thank you for the cordial reception you are extending to me and my party and for the privilege of this early opportunity to meet and discuss with you matters of mutual concern.

The fact that I have come here at this time at the beginning of the new year, when the demands of public office are exerting their greatest pressures for you, Mr. President, as well as for me, is eloquent proof of the importance and necessity of our present encounter. We meet, Mr. President, as leaders of nations in search of new approaches to our common goals. During the past few months certain events of significance have occurred on the international scene. The force they exert on the course of world affairs compels us with fresh urgency to address ourselves not merely to the matters of our mutual relations but to issues of global import as well.

On my present visit, Mr. President, we shall be exchanging views upon wide-ranging subjects of vital mutual concern. I shall hope to take up with you many of the problems in United States-Japan relations, and I shall hope to consider them with you not simply on a bilateral basis but also from the broader perspective of the positions of our two countries in the Far East and in the total world context.

I anticipate a very close, free, and forthright series of discussions. It is my belief that only through direct personal exchanges of this kind between friendly nations can we hope to deal adequately with the rapidly changing world in which we live. With this in mind I seek to

present to you, Mr. President, my frank assessment of the recent events affecting world stability and world peace. I feel confident, Mr. President, that we shall emerge from our discussions with a better understanding of what is at stake and where the guidelines for our future course may lie. Thank you very much.

#### **TEXT OF COMMUNIQUE**

White House press release dated January 13

1. President Johnson and Prime Minister Sato met in Washington on January 12 and 13, 1965, to exchange views on the current international situation and matters of mutual interest to the United States and Japan. They were assisted by Secretary Rusk and Foreign Minister [Etsusaburo] Shiina and Secretary-General [Takeo] Miki of the Liberal Democratic Party.

2. The President and the Prime Minister reviewed the present international situation and reaffirmed the partnership of the two countries which grows out of common beliefs and the shared objective of a lasting peace based on justice, freedom and prosperity for all peoples. They expressed a firm determination that the two countries should cooperate more closely in seeking this common objective. They agreed that for this purpose the two countries should maintain the closest contact and consultation not only on problems lying between them but on problems affecting Asia and the world in general.

3. The President and the Prime Minister, recognizing the valuable role of the United Nations in the maintenance of the peace and prosperity of the world, exchanged frank views on the difficult questions now confronting the United Nations, and agreed to continue cooperative efforts to strengthen the functions of the United Nations and to enhance its authority.

4. The President and the Prime Minister recognized the desirability of promoting arms control and a reduction of the arms race as rapidly as possible, and strongly hoped that, following the partial test ban treaty, further steps can be made toward the realization of a total nuclear test ban.

5. The President and the Prime Minister, rec-

ognizing that the question of China is a problem having a vital bearing on the peace and stability of Asia, exchanged frank views on the positions of their respective countries and agreed to maintain close consultation with each other on this matter. The President emphasized the United States policy of firm support for the Republic of China and his grave concern that Communist China's militant policies and expansionist pressures against its neighbors endanger the peace of Asia. The Prime Minister stated that it is the fundamental policy of the Japanese Government to maintain friendly ties based on the regular diplomatic relationship with the Government of the Republic of China and at the same time to continue to promote private contact which is being maintained with the Chinese mainland in such matters as trade on the basis of the principle of separation of political matters from economic matters.

6. The President and the Prime Minister expressed their deep concern over the unstable and troubled situation in Asia, particularly in Vietnam, and agreed that continued perseverance would be necessary for freedom and independence in South Vietnam. They reaffirmed their belief that peace and progress in Asia are prerequisites to peace in the whole world.

7. The President and the Prime Minister recognized that the elevation of living standards and the advancement of social welfare are essential for the political stability of developing nations throughout the world and agreed to strengthen their economic cooperation with such countries. They agreed to continue to consult on the forms of such assistance. The Prime Minister expressed a particular interest in expanding Japan's role in developmental and technical assistance for Asia.

8. The President and the Prime Minister reaffirmed their belief that it is essential for the stability and peace of Asia that there be no uncertainty about Japan's security. From this viewpoint, the Prime Minister stated that Japan's basic policy is to maintain firmly the United States-Japan Mutual Cooperation and Security Treaty arrangements, and the President reaffirmed the United States determination to abide by its commitment under the Treaty to defend Japan against any armed attack from the outside.

9. The President and the Prime Minister affirmed the importance of constantly seeking even closer relationships between the two countries. In particular, they recognized the vital importance to both countries of the expansion of their economic relations sustained by the growth of their respective economies, and agreed that the two countries should cooperate with each other in the worldwide efforts for the expansion of world trade and for effective international monetary cooperation.

10. The President and the Prime Minister confirmed the desirability of maintaining and utilizing the Joint United States-Japan Committee on Trade and Economic Affairs<sup>1</sup> where exchange of views takes place at the cabinet level, as well as the United States-Japan Committee on Scientific Cooperation<sup>2</sup> and the Joint United States-Japan Conference on Cultural and Educational Interchange.<sup>3</sup> They further agreed that the fourth meeting of the joint United States-Japan Committee on Trade and Economic Affairs would be held in July of this year.

11. The President and the Prime Minister recognized the importance of United States military installations on the Ryukyu and Bonin Islands for the security of the Far East. The Prime Minister expressed the desire that, as soon as feasible, the administrative control over these islands will be restored to Japan and also a deep interest in the expansion of the autonomy of the inhabitants of the Ryukyus and in further promoting their welfare. Appreciating the desire of the Government and people of Japan for the restoration of administration to Japan, the President stated that he looks forward to the day when the security interests of the free world in the Far East will permit the realization of this desire. They confirmed that the United States and Japan should continue substantial economic assistance to the Ryukyu Islands in order to advance further the welfare and well-being of the inhabitants of these islands. They expressed their satisfaction with the smooth operation of the cooperative arrangements between the

<sup>1</sup> For background, see BULLETIN of Feb. 17, 1964, p. 235.

<sup>2</sup> *Ibid.*, July 13, 1964, p. 61.

<sup>3</sup> *Ibid.*, Oct. 14, 1963, p. 582, and Oct. 28, 1963, p. 659.

United States and Japan concerning assistance to the Ryukyu Islands. They agreed in principle to broaden the functions of the existing Japan-United States Consultative Committee<sup>4</sup> so as to enable the Committee to conduct consultations not only on economic assistance to the Ryukyu Islands but also on other matters on which the two countries can cooperate in continuing to promote the well-being of the inhabitants of the islands. The President agreed to give favorable consideration to an ancestral graves visit by a representative group of former residents of the Bonin Islands.

12. The President and the Prime Minister discussed the United States-Japan Civil Air Transport Agreement, the North Pacific Fisheries Convention, private investment in Japan, the Interest Equalization Tax and other economic matters. They agreed on the importance of close consultation and cooperation between the two governments to attain mutually acceptable and equitable solutions to issues pending between the United States and Japan.

13. The President and the Prime Minister, mindful of the many areas of human health which are of great concern to all the peoples of Asia, agreed to undertake a greatly expanded program of cooperation in medical science with respect to such diseases as malaria, cholera, schistosomiasis, tuberculosis, and stomach cancer, in addition to cooperative efforts on problems of air pollution and pesticides. As a first step to implement the agreement, they agreed to convene a conference of the foremost medical scientists from the United States and Japan to work out the details of the new program for discussion with other governments concerned.

14. The President and the Prime Minister expressed their satisfaction with the meeting just held and their desire to continue to maintain close personal contact.

<sup>4</sup> *Ibid.*, May 11, 1964, p. 755.

## U.S. Expresses Regret on Death of Prime Minister of Burundi

### *Department Statement*<sup>1</sup>

The United States Government has learned with deep regret that the newly named Prime Minister of Burundi, Pierre Ngendandumwe, was assassinated last night [January 15] in Bujumbura.

Mr. Ngendandumwe had been Prime Minister in a previous government, and we had looked forward to again having friendly relations with his newly named government.

## African Newsmen Tour U.S.

The Department of State announced on January 15 (press release 5) that 25 leading African newsmen had accepted the joint invitation of the White House, the Departments of State and Defense, and the U.S. Information Agency to participate in an inaugural-time tour of the United States. The press and radio newsmen, who arrived at Washington on January 18, are from 19 countries, ranging from Algeria to Zambia and from Guinea to Somalia. They represent newspapers printed in English, French, Amharic, and Arabic, as well as radio networks operating in several additional African tongues.

The visitors are spending 30 days in the United States observing various aspects of American life, such as national and local government, education, industry, research, housing, and defense. Their tour started at Washington with the inauguration and proceeds to Fort Bragg, Cape Kennedy, Nashville, Dallas, Los Angeles, San Francisco, Omaha, New York, and Washington again.

<sup>1</sup> Read to news correspondents on Jan. 16 by a Department press officer.

## The United States and Eastern Europe

by *C. Burke Elbrick*  
*Ambassador to Yugoslavia*<sup>1</sup>

I should like to talk to you this morning about Eastern Europe, an area of the world which is looming increasingly larger on the international horizon and is assuming ever greater importance from the standpoint of American foreign policy. While I can make no special claim to being an expert on the countries of Eastern Europe, I have at various times in the recent past been associated with the conduct of our relations with the area—both in Washington and in the field—and my present assignment to Yugoslavia involves me directly in our relations with one of the most interesting of these countries.

Today we are witnessing important political, economic, sociological, and cultural developments in the various countries which make up Eastern Europe. These developments, coupled with other significant changes on the international scene, impel us, I believe, to consider carefully the nature of our own relations with the Eastern European countries and our future dealings with them.

Before World War II, Eastern Europe seldom assumed great importance in the consideration of United States policy and interests. Even in moments of history when the United States played an important role in giving shape to Eastern European political developments, the Eastern European area was not in itself a matter of vital strategic or political interest to the security of the United States.

Our interest in establishing diplomatic or other relations with Eastern European states dates back generally to the latter part of the 19th century, when some of them were emerging from under the rule of the Ottoman Empire into independent national entities. During this period we established relations with Rumania and Serbia. Later, in the beginning of this century, we accredited diplomats to Bulgaria and to the then independent state of Montenegro. After the bitter struggle of World War I—for which the Sarajevo incident served as the fuse—new states were born and old ones dissolved. Out of the ruins of empires there emerged Albania, Czechoslovakia and Hungary, Poland and the Baltic States, and a Yugoslavia to unite the South Slavs of Serbia and Montenegro, as well as the Croats and Slovenes formerly under Austria-Hungary.

Looking back on it now, we realize that United States political interest in Eastern Europe between the two World Wars was rather limited, even though we had an important interest in the creation or reconstitution of some of the Eastern European states in the course of the World War I peace settlement.

As a victorious power in World War II, we had a considerable voice in postwar territorial and political settlements. Nevertheless, the military presence of Soviet troops in all Eastern European countries at the end of 1945, except Albania, reinforced Soviet strategic, political, and economic aims while frustrating the West's attempts to obtain democratic and just political

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<sup>1</sup> Address made at the University of Louisville, Louisville, Ky., on Jan. 5.

agreements. Gradually the West's position in this area was eroded away until only small and harassed diplomatic staffs remained to represent once significant interests. Stalinism was in control.

### **Challenges to Soviet Domination**

During this difficult period, however, one important event constituted a marked rebuff to Stalin's aims and policies in Eastern Europe. This was the historic break between Yugoslavia and the Soviet Union in 1948, when Yugoslavia was expelled from the Communist bloc. It had refused to tolerate Soviet interference in its internal affairs and has continued on an independent course ever since.

With Stalin's death in 1953, the system of centralized control and domination over every facet of Eastern European life slowly came to a halt. Khrushchev's policy, in contrast, seemed aimed at maintaining Soviet domination in the field of international Communist affairs and ideology and Soviet leadership of the Communist bloc in dealing with the rest of the world, while tolerating a certain degree of autonomy by Eastern European governments and Communist parties in the day-to-day management of their internal economic, political, and social problems.

Khrushchev's espousal of destalinization and the slowly emerging Sino-Soviet conflict had unsettling effects on Eastern Europe. Communist leaders had difficulty in judging how far destalinization could or should be carried out in their parties and governments. The use of Soviet troops to put down the Hungarian national uprising in 1956 showed that Soviet leaders were not prepared to permit the legitimate process of destalinization to be used to overthrow the Communist system itself and lead to withdrawal from the Warsaw Pact grouping. Reactions elsewhere have been varied.

In 1961 Albania broke off diplomatic relations with the Soviet Union and became ideologically aligned with Communist China.

In the last 3 years Rumania has shown new concern about promoting Rumanian economic national interests and has explored trade opportunities with the West.

Poland, since 1956, has followed its own moderate internal policies.

Even Czechoslovakia and, to a lesser degree, Bulgaria give signs of change.

At the present time national interests and change are the watchwords in Eastern Europe. Within certain limits each Eastern European country has evolved with some diversity in form and institutions according to its own prevailing conditions. Most of them in varying degrees have abandoned the ruthless practices of police rule that prevailed in Stalin's day. Most of them have realized the value of material incentives to stimulate economic production. Most of them have given up jamming the U.S. Government's Voice of America broadcasts. All of them are interested in developing trade and cultural exchanges with Western Europe and the United States.

The departure of Khrushchev from his Soviet Government and Party position does not seem to have affected the Eastern European states insofar as their acquired autonomy in internal affairs is concerned. In fact, some Eastern European leaders show signs of using the change of leadership in the Soviet Union to reinforce their own positions of authority and to diminish the area in which they are beholden to Moscow.

These changes in Eastern Europe and the implicit challenges to unquestioned Soviet domination of the area have come about for several reasons.

First, Stalin's successors concluded that his methods and system of maintaining power could no longer be continued, and they were abandoned in favor of more discreet methods.

Second, continuing economic difficulties and the need to raise the people's standard of living at the expense, if necessary, of the usually paramount needs of the state exerted increasing and irresistible pressure for change on the Communist regimes.

Third, the winds of nationalism which have been sweeping countries on other continents were also felt in Eastern Europe, where political and intellectual leaders have come to place more emphasis on national identity and national culture.

Fourth, the Sino-Soviet split in the world Communist movement, in which Soviet and Chinese competed for the allegiance of individual Communist parties and leaders, gave East-

ern Europeans some leverage for advancing their own interests.

Fifth, Western Europe and the United States are a constant magnet to Eastern Europe because of their military strength, their economic and technological superiority, and their relatively affluent standards of living. The policies of Western countries have also served to support Eastern European countries in assertion of independent and national interests.

Finally, the fact that Yugoslavia was able to develop as a Communist state without being politically dependent on either Moscow or the West, free to run its political, economic, and commercial affairs in its own way, could not be ignored.

### **Some Notable Changes**

The specific changes which have occurred in Eastern Europe over the past few years are too numerous to list in detail, but here are a few worth noting.

Poland in 1956 abandoned forcible collectivization of farmland and, along with Yugoslavia, is the only country in the Communist area where private farmers control the bulk of agricultural land. The Polish state has also developed strong economic ties with the West, has established a certain accord with the Roman Catholic Church, permits, relatively speaking, considerable freedom of cultural and artistic expression, and follows moderate internal policies.

In Hungary the regime which emerged under Kadar in 1956 first crushed its opponents when, in 1958, launched a program of reconciliation between the authorities and large segments of the non-Communist population. This reconciliation was emphasized in Kadar's slogan: "Who is not against us, is with us." In 1964, 1 million Hungarians, out of a total population of 10 million, were able to travel abroad. Kadar has asserted Hungarian autonomy in internal matters, has eliminated Stalinist elements and police methods, and has emphasized improvement in the standard of living. The Hungarian Government granted an amnesty to virtually all who fled Hungary after the uprising and to others imprisoned for political offenses. It has also reached an agreement with

the Vatican on the appointment of bishops to Hungarian dioceses of the Roman Catholic Church.

Like Hungary, Rumania has recently released virtually all its political prisoners. Rumanian leaders are also emphasizing the Rumanian national identity and Rumanian culture, rather than Soviet achievements. Rumania has turned to the West for needed industrial equipment to meet its economic requirements and is opposed to proposals, supported by the Soviet Union, that all Eastern European national economic plans should be subordinated to and integrated into an overall regional economic plan. All this suggests that, despite only gradual measures of internal liberalization, Rumania is increasingly concerned to promote its national economic interests and its ties with the West.

In Czechoslovakia there have also been some changes. The Czechoslovak Government has eased its travel restrictions. The climate for discussion and debate of economic and cultural matters has markedly improved. Certain economic reforms in the direction of a market-type system are being planned. In 1964, for the first time since the Communist takeover in 1948, no American citizens were being held in Czechoslovak prisons. Czechoslovakia, like the other Eastern European countries, is trying to improve its relations with the West.

In Bulgaria we find a certain ambivalence in regard to policy toward the West. A spy trial was staged a year ago apparently to warn the population against contact with Americans. A demonstration by African and Bulgarian students protesting our role in the rescue operation of the hostages in Stanleyville broke a few windows in the United States Legation. But the Bulgarian Government has also settled the claims of the United States for the property of American citizens which it nationalized. The United States, among other countries, exhibited in 1962 and in 1964 at the biennial Plovdiv International Trade Fair. During the past year Bulgaria signed an agreement with Greece which settled a number of bilateral issues, including border problems and war claims. In internal economic policy Bulgarian authorities also show some signs of flexibility.

## U.S. Approach Toward Soviet Bloc States

The changes which I have mentioned are well known to our friends in Western Europe. As Secretary Rusk recently said, relations between the West and the countries of Eastern Europe have shown considerable improvement.<sup>2</sup> He added that this was a positive development in world affairs and one which we should watch with interest and to which we should take a positive approach.

In formulating our own approach toward Eastern Europe we must first of all bear in mind that both Moscow and its ideological allies and Peiping and its adherents share the same ultimate aim—that of world domination by the Communist movement. While Moscow and Peiping differ on the means of achieving this objective, we must always guard against any wishful thinking that the objective has been abandoned. We especially deplore Peiping's militant and dangerous course in pursuit of its foreign affairs. To the extent that Moscow intends to promote its aims without resort to war but within the framework of peaceful relations, we welcome the competition between our economic and political system and that of communism. For we have no fear of the clash of ideas; we have no doubt that our cause will eventually triumph.

The first objective of our policy toward Soviet bloc states, therefore, is to prevent them from extending their influence—military, political, or ideological—and to make it clear to them that it would be dangerous and futile for them to try to do so. This requires that we maintain the power of our nuclear deterrent and our conventional armed forces to deal flexibly with any emergencies which may arise around the world. This also requires that we assist the developing countries to make the kind of economic and social progress which will meet the needs of their peoples and thereby blunt Communist aspirations in those countries.

Secondly, we believe that the Soviet bloc states recognize the dangers of a devastating nuclear war and therefore have a common interest

<sup>2</sup> For a transcript of Secretary Rusk's news conference of Dec. 23, see BULLETIN of Jan. 11, 1965, p. 34.

with the West in preventing such a catastrophe. We believe that the search for further agreements to prevent war and the proliferation of nuclear weapons is a worthy and essential end in itself.

Third, we wish to stimulate Eastern European states to assert their national identity and interests and to meet the needs of their peoples at home. We must, therefore, take into account the differences among Communist states in order to act effectively in promoting our objectives. Where Communist states are evolving to an increasingly sensitive appreciation of their national and domestic interests, we want to encourage such evolution. Where they turn to the West for trade, we want to be able to respond by trading with them in peaceful goods. Where they are interested in cultural and educational exchanges, we want to do our part to foster exchanges.

### Promoting Mutually Beneficial Relations

It is to our advantage to expand our ties with Eastern Europe in a way which will promote mutually beneficial relations and advance the prospects for peace and freedom. There are some who believe that our best approach would be to exert appropriate pressure on the Soviet bloc states in order to obtain political and other concessions from them. No self-respecting government and no Communist regime would submit to such an approach. After all, we should not lose sight of the security interests of the Soviet Union in Eastern Europe or of the political and ideological ties which bind the regimes in those countries to Moscow. In the process of trying to develop better relations with the Soviet bloc states, we cannot realistically expect that Eastern European Communist leaders will be prepared to endanger their ties with Moscow, and perhaps their own positions, to satisfy our demands. We can, however, pursue our objectives by carefully elaborated policies toward each Eastern European country which take fully into account the basic realities existing in each country and the many possibilities open to the United States (and, of course, to Western Europe) within the framework of those realities.



This is a long-range problem, not one which can be resolved in several months or even several years. In following this approach the United States has in no way abandoned its fundamental view that ultimately the peoples of Eastern Europe must have the opportunity freely to elect governments of their own choosing and to enjoy all the rights as well as responsibilities of free peoples.

### **U.S. Relations With Yugoslavia**

As I mentioned earlier, Yugoslavia has not been a member of the Soviet bloc since 1948. While I do not want to suggest that our relations with Yugoslavia are perfect, nevertheless they can serve as some indication of the kind of relations which we would hope to develop in time with other Eastern European Communist states.

With Yugoslavia we have very active diplomatic relations in every field. We have excellent access to their Government officials, to their economic institutions and industrial enterprises, to their universities, to their information media and publishing organizations, to the arts, to local government, to armed forces leaders, to as wide a cross section of the people as we wish to reach. We have a fair amount of trade based on nondiscriminatory tariff rates. Members of the recent U.S. trade mission to Yugoslavia found that there was much scope for increased trade in both directions.

We have an active information program in Yugoslavia which aids us in keeping Yugoslav officials informed of significant American policies. A busy cultural program helps to promote an exchange of professors, teachers, musicians, scientists, and leaders in many other fields. Two months ago we signed an educational and cultural exchange agreement<sup>3</sup> under the Fulbright-Hays Act. Every year the United States participates in the Zagreb Fall Fair. Many works of American authors and playwrights are translated into the languages of Yugoslavia. Yugoslav television uses American TV productions. Many Yugoslavs now look to the United States rather than to Western

Europe or to Eastern Europe for leadership in medicine and science.

Yugoslavia participates in international organizations such as the World Bank and the International Monetary Fund and gives strong support to the U.N. and its specialized agencies. A Yugoslav detachment has for many years been a part of the U.N. force along the armistice line between the United Arab Republic and Israel.

Yugoslavia maintains very good relations with Italy and Greece, its NATO neighbors, and with Austria, which is a neutral country; and it also has cordial relations with Hungary, Rumania, and Bulgaria, which are in the Soviet bloc. Despite Yugoslavia's very poor relations with Albania, it nevertheless maintains a diplomatic mission in the Albanian capital, and Albania likewise has a diplomatic mission in Belgrade.

We therefore regard Yugoslavia as a force for stability and peace in the Balkan area. It espouses no territorial ambitions against any of its neighbors, and it strongly supports the principle that outstanding disputes should be resolved by peaceful means rather than by the use of force. Its foreign policy has three elements: close ties with the Soviet Union and Eastern Europe; maintaining good relations with the West, including the United States; and expanding and further developing its ties with the group of nonaligned states in its role as a nonaligned country. While we may not agree with some Yugoslav positions in international affairs, nevertheless we have excellent communication with their officials and we can and do make our position known.

In its internal affairs the Yugoslav Government has made it clear that it is concerned to meet the needs of its people and that it desires their participation in Yugoslav political, economic, cultural, and social life. The development of its market-oriented economy, the use of economic incentives and industrial and commercial competition, the lack of Government doctrine affecting the arts, the consistent attempts by the state to put its relations with the churches in Yugoslavia on a firm and satisfactory footing, the undogmatic approach of Yugoslav leaders to the problems of the country—

<sup>3</sup> *Ibid.*, Dec. 7, 1964, p. 831.

these and other aspects of the Yugoslav scene today are those which interest us and which apparently are also regarded with some interest by the other countries of Eastern Europe.

We must, as I have said before, tailor our approach to each Eastern European country in accord with the state of our relations with that country. With some we must clear away the debris of accumulated problems before we can build a new and satisfactory relationship. With others it is clear that both sides are ready to proceed immediately to discuss how to lay the basis for a mutually more beneficial relationship.

We want to make it possible for the traditional ties which existed between Eastern Europe and the West before World War II to be reestablished and reaffirmed. For, after all, Eastern Europe is a part of Europe. But this is not a matter in which only Western Europe is involved. We have our own interests to defend and promote. As President Johnson recently said,<sup>4</sup>

We wish to build new bridges to Eastern Europe—bridges of ideas, education, culture, trade, technical cooperation, and mutual understanding for world peace and prosperity.

These bridges will help to cement those unbroken bonds of friendship which have long existed between the peoples of Eastern Europe and the people of the United States.

The term "iron curtain" used to reflect accurately the frontier area between Eastern Europe and the rest of the Continent and the lack of contact and communication between Eastern Europe and the West. Now that ways and means are opening to us to establish or reestablish contact and communication with Eastern Europe, the United States should not put itself in the position of discouraging or rejecting such an opportunity by maintaining an "iron curtain" between itself and Eastern Europe. The bridges which we hope to build will assist in repairing the postwar divisions in Europe. They can also have the purpose of fostering greater and more lasting understanding between the United States and Eastern Europe.

<sup>4</sup> *Ibid.*, Dec. 21, 1964, p. 876.

## U.S. To Continue Helping Germany in Search for Nazi Criminals

*Following is an exchange of correspondence between the Department of State and the Embassy of the Federal Republic of Germany on the subject of the collection of evidence concerning murders perpetrated during the Hitler regime.*

### U.S. NOTE OF JANUARY 8

Press release 3 dated January 11

The Department of State acknowledges the receipt of the note from the Embassy of the Federal Republic of Germany dated December 22, 1964, requesting, as part of a worldwide appeal, the assistance of the Government of the United States in collecting evidence concerning Nazi murders not yet known in the Federal Republic of Germany.

The two principal repositories of German documents which might be of value to the Federal Republic are the Berlin Document Center and the National Archives and Records Service of Alexandria, Virginia. The archives of the Library of Congress also contain some German documents.

The Federal Republic has of course for a number of years frequently consulted the Berlin Document Center, and the Center continues to give all possible assistance to appropriate German authorities. German investigators have also in the past searched the documents at the Library of Congress and may, if they wish, again investigate these files.

The Government of the United States has returned to the Government of the Federal Republic of Germany over 80 percent of the German documents originally stored in the National Archives at Alexandria. In 1960, officials designated by the German Federal Government searched these Archives for material which could be of use in the prosecution of Nazi war criminals. In order to be certain, however, that no useful document which might still be in the Archives has been overlooked, the Government of the United States invites the Government of the Federal Republic of Germany again to

icant obstacles were placed in the way of U.S. traders wishing to do business with the Soviet Union. American engineers and private corporations participated substantially in the building of industrial plants and installations in the Soviet. The dollar volume of U.S. exports to the Soviet Union reached more than \$100 million in 1930 and in 1931.

Following World War II, it was the hope of the United States and other free-world countries that the traditional trade relations between Eastern and Western Europe would soon be restored. Under normal conditions Eastern Europe had exported to the West grain, coal, timber, and other raw materials in exchange for equally necessary machinery, equipment, and consumer goods. The decline which took place in this trade after the war was due primarily to Communist policies and actions and only secondarily to free-world restrictions on trade.

As the result of Soviet policies, particularly the Soviet determination to reduce to a minimum both economic and political contacts between the countries of Eastern Europe and the West, the commerce of Eastern European countries was reoriented to intrabloc exchanges, almost a complete reversal of the prewar pattern in which a major share of their total trade had been with the West.

There are increasing signs that this may not remain the permanent pattern of Eastern European trade. As outlined in the first chapter, U.S. controls over trade with the Communist countries have developed in response to major movements in East-West relationships, but they have also been geared to the changing circumstances in individual countries. The major question for United States policy at this time on trade with Communist countries is whether developments within the individual countries warrant further modifications in policy on non-strategic trade with the Eastern European countries and the Soviet Union.

This major question is receiving serious and deservedly thorough study, not only within the responsible executive departments but also by the Congress, by a variety of nongovernmental organizations, and by businessmen. While it is not certain what may be the consensus of this widespread review in matters of detail, it is clear at least that the general policy of differ-

entiation in the treatment of trade with Communist countries should be continued as the fundamental pattern in East-West trade policy.

### **Policy Toward Individual Eastern European Countries**

President Johnson said recently,<sup>2</sup>

History is again on the march in Eastern Europe and on the march toward increased freedom. These people—and some of their rulers—long for deeper, steadier, and more natural relations with the West. We understand this longing, and we intend to respond to it in every way open to us.

We will welcome evidence of genuine willingness on the part of East European governments to cooperate with the United States Government in joint endeavors. We will reject no such overtures out of hand. We will judge them in terms of the true interests of our own people and the people of these countries. We wish to build new bridges to Eastern Europe—bridges of ideas, education, culture, trade, technical cooperation, and mutual understanding for world peace and prosperity.

Bridges of improved relations and of trade have been built with Yugoslavia and with Poland. Rumania is expanding its trade and is taking steps to improve its relations with the United States.

One of the objectives of the Battle Act is “to assist the people of the nations under the domination of foreign aggressors to reestablish their freedom.” The system of trade controls which the United States uses has the advantage of permitting differentiation among the different Communist countries of Eastern Europe. This system is based on individual examination of particular export license applications. No U.S. trade is permitted with Communist China, North Korea, North Viet-Nam, and Cuba, although with respect to Cuba there is the possibility of sales of food and medical supplies. Exports of a limited list of obviously nonstrategic consumer-convenience items to the Soviet Union, Bulgaria, Czechoslovakia, Hungary, Albania, and East Germany are permitted on a free general license basis. A much larger group of commodities may be exported freely on this general license basis to Poland and Rumania. All other items for all of these countries require

<sup>2</sup> For text of remarks made by President Johnson at a luncheon at the White House on Dec. 2 for officials of Radio Free Europe, see BULLETIN of Dec. 21, 1964, p. 576.

individual licenses. There is automatic denial of the clearly strategic items on the Battle Act list at one end of the spectrum, relatively regular approval of nonstrategic items at the other end of the spectrum, and varying treatment of the items between. This process of differentiation among the different Communist countries has been a key element of American East-West trade control policy virtually since its inception.

Since Yugoslavia's rejection of Kremlin domination in 1948, the United States has treated it in trade matters as any non-Communist country. The United States and other free-world countries opened Western markets and sources of supply, enabling Yugoslavia to develop normal trade ties with the free world. As a result, about 70 percent of Yugoslav trade is now with the free world. U.S. exports to Yugoslavia exceed the value of total U.S. exports to the entire bloc. The United States extends most-favored-nation (MFN) tariff treatment to Yugoslavia and Yugoslavia is associated with the major free-world economic organizations, including the International Bank for Reconstruction and Development, the International Monetary Fund, the OECD, and GATT. It is not a member of the Soviet bloc's Warsaw Pact nor of the Council for Mutual Economic Assistance (CEMA), although it does have a limited association with the latter.

As a result of the events of 1956 in Poland, which represented an attempt to reduce Soviet domination, Poland sought improved relations with the countries of the West, including the United States. The United States has responded with substantial sales of surplus agricultural commodities, with MFN treatment for imports and with reduced export controls. As a result Poland has a larger commercial trade with the United States than any other of the Soviet bloc countries. It has moved toward closer contacts with the United States and has continued to emphasize its own national identity and interests. Following the modification of United States controls for the purpose of facilitating exports of goods reasonable and necessary for the Polish civilian economy, the United States was instrumental in obtaining similar treatment for Poland in COCOM.

More recently, Rumania has actively asserted its own national interests, particularly in the

economic field. Rumanian interest in trade and other contacts with the West has increased, and the United States recognized these developments in bilateral discussions with the Rumanians during the past year.<sup>3</sup> In these discussions, agreement was reached on improved conditions for trade between the United States and Rumania, on certain equipment that Rumania could purchase in the United States, and on other matters making for improved relationships.

There are evidences in most of the other Eastern European countries of efforts to reduce their economic dependence on the Soviet Union and to increase their trade and contacts with Western Europe and the United States. The United States has been hopeful that all of these peoples, while living at peace with their neighbors, could develop their own policies in accordance with their own national aspirations and talents. Our trade policy toward individual countries of Eastern Europe can be a means of bringing about mutually beneficial contacts by Americans with the peoples of Eastern Europe and can enable the United States to influence somewhat developments during this period of accelerating change.

#### **Policy Toward U.S.S.R.**

With respect to the Soviet Union the situation is quite different from that prevailing in the smaller countries of Eastern Europe. The U.S.S.R. is a highly self-sufficient economy with a broad industrial base and a well-developed technology. Its major deficiencies are largely in agriculture and in the consumer goods fields. These deficiencies are a direct reflection of historic Soviet preoccupation with the development of heavy industry to provide a powerful military-industrial base. Soviet self-sufficiency is particularly evident with respect to advanced weapons technology and military production capability.

In overall size Soviet industry is second only to that of the United States, and the Soviet economy is even closer to self-sufficiency than our own. Its imports from all free-world industrial countries run at a rate of only one-half of

<sup>3</sup> For text of a joint communique, see *ibid.*, June 15, 1964, p. 924.

one percent of the Soviet gross national product. The Soviet Union has little dependence on the products of the free world.

During the years of the Berlin blockade, the Korean conflict, and the tensions of the Stalin and early post-Stalin years the Battle Act embargo program served to provide some restraint on Soviet aggressive capability. The multi-lateral control system continues to be effective in preventing the shipment of strategic goods to the bloc. In time of crisis, controls could be expanded and strengthened quickly within the framework of this system. As a matter of long-term policy, however, the nations of the free world are reluctant to impose total economic denial on a country with which they are not at war. In view of Soviet self-sufficiency, such a policy would make little strategic sense. It would have only a negligible effect on the Soviet Union, while denying the benefits of trade to many non-Communist countries.

In accordance with the provisions of the Battle Act, a system of *selective* controls applicable to strategic trade has been developed. Under this system the United States and other COCOM countries deny to the U.S.S.R. commodities of military significance. We and our COCOM partners are also agreed that no free country should become overly dependent on the Soviet bloc for critical commodities, such as oil. In addition, the United States also prohibits exports to the countries of the Sino-Soviet bloc and Cuba of equipment and technical data which might make a significant contribution to the military or economic potential of those countries which would prove detrimental to the national security and welfare of the United States.

The strategic and other official restrictions on trade with the Soviet Union restrict only a small fraction of potential trade. The United States permits trade with the Soviet bloc in consumer goods and in most types of equipment for the production of those goods. We have carried on some trade in agricultural products. The recent decision to sell wheat to the Soviets was an extension of this practice.

#### **sale of Wheat**

On October 9, 1963, President Kennedy announced that the U.S. Government was pre-

pared to approve sales of surplus American wheat, wheat flour, feed grains, and other agricultural commodities to the U.S.S.R. and Eastern European countries.<sup>4</sup> He stated that sales should be for American dollars or gold, either cash on delivery or normal commercial terms. The Commodity Credit Corporation was authorized to sell private traders the amount necessary to replace the grain used to fulfill these requirements, and the Department of Commerce was authorized to grant export licenses for their sale with the commitment that the commodities were for delivery to and use in the Soviet Union and Eastern Europe only. Provision was made that the wheat sold to the Soviet Union would be carried in available American ships, supplemented by ships of other countries as required; and that no single American dealer was to receive an excessive share of these sales.

The President's announcement stated, "Basically, the Soviet Union will be treated like any other cash customer in the world market who is willing and able to strike a bargain with private American merchants. While this wheat, like all wheat sold abroad, will be sold at the world price, which is the only way it can be sold, there is in such transactions no subsidy to the foreign purchaser; only a savings to the American taxpayer on wheat the Government has already purchased and stored at the higher domestic price which is maintained to assist our farmers. . . ."

"This transaction advertises to the world as nothing else could the success of free American agriculture. It demonstrates our willingness to relieve food shortages, to reduce tensions, and to improve relations with all countries, and it shows that peaceful agreements with the United States which serve the interests of both sides are a far more worthwhile course than a course of isolation and hostility."

The President called attention to the fact that wheat is our number one farm surplus and that such sales would improve our balance of payments position and benefit domestic producers. He emphasized that the United States had never had a policy against selling consumer goods, including agricultural commodities, to the Soviet Union and Eastern Europe. Since we had been

<sup>4</sup> *Ibid.*, Oct. 28, 1963, p. 660.

selling nonsubsidized farm products to them for years, it would make little sense to refuse to sell those products on which we must otherwise pay the cost of storage. He stated that the decision with respect to the sales to the Soviet Union did not represent a new Soviet-American trade policy but was, rather, one more hopeful sign that a more peaceful world is both possible and beneficial to us all.

The sales of wheat to the Soviet Union were paid for in cash, with payment in full on a c.i.f. basis totaling \$140.2 million for 65.6 million bushels of wheat. In addition, the U.S.S.R. purchased \$9.6 million worth of rice from the United States, for which it also paid cash.

A letter from the Attorney General<sup>5</sup> concerning legal questions raised by the proposed wheat sales stated that the Battle Act presents no legal obstacle to sales of agricultural commodities to Eastern European bloc countries. The Attorney General noted that the Battle Act was designed to supplement the Export Control Act and did not purport to regulate private U.S. shipments to Soviet bloc countries, which were already subject to regulation under the Export Control Act.

The Attorney General said in part:

The Battle Act relates, rather, to trade with the Soviet bloc by countries receiving aid or assistance from the United States. Moreover, the transactions to which this opinion relates would be purely commercial in nature from the standpoint of the purchasing countries, and would therefore not involve "economic or financial assistance" within the meaning of the Battle Act. The Commodity Credit Corporation assists exports of agricultural products through the payment to United States exporters of subsidies designed to eliminate the impact on such exporters of the domestic price support program and thereby enable them to compete on an equal basis with foreign exporters. However . . . the only "assistance" involved in the payment of such subsidies redounds to the benefit exclusively of United States producers and exporters.

United States policy on trade with Communist countries may be summarized in the following three points:

<sup>5</sup> For text, see *ibid.*, p. 661.

1. Trade can be a useful instrument in the contest with communism and in affecting Communist policies, provided it is adapted to the particular situations presented by different Communist countries.

2. Trading policies suited to one period in our relations with a particular Communist country may not be equally appropriate at another period.

3. Our national purpose can be served either by the denial of trade or the encouragement of trade, depending on circumstances. Furthermore, the denial of trade may be either total or selective. It is important that the steps taken in East-West trade policy be flexibly adapted to particular Communist countries at particular times.

## Congressional Documents Relating to Foreign Policy

### 88th Congress, 2d Session

Ocean Transportation of Grain to Russia. Hearings before the Subcommittee on Merchant Marine of the House Committee on Merchant Marine and Fisheries. January 28-30, 1964. 270 pp.

Antarctica Report—1964. Hearings before the Subcommittee on Territorial and Insular Affairs of the House Committee on Interior and Insular Affairs on Deep Freeze 1963-64 operations. May 28 and August 10, 1964. 106 pp.

### 89th Congress, 1st Session

Forty-seventh Session of the International Labor Conference. Letter from the Acting Assistant Secretary of State for Congressional Relations transmitting the texts of the 47th session of the International Labor Conference at Geneva in June 1963, with its recommendations. H. Doc. 35. January 4, 1965. 16 pp.

Discriminatory Ocean Freight Rates and the Balance of Payments. Report of the Joint Economic Committee. S. Rept. 1. January 6, 1965. 45 pp.

Amending the Immigration and Nationality Act. Message from the President relative to changes in our immigration laws with accompanying papers. H. Doc. 52. January 13, 1965. 12 pp.

Foreign Aid. Message from the President relative to foreign aid. H. Doc. 53. January 14, 1965. 8 pp.

State of Our Defenses. Message from the President relative to the state of our defenses. H. Doc. 54. January 18, 1965. 11 pp.

## U.S. Commends Development Activities of U.N. Special Fund

*Statement by Franklin H. Williams<sup>1</sup>*

In behalf of my delegation and personally I wish to welcome you, Mr. Chairman [D. Cosío Villegas of Mexico], and to express our pleasure that you are again directing the deliberations of this Governing Council of the Special Fund. We all deeply appreciate the special effort you made to be here with us. Your presence, your wisdom, your efficient, courteous, and quiet leadership will insure that the business of this—perhaps the last session of this Governing Council—will be completed with dispatch and the agenda considered and debated in an atmosphere of mutual respect, good will, and understanding.

Mr. Chairman, I consider myself most favored that my first exposure to sessions of this Council was marked by a presentation as informative, clear, and brilliant as that given by our distinguished Managing Director and his able staff yesterday morning. This Council is indeed fortunate that Mr. Paul Hoffman's vigor and determination brought him a rapid recovery from injuries that would have prevented a lesser man from being with us at these meetings.

Anyone reading the documents provided us prior to this session certainly must have realized that the Special Fund, this great international voluntary effort, was truly a going concern. But it was particularly enlightening to listen to those who direct its affairs—Mr. Hoffman, Mr. [Roberto] Heurtematte, Mr. [Myer] Cohen, and Mr. [Paul M.] Henry—as they detailed the problems and described some of the new approaches which have been part of the Fund's activities in recent months. It is an

impressive fact that, with approval of the Managing Director's current program submission, the total value of projects approved by the Council passes the \$1 billion mark—including well over \$400 million in Special Fund earmarkings. This is an eminently auspicious level at which to initiate the United Nations Development Program.

My delegation is confident that under the continued direction of our Managing Director and his colleagues this program, regardless of its institutional structure, will continue to build upon the record of the past and expand its impact throughout the world during this International Cooperation Year. In proclaiming International Cooperation Year throughout the United States this past October, President Lyndon Johnson stated:<sup>2</sup>

... cooperation with other nations and other peoples is always uppermost in our minds and is the first aim of our policies, the central instrument of our foreign policy. . . .

We believe that with the creation of the United Nations Development Program the opportunity for even more effective cooperation among nations and peoples will be provided.

It was particularly interesting yesterday to listen to Paul Hoffman's description of some of the types of Special Fund activities which are contributing so substantially to the development of what he referred to as "low-income countries." The Managing Director has always had the unequalled ability to breathe life and give color to dry statistics and to draw the listener's attention to the human beings behind statistics. He obviously has not lost this knack.

Mr. Chairman, my delegation looks forward with interest to future reports of constantly increasing numbers of completed projects. We hope that they will provide even more details about the projects. We were interested yesterday in the suggestion of the distinguished dele-

<sup>1</sup> Made in the Governing Council of the U.N. Special Fund on Jan. 12 (U.S./U.N. press release 4488). Mr. Williams was U.S. Representative to the 13th session of the Governing Council; he is also U.S. Representative on the U.N. Economic and Social Council.

<sup>2</sup> BULLETIN of Oct. 19, 1964, p. 555.

gate of Italy that the Managing Director and his staff might provide information on the extent to which use of preparatory assistance has contributed to speedier and more effective initiation of actual project operations. We would also like to know whether the projects are being completed on schedule, how their costs compare with the original cost estimates, et cetera.

My delegation was particularly impressed by the Managing Director's report that expenditure of \$17 million on the part of the Special Fund and the benefiting countries in feasibility surveys has led to investment of some \$785 million. We recognize that this startling ratio of return to cost cannot be expected to continue, but we are confident that future reports will show more and more instances of both private and public investments resulting from Special Fund surveys. In the future we hope that we will receive information of surveys which recommend *against* investment. Such negative results have value and can prevent use of scarce capital resources in unwise or unproductive endeavors.

At some future time when more projects have been completed, it would be enlightening, we believe, to know more of the work being done by those who have received training in institutions supported by the Special Fund. Mr. Henry told us yesterday of the Fund's experience in the field of applied research and the problems of planning adequately for research institutions. We hope that future reports will expand upon this experience and tell us more of what is happening to research and training institutions and research activities initiated as Special Fund projects.

Mr. Chairman, my delegation is especially pleased to note that the implementation of approved programs continues to show a steady improvement. We are encouraged by Mr. Cohen's report of the recent meetings held with the various executing agencies and by his statement that the agencies find Special Fund work stimulating and worth while, however frustrating they find recruitment delays, the problems of phasing of equipment deliveries in relation to technicians' arrivals, and the difficulties in securing counterpart personnel.

We note with interest that the time between

project approval and signature of plans of operations now averages 10 months. This average like any average, includes not only a substantial number of cases in which the time is much shorter but also a number of unfortunate cases in which the delay is much longer. There are a few projects approved by this Council 2 years or longer ago for which plans of operations have not been signed. Nor does signing of the plan of operations necessarily mean the start of operations, for we note with regret a few instances in which plans of operations were signed in 1962 but field operations have not yet started. We share the concern of the Special Fund management at these delays, and, while we recognize the problems, we commend the continuing efforts of all to reduce these delays.

Mr. Hoffman and his associates are not only improving the implementation of the projects approved by this Council, but their methods of reporting to us with regard to their activities also continue to improve. I found the graphs which were used to illustrate yesterday's statements particularly valuable, and we are delighted that the distinguished delegate of Senegal has taken steps to insure that these charts are reproduced for our further study and edification.

My delegation wishes to join many others who have already spoken in congratulating the management of the Special Fund on the inclusion in Document L/112 of the table on "Assistance From Other Sources to Activities of the Special Fund." We recognize that the present report contains only partial information, and we hope not only that it will be continued but also that it will be made more and more complete. For our part we will cooperate with the staff of the Special Fund to this end.

Mr. Heurtematte has told us of the financial advisory services which the Fund has provided in two recent cases. We are encouraged by this pioneer effort and by the fact that financial advisers are included in four of the projects in the program recommended to this session for approval. My Government has always favored close ties between the Fund and the various regional and international banking institutions, and we welcome Mr. Heurtematte's description both of these cooperative arrangements and of



the specific financial advisory missions which have been undertaken.

Mr. Chairman, the Managing Director has recommended 68 projects for approval at this session of the Governing Council. Thirty-three of these relate to the broad field of industry and infrastructure, and eight of these relate directly to manufacturing. My delegation approves of this. The projects recommended for the United Republic of Tanzania provide an interesting example of the variety and complexity of Special Fund activities related to industrial development: strengthening of the Industrial Studies and Development Center in Dar-es-Salaam; establishment of an institute to provide advisory information and training services for industry and business in the field of management development and labor productivity; assistance in an experiment to determine the feasibility of sheep raising as the basis for a wool industry; and training for science teachers who will be instrumental in providing future scientists and technicians essential for industrial development.

Finally, Mr. Chairman, my delegation is particularly interested in the six regional projects which are recommended for approval at this Governing Council session. Neither insects, fish, nor wildlife know national boundaries, and the rivers and lakes which often form these boundaries cannot be developed by any one country alone. The Special Fund's ability to respond quickly and effectively to the combined interests of several governments is indicative of the value of this kind of program and is being increasingly put to use. In addition to the technical merits of regional projects, they by their very nature contribute to increased cooperation among neighboring countries. In these days of international tension and unpleasantness, at a time when the world's attention is held by the disagreements among neighboring states, it is refreshing to find that the Special Fund is providing opportunities for increased cooperation among countries in attacking man's historic common enemies. At the White House ceremony on October 2, 1964, proclaiming 1965 as International Cooperation Year in the United States, President Johnson said,

"In this day and in this age man has too many common interests to waste his energies, his talents, and his substance in primitive arrogance or destructive conflict. . . . So this year and next year and in the years to come, international cooperation must be an enduring way of life in the community of man."

## 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:* Rwanda, December 1, 1964.

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 received that it considers itself bound:* Rwanda, December 1, 1964.

##### 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.

*Ratification deposited:* Malawi, November 30, 1964;

Protocol amending article 50(a) of the convention on international civil aviation (TIAS 1591) to increase membership of the council from 21 to 27. Done at Montreal June 21, 1961. Entered into force July 17, 1962. TIAS 5170.

*Ratifications deposited:* Malawi, November 30, 1964; Morocco, December 8, 1961.

##### Coffee

International coffee agreement, 1962, with annexes. Open for signature at United Nations Headquarters, New York, September 28 through November 30, 1962.

Entered into force December 27, 1963. TIAS 5505.  
*Accessions deposited:* Sierra Leone, November 27, 1964; Switzerland, December 17, 1961.

##### Copyright

Universal copyright convention. Done at Geneva September 6, 1952. Entered into force September 16, 1955. TIAS 3324.

*Application to:* Mauritius, October 6, 1964.

##### 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>

*Notification received that it considers itself bound:* Rwanda, December 1, 1964.

Constitution of the United Nations Educational, Scientific and Cultural Organization. Concluded at London November 16, 1945. Entered into force for the United States November 4, 1946. TIAS 1580.

*Signatures and acceptances:* Malawi, October 27, 1964; Zambia, November 9, 1964.

### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Notification received that it considers itself bound:* Malta, November 25, 1964.

*Ratifications deposited:* Brazil, Western Samoa, January 15, 1965.

### Oil Pollution

Amendments to the international convention for the prevention of pollution of the sea by oil, 1954 (TIAS 4900). Done at London April 11, 1962.<sup>2</sup>

*Acceptance deposited:* Jordan, December 14, 1964.

### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Notification of approval:* Portugal, January 14, 1965.

### Sugar

Protocol for the prolongation of the international sugar agreement of December 1, 1958 (TIAS 4389). Done at London August 1, 1963. Entered into force for the United States February 27, 1964. TIAS 5744.

*Accession deposited:* Malagasy Republic, October 22, 1964.

*Ratifications deposited:* Brazil, October 29, 1964; Peru, November 14, 1964; Philippines, November 5, 1964.

### Trade

Declaration on provisional accession of Iceland to the General Agreement on Tariffs and Trade. Done at Geneva March 5, 1964. Entered into force April 19, 1964; for the United States November 20, 1964. TIAS 5687.

*Signatures:* Cuba, August 20, 1964; Federal Republic of Germany (subject to ratification), October 20, 1964; India, September 15, 1964; Israel, June 24, 1964; Netherlands, July 31, 1964; South Africa, August 18, 1964; United Kingdom, July 21, 1964.

### Wheat

International wheat agreement, 1962. Open for signature at Washington April 19 through May 15, 1962. Entered into force July 16, 1962, for part I and parts III to VII, and August 1, 1962, for part II. TIAS 5115.

*Accession deposited:* Greece, January 14, 1965.

<sup>1</sup> Not in force for the United States.

<sup>2</sup> Not in force.

### India

Agreement amending the agricultural commodities agreement of September 30, 1964 (TIAS 5669). Effected by exchange of notes at New Delhi December 31, 1964. Entered into force December 31, 1964.

### Israel

Amendment to the agreement of July 12, 1955, as amended (TIAS 3311, 4407, 4507, 5079), for cooperation concerning civil uses of atomic energy. Signed at Washington August 19, 1964.

*Entered into force:* October 1, 1964.

### Korea

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Seoul December 31, 1964. Entered into force December 31, 1964.

### Luxembourg

Convention with respect to taxes on income and property. Signed at Washington December 18, 1962. Entered into force December 22, 1964.

*Proclaimed by the President:* December 30, 1964.

### Morocco

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with related notes. Effected by exchange of notes at Rabat December 29, 1964. Entered into force December 29, 1964.

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on January 15 confirmed the following nominations:

Ben H. Brown, Jr., to be Ambassador to Liberia. (For biographic details, see Department of State press release 529 dated December 28.)

William A. Crawford to be Ambassador to Rumania. Ralph A. Dungan to be Ambassador to Chile. (For biographic details, see Department of State press release 502 dated November 25.)

William H. Sullivan to be Ambassador to the Kingdom of Laos. (For biographic details, see Department of State press release 511 dated December 3.)

search the German documents still remaining in the National Archives at Alexandria. Upon notification by the German Government of its desire to send competent and qualified authorities to visit the Archives, the Department of State will be pleased to make appropriate arrangements with the National Archives.

The Government of the Federal Republic of Germany is aware that the Government of the United States of America has long had a deep interest in the efforts of the Federal Republic to find, prosecute, and convict Nazi criminals not yet brought to justice. The Federal Republic is also undoubtedly aware of the concern of many American citizens that the scheduled expiration in May 1965 of the 20-year period under the German statute of limitations for murder might permit presently unknown Nazi criminals to escape prosecution. In light of these considerations, the Government of the Federal Republic of Germany is assured that the Government of the United States of America will continue to assist the Federal Republic in every appropriate way in its search for evidence of Nazi crimes and criminals.

DEPARTMENT OF STATE.  
*Washington.*

#### **GERMAN MEMORANDUM OF DECEMBER 22**

The Government of the Federal Republic of Germany issued on November 22 [20], 1964, an appeal to all Governments, organizations and individual persons, both in Germany and abroad, to make available without delay all material in their possession on Nazi crimes still unknown in the Federal Republic, either original documents, photostat or microfilm copies to the "Zentralstelle der Landesjustizverwaltungen zur Aufklärung nationalsozialistischer Gewalttaten" (Central Office of the Land Judicial Administrations for the Investigation of National Socialist Crimes) Ludwigsburg/Germany, Schorndorfer Str. 28.

The Federal Parliament (Bundestag) on December 9, 1964, has strongly supported the appeal of the Federal Government of November 20, 1964, and has asked the

Federal Government to take all necessary steps to enable the German prosecution authorities to collect all evidence relating to murder in the Nazi period and to check it systematically until March 1, 1965.

The Federal Government would appreciate any assistance given by the Government of the United States in collecting evidence concerning Nazi murders, not yet known in the Federal Republic.

The Embassy will forward without delay all material, which will be made available, to the Central Agency in Ludwigsburg/Germany.

WASHINGTON, D.C., *December 22, 1964*

### **Letters of Credence**

The following newly appointed ambassadors presented their credentials to President Johnson on January 14:

Michel Gallin-Donathe of the Central African Republic,  
Hugo B. Margain of Mexico,  
Jonas Mouanza of the Republic of the Congo (Brazzaville), and  
Ary Tanimoune of the Republic of Niger.

### **Tax Convention With Honduras Continues in Force**

#### *Department Statement*

Press release 4 dated January 14

As a result of a notice given on December 17, 1964, by the Government of Honduras of its desire that the convention of June 25, 1956, between the United States and Honduras<sup>1</sup> for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income be continued in force through the year 1965, it is considered that the convention remains in full force and effect.

<sup>1</sup> Treaties and Other International Acts Series 3766.

## President Johnson Asks Four-Year Extension of ACDA Authorization

*The White House on January 15 made public the following letter<sup>1</sup> from President Johnson to Carl Hayden, President pro tempore of the Senate, enclosing a letter to President Johnson from William C. Foster, Director of the United States Arms Control and Disarmament Agency, with proposed legislation to amend the Arms Control and Disarmament Act. The President sent an identical letter to John W. McCormack, Speaker of the House of Representatives.*

White House press release dated January 15

### THE PRESIDENT'S LETTER TO CONGRESS

JANUARY 15, 1965

DEAR MR. PRESIDENT: I have the honor to forward today to the Congress—with my strongest urging that it be enacted promptly—a draft of a bill to assure the continuing leadership of the United States in the purposeful pursuit of peace.

Four years ago, the United States became the first nation in the world to establish an Agency for Arms Control and Disarmament. The record of achievement since has refuted the doubts of those who questioned whether there was effective work for such an agency to perform. While the journey toward peace remains long, we have begun to take the first steps—and we have found others of the family of nations willing to walk with us.

<sup>1</sup> H. Doc. 55, 89th Cong., 1st sess.

In the last year and a half, we have concluded the nuclear test ban treaty now joined by over 100 other nations. We have established a direct communications link between Washington and Moscow, joined in a United Nations resolution against weapons in space, and initiated cutbacks in the planned production of fissionable material—a step which the United Kingdom and the Soviet Union have announced that they intend to take also.

We have, in addition, placed before the 18-nation Disarmament Conference in Geneva a number of important, concrete proposals for the control and reduction of armaments on which agreement has not yet been achieved.

In our times, as always, vigilance remains the price of liberty and we stand today as a strong, ready and vigilant nation, prepared and determined to defend our freedom and the freedom of those who stand with us. But as a nation vigilant to danger, we must also be vigilant for opportunities for improving the hopes for peace. The Arms Control and Disarmament Agency helps us keep this most vital vigil.

Since existing authorization expires on June 30, 1965, I am asking the Congress to extend that authority for four years. I do so because it is my purpose to intensify our efforts in this critical area. I am determined to work in every way that I can for safeguarded agreements that will halt the spread of nuclear weapons, lessen the risk of war and reduce the dangers and costly burdens of armaments. This effort—as much as our continuing pre-

paredness efforts militarily—is essential to our security for a continued increase and spread of modern weapons can actually decrease our security.

The first legislation creating the Arms Control and Disarmament Agency is a proud and honored memorial to the initiative and vision of President John F. Kennedy. It is also a living tribute to the responsibility of the Members of Congress, and, in particular, to the dedicated leadership offered through the years by the Vice President-elect. Such legislation so clearly reflects the spirit and the will of the American people that I hope the Congress will act with all dispatch to give approval to this extension of the Agency's valuable role.

The background and justification for my recommendation are amplified in the accompanying letter to me from the Director of the Agency, William C. Foster. I share Mr. Foster's conclusions fully and confidently trust that the action of the Congress will impressively reaffirm to the world the dedication of this generation of Americans to the untiring quest for peace for ourselves and all mankind.

Sincerely,

LYNDON B. JOHNSON

#### MR. FOSTER'S LETTER TO THE PRESIDENT

JANUARY 13, 1965

DEAR MR. PRESIDENT: I submit herewith, for your approval and transmittal to the Congress, proposed legislation to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations for this Agency. This proposed amendment has one purpose: to authorize appropriations of \$55 million for the four-year period of fiscal years 1966 through 1969. Since the current authorization is inadequate to permit operations much beyond June 30, 1965, this legislation will be required to keep the Agency operating. Early enactment is necessary to permit timely congressional consideration of the Agency's fiscal 1966 budget estimates.

As you have repeatedly pointed out, enhancing our national security through the verified control and reduction of world-wide arma-

ments and through other measures to lessen the risk of war is a United States foreign policy goal of the greatest importance. The United States has already achieved three significant measures toward this end: the nuclear test ban treaty, the communications link between Washington and Moscow, and the United Nations resolution against weapons in space. In addition, we are cutting back our planned production of nuclear materials, and the United Kingdom and the Soviet Union have announced that they intend to make cutbacks in theirs. The Agency has played a key role in the development of the current United States proposals before the Eighteen-Nation Disarmament Conference; namely, to freeze the production of strategic nuclear delivery vehicles, to halt production of fissionable materials for weapons use, to create observation posts to reduce the danger of war by miscalculation and surprise attack, and to prevent the spread of nuclear weapons into the national control of countries currently not possessing them.

Attempts directed toward arms control and other measures to lessen the threat of war are no longer utopian dreams. The work of the Arms Control and Disarmament Agency has become an integral part of our over-all national security policy. Indeed, the need for arms-control measures is becoming even more acute as more nations develop a nuclear capability and as the arms race remains with us. Armaments alone can no longer increase security; the unchecked increase of these weapons of mass destruction can only diminish our safety and the hope for peace.

Research in arms control and disarmament is imperative if realistic international agreements are to be reached. The complexity of arms-control negotiations requires systematic and comprehensive study in the development of policy proposals. The chief value of this endeavor is to allow the United States to make concrete proposals for arms-control measures which will not jeopardize our security interests vis a vis the relative balance of power in the world, and which will assure that such agreements permit proper inspection and verification to prevent possible subterfuges by other nations. It also has an ancillary value in demonstrating to our

allies, adversaries, as well as neutrals, the importance we attach to arms control.

To fulfill the Agency's responsibility as a repository of knowledge on the technical, economic, military, and political aspects of arms control, made especially difficult by the rapidly changing world scene, to back up proposals currently before the Eighteen-Nation Disarmament Conference, and to prepare new proposals in support of your continuing quest for peace, the Agency must have authorization to carry on its efforts during the years ahead. Specifically, the Agency must have resources to pursue vital studies aimed at preventing the spread of nuclear weapons, controlling and reducing arms, and developing other measures to reduce the risk of war. Although the United States has already achieved significant progress in making the world safer from the ever present nuclear threat, the quest must continue and even intensify during the coming years.

The road to peace and arms control is slow and arduous, but it is one which we must travel. Therefore, I believe our authorization for appropriations should be for a period adequate to allow for long-range research planning and to emphasize our determination in making this effort. I believe a four-year authorization for fiscal years 1966 through 1969 would accomplish these purposes.

Faithfully yours,

WILLIAM C. FOSTER

Enclosure :

Proposed Legislation to Amend Arms Control and Disarmament Act.

## TEXT OF PROPOSED LEGISLATION

### A BILL

To amend the Arms Control and Disarmament Act, as amended, in order to increase the authorization for appropriations.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of section 49(a) of the Arms Control and Disarmament Act, as amended, (22 U.S.C. 2589(a)), is amended by inserting immediately after "\$20,000,000", the following: "and for the four fiscal years 1966 through 1969, the sum of \$55,000,000."

## Amending the Immigration and Nationality Act

*Following is a message from the President transmitted to Congress on January 13.<sup>1</sup>*

*To the Congress of the United States:*

A change is needed in our laws dealing with immigration. Four Presidents have called attention to serious defects in this legislation. Action is long overdue.

I am therefore submitting, at the outset of this Congress, a bill designed to correct the deficiencies. I urge that it be accorded priority consideration.

The principal reform called for is the elimination of the national-origins quota system. That system is incompatible with our basic American tradition.

Over the years the ancestors of all of us—some 42 million human beings—have migrated to these shores. The fundamental, longtime American attitude has been to ask not where a person comes from but what are his personal qualities. On this basis men and women migrated from every quarter of the globe. By their hard work and their enormously varied talents they hewed a great nation out of a wilderness. By their dedication to liberty and equality, they created a society reflecting man's most cherished ideals.

Long ago the poet Walt Whitman spoke our pride: "These States are the amplest poem." We are not merely a nation but a "nation of nations."

Violation of this tradition by the national-origins quota system does incalculable harm. The procedures imply that men and women from some countries are, just because of where they come from, more desirable citizens than others. We have no right to disparage the ancestors of millions of our fellow Americans in this way. Relationships with a number of countries, and hence the success of our foreign policy, is needlessly impeded by this proposition.

The quota system has other grave defects.

<sup>1</sup>White House press release; also available in H. Doc. 52, 89th Cong., 1st sess., which includes, in addition to the President's letter, the text of the proposed legislation and a section-by-section analysis.

Too often it arbitrarily denies us immigrants who have outstanding and sorely needed talents and skills. I do not believe this is either good government or good sense.

Thousands of our citizens are needlessly separated from their parents or other close relatives.

To replace the quota system, the proposed bill relies on a technique of preferential admissions based upon the advantage to our nation of the skills of the immigrant, and the existence of a close family relationship between the immigrant and people who are already citizens or permanent residents of the United States. Within this system of preferences, and within the numerical and other limitations prescribed by law, the issuance of visas to prospective immigrants would be based on the order of their application.

First preference under the bill would be given to those with the kind of skills or attainments which make the admission especially advantageous to our society. Other preferences would favor close relatives of citizens and permanent residents, and thus serve to promote the reuniting of families—long a primary goal of American immigration policy. Parents of U.S. citizens could obtain admission without waiting for a quota number.

Transition to the new system would be gradual, over a 5-year period. Thus the possibility of abrupt changes in the pattern of immigration from any nation is eliminated. In addition, the bill would provide that as a general rule no country could be allocated more than 10 percent of the quota numbers available in any one year.

In order to insure that the new system would not impose undue hardship on any of our close allies by suddenly curtailing their emigration, the bill authorizes the President, after consultation with an Immigration Board established by the legislation, to utilize up to 30 percent of the quota numbers available in any year for the purpose of restoring cuts made by the new system in the quotas established by existing law.

Similar authority, permitting the reservation of up to 10 percent of the numbers available in any year, would enable us to meet the needs of refugees fleeing from catastrophe or oppression.

In addition, the bill would—

(1) permit numbers not used by any country

to be made available to countries where they are needed;

(2) eliminate the discriminatory "Asia-Pacific triangle" provisions of the existing law;

(3) eliminate discrimination against newly independent countries of the Western Hemisphere by providing nonquota status for natives of Jamaica, Trinidad and Tobago;

(4) afford nonquota status to parents of citizens, and fourth preference to parents of resident aliens;

(5) eliminate the requirement that skilled first-preference immigrants needed in our economy must actually find an employer here before they can come to the United States;

(6) afford a preference to workers with lesser skills who can fill specific needs in short supply;

(7) eliminate technical restrictions that have hampered the effective use of the existing fair-share refugee law; and

(8) authorize the Secretary of State to require reregistration of quota-immigrant visa applicants and to regulate the time of payment of visa fees.

This bill would not alter in any way the many limitations in existing law which prevent an influx of undesirables and safeguard our people against excessive or unregulated immigration. Nothing in the legislation relieves any immigrant of the necessity of satisfying all of the security requirements we now have, or the requirements designed to exclude persons likely to become public charges. No immigrants admitted under this bill could contribute to unemployment in the United States.

The total number of immigrants would not be substantially changed. Under this bill, authorized quota immigration, which now amounts to 158,361 per year, would be increased by less than 7,000.

I urge the Congress to return the United States to an immigration policy which both serves the national interest and continues our traditional ideals. No move could more effectively reaffirm our fundamental belief that a man is to be judged—and judged exclusively—on his worth as a human being.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *January 13, 1965.*

# The Battle Act Report, 1964

## 17TH REPORT TO CONGRESS BY THE SECRETARY OF STATE ON OPERATIONS UNDER THE MUTUAL DEFENSE ASSISTANCE CONTROL ACT OF 1951 (EXCERPT)<sup>1</sup>

### CHAPTER I: BACKGROUND OF STRATEGIC TRADE CONTROLS

#### Purpose of the Battle Act

In enacting the Mutual Defense Assistance Control (Battle) Act the Congress recognized that the United States can best preserve and maintain peace by developing maximum national strength and by utilizing its resources in cooperation with other free nations. The purpose of the Act is to prevent to the extent that we are able the shipment to the Sino-Soviet bloc of strategic items which would contribute significantly to the military-industrial potential of the bloc.

The Battle Act became law in 1951, but the United States had controlled exports of military material for more than a decade prior to that and had applied controls over the shipment of atomic energy materials to all destinations since 1946.

#### Need for Multilateral Strategic Trade Controls

In the face of the aggressive expansion of the Soviet Union in Eastern and Central Europe following World War II, it was obvious that steps would have to be taken to assure that strategic commodities did not reach the Soviet Union. Accordingly, an extensive strategic export control system was established by the United States in 1948.

It was clear from the outset that unilateral action by one nation to retard the military buildup of the Soviet bloc by denying it selected strategic goods would not be effective unless the other major industrialized countries of the free

world adopted similar measures. A number of countries already had controls over exports of certain war materials and several were undertaking the control of shipments of strategic items.

During 1948-49, through a series of bilateral negotiations between the United States and Western European countries, agreement was reached to impose an embargo on shipments to the Soviet bloc of arms, ammunition, implements of war, and atomic energy items, where this prohibition was not already being applied by individual countries. There were also detailed technical discussions on the industrial materials and equipment which should be placed under embargo. The United Kingdom and France formulated an Anglo-French list of strategic items, similar to but less comprehensive than the U.S. lists, which they endeavored to persuade other Western European countries to apply. Countries which had already begun controlling shipments of strategic goods to the bloc realized very quickly that the maintenance and extension of individual country controls

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<sup>1</sup>The report, transmitted to the Congress on Jan. 13, is available as Department of State publication 7736, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402; price 35 cents. In addition to the two chapters printed here, the report includes Chapter III, Value and Composition of East-West Trade; Chapter IV, Trade With Cuba; Chapter V, United States Restrictions on Trade and Financial Transactions With Communist Countries; and Appendixes A, Text of Mutual Defense Assistance Control Act of 1951; B, The Battle Act Lists; C, Trade Controls of Free-World Countries; D, Presidential Determinations Made July 1963-June 1964; and E, Statistical Tables.



could be frustrated unless cooperative measures could be agreed upon. It became clear that coordinated and simultaneous action was essential.

In the atmosphere of the Berlin blockade, agreement was shortly reached on a multilateral organization. The bilateral list negotiations were transferred to a multilateral forum and the lists were expanded. An informal Consultative Group (CG) was formed in Paris by the United Kingdom, France, Italy, the Netherlands, Belgium, Luxembourg, and the United States. Membership was soon expanded to include Norway, Denmark, Canada, and the Federal Republic of Germany. These 11 countries were later joined by Portugal, Greece, Turkey, and Japan, bringing the total membership in this informal, voluntary organization to 15. In addition to the embargo lists, measures were agreed upon for the coordinated regulation of exports, and the foundation was laid for supplementary controls such as the Import Certificate-Delivery Verification system and Transit Authorization Certificates.

The Coordinating Committee (COCOM) is the permanent working committee of the Consultative Group. This organization of the Consultative Group-Coordinating Committee has operated effectively since January 1950 and now includes 14 NATO countries (all except Iceland) and Japan. COCOM considers and recommends specific control measures and their application and enforcement to the governments of the participating countries. The Consultative Group's function is to review the recommendations and activities of COCOM, to dispose of unresolved matters referred to it by COCOM, and to set the general frame of reference for future COCOM activities.

The Consultative Group-COCOM organization has no formal treaty or charter governing its operation and is not a part of any other international organization. It provides a forum in which decisions on trade control questions can be reached that will apply uniformly to all the countries participating in the multilateral strategic control system.

With the eruption of the Korean conflict in 1950, the agreed multilateral controls were extended to the point of virtual embargo on industrial equipment and major raw materials

to the Communist bloc with especially stringent controls, including restrictions on shipping and bunkering, for Communist China and North Korea. The United States imposed a complete embargo on trade, shipping, and financial transactions with Communist China, North Korea and subsequently North Vietnam.

With the truce in Korea, the death of Stalin, and the changes in climate following these events, pressures for a reappraisal and revision of East-West trade controls became widespread. Marked progress had been made in the restoration of productivity in Western Europe. This stimulated a drive to seek additional outlets for exports, including more trade with the Soviet bloc as a whole but particularly some measure of resumption of normal trade patterns with the countries of Eastern Europe, excluding the U.S.S.R. Some of the tension in East-West relations had eased. Technical advances had been made which affected the strategic value of items under control.

A major revision in the COCOM embargo lists took place in 1954. Realizing that it was becoming increasingly ineffectual to attempt to retain on the commodity lists those items whose strategic evaluation had diminished, the United States concentrated its efforts on preserving and tightening controls on items of greatest strategic significance. This position applied only to controls on shipments to the Soviet-oriented countries of Eastern Europe; the United States remained firmly opposed to any relaxation in controls over trade with Communist China and North Korea. After extended negotiation the international embargo lists were reduced. The changes applied only to the European Soviet bloc, however, not to Communist China and North Korea. The list of arms, ammunition, and implements of war remained unchanged; atomic energy items also were kept under firm embargo control and a special atomic energy embargo list was established.

There have been periodic list reviews since 1954. The China differential was abolished in 1957, and since then the COCOM countries have used the same strategic lists for the Soviet-oriented countries of Eastern Europe, Communist China, North Korea, and North Viet-

Nam. The United States did not take such action, however, and continues to maintain a virtually complete embargo on trade and financial transactions with Communist countries of Asia.

While there may be differences of opinion at any given time among the countries participating in COCOM as to the details of what should be regarded as strategic, these differences have been resolved in recent years through frequent technical reviews that have preserved the basic scope of the international strategic lists. These reviews have resulted in the addition of new items of technological importance and the deletion of items which are considered to be no longer of strategic significance from the standpoint of Sino-Soviet capabilities.

### Revision of Battle Act Lists

United States preparation for and participation in the COCOM list reviews is in conformity with the requirements of section 103(a) of the Battle Act. This section provides that determinations as to which items are strategic, for the purpose of the Act, shall be continuously adjusted to current conditions on the basis of investigation and consultation. The most recent COCOM review took place during the period November 1963 through April 1964. Revisions in the lists of items embargoed by the COCOM countries and corresponding revisions in the Battle Act lists became effective June 15, 1964.

The Battle Act Title I Category A list of arms, ammunition, implements of war, and atomic energy materials was expanded by transferring to it four propellants (hydrazine, hydrogen peroxide, nitroguanidine, and guanidine nitrate) and by adding specially designed power generating and propulsion equipment to the definition of nuclear reactors.

The Battle Act Title I Category B list of petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war was expanded by the addition of 8 new items and 13 new subitems. It was relaxed by the deletion of 4 items and 7 subitems and by changing the specifications for embargo cutoff of 20 items and changing the specifications for allowable small shipments of

8 items. In addition, the definitions of 6 items were clarified. Most of the items (87) remained unchanged, of these 69 were not considered for revision and proposals to change 18 were not agreed.

The 8 new items were synthetic film machinery, cold cathode tubes, neutron generator tubes, instrumentation for controlling the processing of irradiated materials, high density artificial graphite, polymeric substances, winding filament, and devices for measuring the speed of sound in water. The 4 items deleted were plants for the production of titanium and zirconium, large mobile generating units, ice breakers, and cobalt.

The revised list reflects the continuing emphasis on embargo of electronic items. The number of electronic items increased from 51 to 54, so that this category now accounts for 37 percent of the entire list of 146 items.

The Battle Act Title II list of items not subject to embargo under Title I but which should be controlled was reduced from 38 to 21, by deleting 25 items and adding 8. In addition, 2 existing items were expanded.

## CHAPTER II: UNITED STATES TRADE POLICY TOWARD COMMUNIST COUNTRIES

### Objectives

United States policy toward international communism has three objectives:

1. To prevent the Communists from extending their domain, and to make it increasingly costly, dangerous, and futile for them to try to do so;
2. To achieve agreements or understandings which lead to peace and help reduce the risk of a devastating war;
3. To encourage evolution within the Communist world toward national independence, peaceful cooperation, and open societies.

United States policy toward trade with Communist countries has developed within this framework and, over the years, has reflected the prevailing realities of political and economic relations with the individual Communist countries.

During the latter 1920's and 1930's no signif-

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## FOREIGN AFFAIRS OUTLINE

### **U.S.—Japanese Cooperation in Asia**

The postwar resurgence of Japan has important implications not only for the United States for freedom and progress throughout Asia.

This pamphlet, based on an address made at Tokyo in September 1964 by Assistant Secretary State for Far Eastern Affairs William P. Bundy, projects Japan's role in Asia and its relations with United States against the background of the threat of Communist militancy in Southeast Asia.

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THE  
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STATE  
**BULLETIN**

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*February 8, 1965*

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# The Inaugural Address of President Johnson<sup>1</sup>

My fellow countrymen: On this occasion, the oath I have taken before you and before God is not mine alone, but ours together. We are one nation and one people. Our fate as a nation and our future as a people rest not upon one citizen but upon all citizens.

That is the majesty and the meaning of this moment.

For every generation, there is a destiny. For some, history decides. For this generation, the choice must be our own.

Even now, a rocket moves toward Mars. It reminds us that the world will not be the same for our children, or even for ourselves, in a short span of years. The next man to stand here will look out on a scene that is different from our own, because ours is a time of change—rapid and fantastic change—baring the secrets of nature, multiplying the nations, placing in uncertain hands new weapons for mastery and destruction, shaking old values and uprooting old ways.

Our destiny in the midst of change will rest

<sup>1</sup> Delivered on Jan. 20 (White House press release; as-delivered text).

on the unchanged character of our people and on their faith.

They came here—the exile and the stranger—brave but frightened—to find a place where a man could be his own man. They made a covenant with this land. Conceived in justice, written in liberty, bound in union, it was meant one day to inspire the hopes of all mankind, and it binds us still. If we keep its terms, we shall flourish.

First, justice was the promise that all who made the journey would share in the fruits of the land.

In a land of great wealth, families must not live in hopeless poverty.

In a land rich in harvest, children just must not go hungry.

In a land of healing miracles, neighbors must not suffer and die untended.

In a great land of learning and scholars young people must be taught to read and write.

For the more than 30 years that I have served this nation, I have believed that this injustice to our people, this waste of our resources, was our real enemy. For 30 years or more, with th

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## DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1337 PUBLICATION 7823 FEBRUARY 8, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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resources I have had, I have vigilantly fought against it. I have learned, and I know, that it will not surrender easily.

But change has given us new weapons. Before this generation of Americans is finished, this enemy will not only retreat—it will be conquered.

Justice requires us to remember: When any citizen denies his fellow, saying, "His color is not mine," or "His beliefs are strange and different," in that moment he betrays America, though his forebears created this nation.

Liberty was the second article of our covenant. It was self-government, it was our Bill of Rights. But it was more. America would be a place where each man could be proud to be himself: stretching his talents, rejoicing in his work, important in the life of his neighbors and his nation.

This has become more difficult in a world where change and growth seem to tower beyond the control, and even the judgment, of men. We must work to provide the knowledge and the surroundings which can enlarge the possibilities of every citizen.

The American covenant called on us to help show the way for the liberation of man, and that is our goal. Thus, if as a nation there is much outside our control, as a people no stranger is outside our hope.

Change has brought new meaning to that old mission. We can never again stand aside, proud in isolation. Terrific dangers and troubles that we once called "foreign" now constantly live among us. If American lives must end and American treasure be spilled, in countries that we barely know, then that is the price that change has demanded of conviction and of our enduring covenant.

Think of our world as it looks from that pocket that is heading toward Mars. It is like a child's globe, hanging in space, the continents tuck to its side like colored maps. We are all fellow passengers on a dot of earth. And each of us, in the span of time, has really only a moment among our companions.

How incredible it is that in this fragile existence we should hate and destroy one another. There are possibilities enough for all who will abandon mastery over others to pursue mastery

over nature. There is world enough for all to seek their happiness in their own way.

Our nation's course is abundantly clear. We aspire to nothing that belongs to others. We seek no dominion over our fellow man, but man's dominion over tyranny and misery.

But more is required. Men want to be part of a common enterprise—a cause greater than themselves. And each of us must find a way to advance the purpose of the Nation, thus finding new purpose for ourselves. Without this, we will simply become a nation of strangers.

The third article is union. To those who were small and few against the wilderness, the success of liberty demanded the strength of the Union. Two centuries of change have made this true again.

No longer need capitalist and worker, farmer and clerk, city and countryside, struggle to divide our bounty. By working shoulder to shoulder together we can increase the bounty of all.

We have discovered that every child who learns, and every man who finds work, and every sick body that is made whole—like a candle added to an altar—brightens the hope of all the faithful.

So let us reject any among us who seek to reopen old wounds and rekindle old hatreds. They stand in the way of a seeking nation.

Let us now join reason to faith and action to experience, to transform our unity of interest into a unity of purpose. For the hour and the day and the time are here to achieve progress without strife, to achieve change without hatred; not without difference of opinion but without the deep and abiding divisions which scar the union for generations.

Under this covenant of justice, liberty, and union, we have become a nation—prosperous, great, and mighty. And we have kept our freedom.

But we have no promise from God that our greatness will endure.

We have been allowed by Him to seek greatness with the sweat of our hands and the strength of our spirit.

I do not believe that the Great Society is the ordered, changeless, and sterile battalion of the ants.

It is the excitement of becoming—always becoming, trying, probing, falling, resting, and trying again—but always trying and always gaining.

In each generation—with toil and tears—we have had to earn our heritage again.

If we fail now, then we will have forgotten in abundance what we learned in hardship: that democracy rests on faith, that freedom asks more than it gives, and the judgment of God is harshest on those who are most favored.

If we succeed, it will not be because of what we have, but it will be because of what we are; not because of what we own, but rather because of what we believe.

For we are a nation of believers. Underneath the clamor of building and the rush of our day's pursuits, we are believers in justice and liberty and union. And in our own Union we believe that every man must some day be free. And we believe in ourselves.

That is the mistake that our enemies have always made. In my lifetime—in depression and in war—they have awaited our defeat. Each time, from the secret places of the American heart, came forth the faith that they could not see or that they could not even imagine, and it brought us victory. And it will again.

For this is what America is all about. It is the uncrossed desert and the unclimbed ridge. It is the star that is not reached and the harvest that is sleeping in the unplowed ground.

Is our world gone? We say farewell. Is a new world coming? We welcome it—and we will bend it to the hopes of man.

To these trusted public servants and to my family, and those close friends of mine who have followed me down a long, winding road, and to all the people of this Union and the world, I will repeat today what I said on that sorrowful day in November last year: I will lead and I will do the best I can.

But you—you must look within your own hearts to the old promises and to the old dreams. They will lead you best of all.

For myself, I ask only in the words of an ancient leader: "Give me now wisdom and knowledge, that I may go out and come in before this people: for who can judge this thy people, that is so great?"

## **Mr. Ailes and Mr. Mann Hold Opening Talks on Sea-Level Canal**

*Department Announcement*<sup>1</sup>

In order to begin discussions on a sea-level canal, as proposed by President Johnson in his statement of December 18,<sup>2</sup> Secretary of the Army Stephen Ailes and Assistant Secretary of State for Inter-American Affairs Thomas C. Mann will visit Nicaragua, Costa Rica, Panama, and Colombia next week.

The purpose of this visit will be to explore, in a preliminary way, the views of the governments concerned with possible new routes, with regard to the proposed sea-level canal and on-site surveys and to explain the U.S. Government's preliminary ideas concerning the requirements and problems relating to the new canal.

The visit will be exploratory only and designed to facilitate better understanding of the general points of view of all the governments concerned.

Secretary Ailes, Secretary Mann, and their party will be traveling in a MATS aircraft scheduled to depart Wednesday, January 27. They plan to return to Washington on February 3.

<sup>1</sup> Released to the press by the Office of News on Jan. 21.

<sup>2</sup> For text, see BULLETIN of Jan. 4, 1965, p. 5.



## The United States Navy, Watchdog of Peace

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

Governor [of Virginia Albert S.] Harrison, Secretary [of the Navy Paul H.] Nitze, Admiral [David L.] McDonald, officers and men of the U.S.S. *America*, ladies and gentlemen:

You have conferred upon me a unique honor in permitting me to commission our newest aircraft carrier. Aircraft carriers, combining sea and air power, have made major contributions to the security of the United States and of the free world. In the Second World War they were the cutting edge of victory in the Pacific and protected the passage of massive forces moving across the Atlantic. Since then they have continued their vital mission of shielding the United States and the free world, in both war and peace. This magnificent ship now joins a gallant company of carriers which have served their country and the cause of freedom so nobly and so well.

Those who conduct our foreign policy have a very direct interest in and reliance upon the military power this nation commands. Until peace is strongly organized and assured among nations, we shall need a powerful and flexible military Establishment—forces which, with our allies, can surely deter or defeat aggression at any level. It used to be said that the diplomats tried to preserve the peace and that when they failed the military took over. That notion was never sound. We suffered heavy penalties for neglecting our military defenses in time of peace and were guilty of the crime of emptying thieves. The Departments of Defense and State have a vital common objective. It is, in the familiar words of the preamble to

our Constitution, “to secure the Blessings of Liberty to ourselves and our Posterity.”

I am glad to be able to report that the Departments of State and Defense have never worked in closer harmony in support of the President than they do today. This common effort is reflected not only at the Cabinet level—Secretary [of Defense Robert S.] McNamara and myself—but through all ranks on both sides of the Potomac. The distinguished Secretary of the Navy, Paul H. Nitze, embodies this fusion of purpose in his own personal background and experience and in leading the Navy—a service which has had the widest range of experience in all parts of the world since its own creation at the beginning of our Republic.

### **The U.S. and the World Community**

To understand our relations with the rest of the world, we must remind ourselves of the revolutionary changes that have occurred throughout the world in the past 20 years. We have witnessed an “explosion” of states—the dissolution of great colonial empires and the creation of many new nations. There has been clear realization among peoples everywhere that they need not live in poverty and misery. And we have the unresolved and underlying crisis of our times: the struggle between two diametrically opposed ideas of the way in which the world should be organized—between those who believe in and promote the communization of the world and those who believe in the kind of world projected in the Charter of the United Nations. These and other tumultuous events have taken place against the backdrop of revolutions in military technology.

<sup>1</sup>Made on the occasion of the commissioning of the U.S.S. *America* at Portsmouth, Va., on Jan. 23 (press release 11).

In this kind of world the United States cannot find security by defending North America, or the Western Hemisphere, or one ocean, or Western Europe. We have to be concerned with the whole world. We can be secure only to the extent that this planet is safe for freedom.

In recent years there has been a growing tendency among some leaders in the free world to speak and act as if the danger of a major war had receded. This tendency perhaps has been aggravated by the dispute between Moscow and Peiping and the movement toward more autonomy in Eastern Europe.

To the extent that the danger of major outright aggression has receded, it is because of the strength of the free world, above all, the formidable military power of the United States. To relax would be to invite aggression.

In his recent state of the Union address, President Johnson said:<sup>2</sup>

... we have built a military power strong enough to meet any threat and destroy any adversary. And that superiority will continue to grow so long as this office is mine—and you sit on Capitol Hill.

We must maintain our vigilance and our efforts until the ideas and institutions of freedom are secure and the coercive systems of the Communist world revolution are turned back by the community of nations. We must try to win this ultimate victory without the terrible devastation of a great war if possible. The first objective, therefore, of our military forces is to deter the use of force by the enemies of freedom.

It is essential that we remain prepared to meet any attack or threat against ourselves or our allies, with either nuclear or conventional weapons. We must improve our capacity, and that of our allies, to deal with lesser forms of aggression, such as the infiltration of arms and men across national frontiers. By doctrine and training, the Communists have turned to these more subtle forms of aggression. It is just as essential that guerrilla aggression be defeated in Asia, Africa, and Latin America today as it was that it be defeated in Greece in 1947.

We must try to examine and grasp more fully the meaning of military power in those situations which do not call for the total destruction of an enemy or even for classic military opera-

<sup>2</sup> BULLETIN of Jan. 25, 1965, p. 94.

tions. We must give more thought to the kind of military-political instruments needed in these situations, including the role of ships, such as this carrier *America*.

### Role of the Navy

History abounds with the use of naval forces to convey our commitments and determination. For nearly two decades the 6th Fleet has been a strong and stabilizing influence in the Mediterranean. In a few weeks the U.S.S. *Claude V. Ricketts* will deploy to the 6th Fleet to demonstrate seapower in a special context: the ability of sailors from many NATO navies to live and work together in manning a highly sophisticated ship.<sup>3</sup>

For many years the 7th Fleet has been a major stabilizing force in the Western Pacific. Today it continues its patrols from the Sea of Japan to the South China Sea, ever ready to protect the interest of the United States and the security of our friends—a watchdog of peace in an area continuously threatened by an imperialist Peiping and its partners in aggression. Recently the massive capabilities of the U.S.S. *Daniel Boone*, the first Polaris submarine deployed to the Pacific, have been added to those of the 7th Fleet.

Nearer home are our naval forces in American waters—North, Central, and South American. In the missile crisis of October 1962 they played a vital role in a victory that was achieved without war. Today they stand guard against aggression by Castro's Cuba against our friends and neighbors to the south. As we look ahead, we look forward to a closer partnership with Latin American forces in this task, building on the highly successful combined naval training exercises known as Operation Unitas. I hope our friends in this hemisphere will regard the naming of this great ship—*America*—as appropriate and fitting. For she now joins our other naval forces whose mission is the security not only of the United States and North America but of all of the Americas and, indeed, of all

<sup>3</sup> For remarks made by Secretary Rusk, Secretary Nitze, and Admiral McDonald when the U.S.S. *Claude V. Ricketts* visited at Washington, D.C., see *ibid.*, Nov. 9, 1964, p. 660.

nations which are determined to defend their freedom.

As Secretary of State, I have special feelings about the Navy. First, there is the fact that the State Department shares with the Navy an interest in the Marine Corps, and not only for the important role it plays as a member of our fighting forces. Marine Security Guards serve in our embassies all over the world. They are fine representatives of the United States and symbols of security not only to our official representatives but to all Americans who visit our embassies overseas. Our Memorial Court in the State Department Building is dedicated to the United States Marine Guards, along with our Foreign Service officers and others who gave their lives "for the cause of peace and friendship among nations."

#### **Flexibility of Seapower**

More broadly, seapower has certain inherent characteristics for which a Secretary of State must be grateful. It can move everywhere through international waters and bring an American presence into any area promptly and effectively.

Seapower is flexible. It can pack a big punch, or a small one, or readily perform the peaceful missions of mercy or of good will. Thus, from the point of view of a Secretary of State, seapower has important special advantages and an aircraft carrier is a unique instrument of the American commitment both to peace and to freedom.

Despite our tremendous power, our military resources are limited in relation to our global commitments. Seapower might well close existing gaps in our strategic deployments, with the greatest range of possible responses. It could help to give us a maximum of options in crisis situations. And, as does our Concord Squadron in the Indian Ocean, it could convey quiet but powerful assurance from the United States of America.

In closing I would like to salute the officers and men of this great ship. Your ship and the aircraft she will carry are among our most modern, sophisticated, and complex weapons systems. But they cannot operate themselves. Only the highly skilled, carefully trained, and

dedicated officers and men who man the *America* can make it possible for her to perform her mission. You number nearly 5,000. You have an exacting task. Your hours will be long and the work often hazardous. Separations from your families are inevitable. But you can have the deep pride and satisfaction of serving your country and the cause of freedom to which our nation has been committed since its birth.

And the American people will be proud of you. You have volunteered to do a job, and you will do it well. And not just today, but in the months and years to come, as you carry United States power and presence throughout the oceans of the world, we will remember how greatly we are in your debt. Those who love liberty will be grateful to you. And you can proudly claim that you have served on the U.S.S. *America*.

I wish you the best of luck, fair winds, and smooth sailing.

#### **United States Reaffirms Support of Geneva Agreements on Laos**

*Following is a statement made on January 18 by Robert J. McCloskey, Director of the Office of News, in response to a number of questions about Laos and the Geneva agreements.*

We continue to support the Geneva agreements and the independence and neutrality of Laos which they are intended to achieve. Our actions are designed to preserve the Geneva settlement. We have for some time been assisting the Royal Lao Government, at its request, to help defend the independence, territorial integrity, and neutrality of Laos. This assistance has been made necessary by the repeated and blatant violations of the Geneva agreements by the North Vietnamese and Pathet Lao forces since the agreements were signed on July 23, 1962.<sup>1</sup> In view of the serious Communist violations of the Geneva agreements, we believe that this assistance to help Laos defend itself is entirely justified.

<sup>1</sup> For text, see BULLETIN of AUG. 13, 1962, p. 259.

## American Policy in South Viet-Nam and Southeast Asia

by William P. Bundy

Assistant Secretary for Far Eastern Affairs<sup>1</sup>

When my old friend Senator [Stuart] Symington relayed your invitation to come here, I was delighted to accept. I shall make only one partisan statement tonight and that is to say how fortunate you in Missouri are in your distinguished senior Senator. For the rest, I would like to speak on the topic you have chosen—"American Policy in South Viet-Nam and Southeast Asia"—totally without regard to partisanship. That topic and the issues it raises concern all of us, as Americans.

I shall talk, if I may, to three related sets of questions:

1. How did we come to be in South Viet-Nam? How does what we are doing there relate to our wider purposes in the world, to our specific purposes in Asia, and, in a word, to our national interests?

2. What has been the course of events in Viet-Nam that has brought us to the present situation?

3. What are the key problems, and what can we do to help in solving them and in achieving our objectives?

### A Look at History

The first question requires a look at history.

Even when the Far East was much more distant than it is today, we Americans had deep concern for developments there. Americans pioneered in trade and missionary effort with China and in opening up Japan to Western influence. In 1898 we became in a sense a colo-

onial power in the Philippines but began almost at once to prepare the way for independence and self-government there—an independence promised by Act of Congress in 1936 and achieved on schedule in 1946. By the 1930's, we had wide interests of many types in the Far East, though only few direct contacts in Southeast Asia apart from the individual Americans who had served over decades as political advisers to the independent Kingdom of Thailand.

Events then took a more ominous turn. We became aware that the ambitions of Japanese military leaders to dominate all of Asia were a threat not only to the specific interests of ourselves and other Western nations but to the peace of the whole area and indeed of the world. China, in which we had taken a lead in dismantling the 19th-century system of foreign special privileges, was progressively threatened and large parts overrun. We ourselves were finally attacked at Pearl Harbor and in the Philippines. We responded to aggression by conducting with our allies a major Pacific war that cost the United States alone 272,700 casualties and over a hundred billion dollars.

In the end Japanese militarism was defeated and the way apparently cleared for an Asia of free and independent national states that would be progressively freed of colonialism, that need threaten neither each other nor neighboring states, and that could tackle in their own way the eternal problems of building political and economic structures that would satisfy the aspiration of their peoples.

That kind of Far East was a pretty good definition of our national interests then. It is equally valid today. We cared about the Far

<sup>1</sup>Address made before the Washington Chamber of Commerce, Washington, Mo., on Jan. 23 (press release 10).

East, and we care today, because we know that what happens there—among peoples numbering 33 percent of the world's population, with great talent, past historic greatness, and capacity—is bound to make a crucial difference whether there will be the kind of world in which the common ideals of freedom can spread, nations live and work together without strife, and, most basic of all, we ourselves, in the long run, survive as the kind of nation we are determined to be. Our basic stake in the Far East is our stake in a peaceful and secure world, as distinct from a violent and chaotic one. But here were three great flaws in the 1945 picture after the defeat of Japan.

### Three Flaws in the 1945 Picture

1. *In China* a civil war had been raging since the 1920's between the Government, led by Chiang Kai-shek, and the Chinese Communist movement. After a brief and edgy truce during the war against Japan, that civil war was resumed in circumstances where the Government had been gravely weakened. We assisted that Government in every way possible. Mistakes may have been made, but in the last analysis mainland China could not have been saved from communism without the commitment of major United States ground and air forces to a second war on the Asian mainland. Faced with a concurrent threat from Soviet Russia against Europe and the Near East, we did not make—and perhaps could not then have made—that commitment. And there came to power in the mainland, in the fall of 1949, a Communist regime filled with hatred of the West, with the vision of a potential dominant role for China, but imbued above all with a primitive Communist ideology in its most virulent and expansionist form.

2. *In Korea* a divided country stood uneasily, half free and half Communist. With our military might sharply reduced after the war, as part of what may have been an inevitable slackening of effort, we withdrew our forces and reduced our economic aid before there was in existence a strong South Korean defensive capacity. With Soviet backing, North Korea attacked across the 38th parallel in June 1950. With the Soviets then absent from the U.N.

Security Council, the U.N. was able to condemn the aggression and to mount a U.N. effort to assist South Korea. The United States played by far the greatest outside role in a conflict that brought 157,530 United States casualties, cost us at least \$18 billion in direct expenses, and in the end—after Communist China had also intervened—restored an independent South Korea, although it left a unified and free Korea to be worked out in the future.

In retrospect, our action in Korea reflected three elements:

—a recognition that aggression of any sort must be met early and head-on or it will have to be met later and in tougher circumstances. We had relearned the lessons of the 1930's—Manchuria, Ethiopia, the Rhineland, Czechoslovakia.

—a recognition that a defense line in Asia, stated in terms of an island perimeter, did not adequately define our vital interests, that those vital interests could be affected by action on the mainland of Asia.

—an understanding that, for the future, a power vacuum was an invitation to aggression, that there must be local political, economic, and military strength in being to make aggression unprofitable, but also that there must be a demonstrated willingness of major external power both to assist and to intervene if required.

3. *In Southeast Asia*, finally, there was a third major flaw: the difficulty of liquidating colonial regimes and replacing them by new and stable independent governments. The Philippines became independent and with our help overcame the ravages of war and the Communist Huk rebellion. The British, who had likewise prepared India and Burma and made them independent, were in the process of doing the same in Malaya, even as they joined with the Malaysians in beating back a 12-year Communist subversive effort. Indonesia was less well prepared; it gained its independence too, with our support, but with scars that have continued to affect the otherwise natural and healthy development of Indonesian nationalism.

French Indochina was the toughest case. The French had thought in terms of a slow evo-

lution to an eventual status within some French union of states—a concept too leisurely to fit the postwar mood of Asia. And militant Vietnamese nationalism had fallen to the leadership of dedicated Communists.

We all know the result. Even with substantial help from us, France was unable to defeat the Communist-led nationalist movement. Despite last-minute promises of independence, the struggle inevitably appeared as an attempt to preserve a colonial position. By 1954, it could only have been won, again, by a major United States military commitment—and perhaps not even then. The result was the settlement at Geneva.<sup>2</sup> The accords reached there were almost certainly the best achievable, but they left a situation with many seeds of future trouble. Briefly:

1. North Viet-Nam was militantly Communist and had developed during the war against the French an army well equipped and highly skilled in both conventional and subversive warfare. From the start, North Viet-Nam planned and expected to take over the south and in due course Laos and Cambodia, thinking that this would probably happen by sheer decay under pressure but prepared to resort to other means if needed.

2. South Viet-Nam had no effective or popular leadership to start with, was demoralized and unprepared for self-government, and had only the remnants of the Vietnamese military forces who had fought with the French. Under the accords, external military help was limited to a few hundred advisers. Apart from its natural self-sufficiency in food, South Viet-Nam had few assets that appeared to match those of the north in the struggle that was sure to come.

3. Cambodia was more hopeful in some respects, more remote from North Viet-Nam, with a leader in Prince Sihanouk, a strong historical tradition, and the freedom to accept external assistance as she saw fit. From the start Sihanouk insisted, with our full and continuing support, on a status of neutrality.

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<sup>2</sup> For the texts of Geneva agreements on the cessation of hostilities in Indochina, see *American Foreign Policy, 1950-1955, Basic Documents*, vol. I (Department of State publication 6446), pp. 750-785.

4. Laos, however, was less unified and was left under the accords with a built-in and legalized Communist presence, a disrupted and weak economy, and no military forces of significance.

Such was the situation President Eisenhower and Secretary Dulles faced in 1954. Two things were clear: that in the absence of external help communism was virtually certain to take over the successor states of Indochina and to move to the borders of Thailand and perhaps beyond, and that with France no longer ready to act, at least in South Viet-Nam, no power other than the United States could move in to help fill the vacuum. Their decision, expressed in a series of actions starting in late 1954, was to move in to help these countries. Besides South Viet-Nam and more modest efforts in Laos and Cambodia, substantial assistance was begun to Thailand.

The appropriations for these actions were voted by successive Congresses, and in 1954 the Senate likewise ratified the Southeast Asia Treaty,<sup>3</sup> to which Thailand and the Philippines adhered along with the United States, Britain, France, Australia, New Zealand, and Pakistan. Although not signers of the treaty, South Viet-Nam, Laos, and Cambodia could call on the SEATO members for help against aggression.

So a commitment was made, with the support of both political parties, that has guided our policy in Southeast Asia for a decade now. It was not a commitment that envisaged a United States position of power in Southeast Asia or United States military bases there. We threatened no one. Nor was it a commitment that substituted United States responsibility for the basic responsibility of the nations themselves for their own defense, political stability, and economic progress. It *was* a commitment to do what we could to help these nations attain and maintain the independence and security to which they were entitled—both for their own sake and because we recognized that, like South Korea, Southeast Asia was a key area of the mainland of Asia. If it fell to Communist control, this would enormously add to the momentum and power of the expansionist Communist regimes in Communist China and North Viet-

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<sup>3</sup> For text, see BULLETIN of Sept. 20, 1954, p. 332.

Nam and thus to the threat to the whole free-world position in the Pacific.

### **U.S. Policy in the Far East**

I have come at a statement of our policy in the Far East by the route of history, for policy is the fruit of history and experience, seldom of some abstract design from a drawing board. In essence, our policy derives from (1) the fact of the Communist nations of Asia and their policies; (2) the lessons of the thirties and of Korea; (3) the logical extension of that fact and these lessons to what has happened in Southeast Asia.

It is possible to define our total policy in Asia, as it has existed at least since 1954, in quite simple terms.

1. Our objectives are those of the free nations of the area—that they should develop as they see fit, in peace and without outside interference. We would hope that this development will be in the direction of increasingly democratic institutions and that there will be continued and expanded ties of partnership and contact with ourselves and with the other nations of the free world. Yet we know that Asia will develop as the leaders and peoples of Asia wish it to develop, and we would not have it otherwise.

2. Asia confronts two central problems: the threat of Communist nations whose objective is domination and enslavement, and enormous economic and political problems that would exist in any case. If these two problems cannot be solved over time, the Asia of the future will be the breeding ground of ever more direct threats to our national interest and could be the source of a third world war.

3. To deal with these central problems, the free nations of the area need the help of the United States and of our major allies. Out-numbered in population and in military forces by the Communist nations as they are—by nearly two to one if you leave out India—the free nations of Asia cannot do the job alone. We cannot do it for them, but we have the resources and the military power to play a crucial role.

4. The peace and security of East and South-east Asia are indivisible. If the Communist

powers succeed in aggression, they will be encouraged, free nations discouraged, and the inevitable process of evolution toward moderation within the Communist countries themselves postponed or perhaps prevented altogether. We have seen the dynamics of Hitlerite Germany and militarist Japan checked and defeated and the West Germany and Japan of today emerge as respected major nations of the world. Thanks to NATO, our handling of the Cuban crisis, and other actions, something like the same process may be underway with Soviet Russia today. Such a process of moderation will come eventually for the Communist nations of Asia *if* they are checked. It cannot come if they are not, and any loss of free nations makes the future task that much, and perhaps immensely, more difficult.

So much, then, for how we came to become involved in South Viet-Nam and how that involvement relates to our wider policies and purposes. In simple terms, a victory for the Communists in South Viet-Nam would inevitably make the neighboring states more susceptible to Communist pressure and more vulnerable to intensified subversion supported by military pressures. Aggression by “wars of national liberation” would gain enhanced prestige and power of intimidation throughout the world, and many threatened nations might well become less hopeful, less resilient, and their will to resist undermined. These are big stakes indeed.

### **Course of Events in Viet-Nam**

Let us now wind the reel back to South Viet-Nam in 1954 and trace the course of events to the present.

From 1954 to 1959 great progress was made. In Ngo Dinh Diem a staunchly nationalist and anti-Communist leader was found. Against all odds, including the opposition in 1954-55 of old-line military leaders and religious groups, he took hold. Under his rule the nationalist feeling of the newly formed country—which does differ to a significant degree from the north—was aroused, and it soon became and has remained clear that, whatever the extent of their attachment to particular governments in their own country, the great mass of the people of

South Viet-Nam do not wish to be ruled by communism or from Hanoi.

On the economic and social front education was vastly expanded, major land reforms were carried out, and the economy grew at a rapid rate, far outstripping what was happening under the Communist yoke in the north. Instead of decaying and dropping by default into communism, South Viet-Nam was in a fair way toward becoming really able to stand on its own feet.

In all this the United States played a major helping role. On the military side we helped to create a fairly decent army almost from scratch, with a normal Military Assistance Advisory Group of a few hundred men. That army was never big enough to threaten the north, nor was it meant to be; it may well have been too much oriented to conventional warfare and not to the handling of a sophisticated guerrilla aggression.

Then, beginning roughly in 1959, two trends got underway that are still today at the heart of the problem.

First, the Diem government, instead of steadily broadening its base and training key groups for responsibility, began to narrow it. More and more the regime became personal in character. Opposition parties, which had previously been active in relatively free elections, were driven underground, and there began a process of repression which, while never drastic by the standards we should apply to governments in new nations, much less by those of Communist countries, nevertheless alienated increasing numbers of the all-too-small pool of trained men capable of helping to govern effectively.

Second, Hanoi went on the march. Seeing itself thwarted in both South Viet-Nam and Laos, Hanoi began to send trained guerrillas into the south and increasing cadres to assist the Communist Pathet Lao forces in Laos. In South Viet-Nam there had been from the start thousands of agents and many pockets of Communist influence left behind in the division of Viet-Nam, and as early as 1957 a campaign of assassination of local officials had begun that tallies on the map almost exactly with the areas under strongest Communist control today. In 1959 such activity was stepped up, guerrilla

units formed, and the real campaign got underway.

That campaign is sometimes referred to as a civil war. But let us not delude ourselves. Discontent there may have been—and local recruiting by the Viet Cong, largely through intimidation. But the whole campaign would never have been possible without the direction, personnel, key materiel, and total support coming from Hanoi and without, too, the strong moral support, and key materiel when needed, provided by Peiping and, up to 1962 at least, by the Soviet Union. Thousands of highly trained men coming from the north, along with the crucial items of equipment and munitions—these have been from the start the mainspring of the Viet Cong insurgency. This has been all along a Communist subversive aggression, in total violation of the Geneva accords as well as general principles of international behavior.

Indeed the true nature of the struggle has been publicly stated many times by Hanoi itself, beginning with a 1960 Communist Party conference in North Viet-Nam which declared the policy of, as they put it, “liberating” the south.

By early 1961, South Viet-Nam was clearly in difficulty. President Johnson, then Vice President, visited the country in the spring, and we stepped up our military supplies and tried to turn our training emphasis increasingly to the guerrilla front. Then, in the fall of 1961, a series of key assassinations and raids on Government centers brought South Vietnamese morale to a critical point. Something more was needed. President Kennedy considered and rejected the sending of United States combat units to fight the Viet Cong. Instead, he responded to the request of the South Vietnamese Government for American military advisers with Vietnamese units and for Americans to furnish helicopter and air transport lift, combat air training, communications, and, in short, every possible form of assistance short of combat units.

But the military effort was and is only one aspect of the struggle. The economic front was equally important, and a smaller but extraordinarily dedicated group of civilian Americans went into the dangerous countryside, unarmed and often unescorted, to help in the creation of the fortified hamlets that soon became, and re



main, a key feature of strategy, and to bring to the villages the schools, fertilizer, wells, pigs, and other improvements that meant so much and would serve to show the Government's concern for its people.

The basic strategy adopted in early 1962 was sound and was, indeed, in key respects the same as the strategy that prevailed against communism in Malaya, Greece, and the Philippines. It is a strategy that takes patience and local leadership and that takes learning and experience as well. The Vietnamese and we are still learning and changing today and will go on doing so.

Under the advisory concept, the American strength in South Viet-Nam rose to 12,000 by mid-1962 (eventually to the present 23,000), and with our help the South Vietnamese began to reverse the slow tide of growing Communist gains. By the spring of 1963, things seemed to be on the upswing, not only in the judgment of senior Americans but in that of experienced observers from third countries.

Yet the unhappy tendencies of the Diem government had persisted, despite all the quiet advice we could give in favor of reforms. The stubbornness and inflexibility which had been his great assets in the early days after 1954 had now become serious drawbacks. The Buddhist uprisings of the spring of 1963 brought the political situation to the forefront again. Now, Buddhism as a religion is not nearly as dominant in South Viet-Nam as it is elsewhere in Southeast Asia—Thailand, Laos, and Cambodia. The adherents of Buddhism may not be even a majority of South Vietnamese, and there are significant Catholic and other groups as well as large numbers of adherents to older religious beliefs. Nonetheless, Buddhists are the most numerous faith, they are entitled to fair treatment, and they had some case against the Diem government for personal discrimination, though little, according to the findings of a United Nations Commission, for true religious persecution. But these grievances might have been met without serious trouble if they had not been fanned by a small group of leaders who were and are, in fact, politically motivated.

Unfortunately the Diem government refused to compromise or to redress the areas of legit-

imate grievance and in August sent the army into the pagodas of Saigon and other cities, following up with a drastic campaign of suppression against students and a wide circle of political opponents. As a result, by late September—when I personally accompanied Secretary [of Defense Robert S.] McNamara to Saigon—it was clear that Diem and his brother Nhu had aroused wide popular opposition and, perhaps most crucial, had alienated almost to the breaking point the key trained elements within the Government structure itself, both civilian and military.

Although Ambassador [Henry Cabot] Lodge continued to urge reforms that might still have saved the government, Diem did not respond, and on November 1, 1963, he was overthrown, he and Nhu—most unfortunately—killed, and a new military government installed by force.

No one could then tell whether the new government would be better. Clearly, it had to be military in the first instance, and the first military group, under General [Duong Van] Minh, had considerable popular backing. Yet it was ineffective and tended to throw out the baby with the bath, replacing so many military and provincial officials that the way was opened for major Viet Cong gains. Then, in January, General [Nguyen] Khanh took control in a bloodless coup. He showed ability on the military and economic front, but he, in turn, decided to turn over the government to civilian leaders to be selected by consultation among representatives of the key groups—the Buddhists, the Catholics, the military, labor, the religious sects, the various areas including the considerable body of refugees from the north, past political groupings, and so on.

### **The Political Situation Today**

The result was the present government under Prime Minister [Tran Van] Huong, a man of determination and character, dedicated to fairness to all groups. He is wrestling today essentially with the same kind of problems that Diem faced and overcame in 1954, but in the far more difficult internal security crisis brought on by the Viet Cong aggression, which has been slowly extending the areas of Communist control in the countryside and the pace of guerrilla

and terrorist activity, even to Saigon itself.

So the political situation today is critical, and its resolution is central to turning the war around and restoring an independent and secure South Viet-Nam. That task must essentially be done by the Vietnamese people, under Vietnamese civilian and military leaders, all under a government that unites the divergent political-interest groups and that gives orders that can be carried out.

I have dwelt at such length on the political history because it is this aspect that is today in the headlines, as it is the greatest concern of our representatives in Saigon and of the Vietnamese leaders themselves, who must find the answer.

And may I pause here, apropos of the headlines, to say that I think the American people *are* getting the facts. We in Government follow closely what is said in the newspapers and magazines and on TV; part of our job is to see that these media are properly informed and given access to everything except for those few details that are necessarily matters of security in what is, after all, a war situation. I think we are doing our job and that the media are doing theirs. The picture that you, as thoughtful citizens, get is in fact the picture that we have on all essential points. If that picture is complex or not entirely clear, believe me our picture is the same, for that is the nature of the situation.

The real point of the political history in South Viet-Nam is that it should cause us no amazement and no despair. Was it not 7 years between the end of the American Revolution and the making of a lasting Constitution, even for a new nation which had united to fight a war and had centuries of British evolution toward democratic self-government behind it? And how many new nations in the world today have found lasting stability in a decade, especially where there had been little preparation under colonialism, where the national historic tradition was remote, and, above all, where a violent aggressor was striking constantly at the very fabric of government? Take, if you will, one fact alone—that in the first 8 months of 1964 the Viet Cong assassinated more than 400 local officials and kidnaped another 700—and try in

your mind to project what an equivalent amount of gangsterism would do to government performance in this country and then to project that effect, in turn, onto the situation in a country such as South Viet-Nam.

So this is a tough war, and the Vietnamese are a tough people to have stood up under it and to be holding their heads above water after 20 years of violence and uncertainty.

#### **A Course for the Future**

How should we now, then, approach this situation, as Americans?

Above all, we must stand firm and be patient. We never thought in 1961, or in 1954, that the task would be easy. North Viet-Nam had certain advantages:

—Experience and sophistication in every aspect of subversion and political warfare.

—Dedicated and fanatic agents who for the most part came from the south to fight the French and then returned to areas they knew well.

—An open corridor through Laos to keep up the supply of guerrillas and supplies. In the past year, such infiltration has markedly increased and has included for the first time significant numbers of indigenous North Vietnamese trained in North Viet-Nam in regular military units.

—A numerical ratio of guerrilla forces to Government forces that is well below the ratios of 10 to 1 that have been found necessary for success in past guerrilla wars. There are today in South Viet-Nam perhaps 35,000 hard-core Viet Cong fighters and another 60,000 to 80,000 local Viet Cong forces, against roughly 400,000 military and paramilitary forces for the Government, or a ratio of about 4 to 1.

—The internal political divisions and, above all, the inexperience in government of the South itself.

Yet the balance sheet is by no means all one-sided.

—Our advisory effort, on all fronts, has done great things and, in the wide personal relationships involved, must stand almost unique in the history of relations between an Asian nation under fire and an outside Western nation. Al-

though there are from time to time signs of anti-American feeling, working relationships at all levels remain close and friendly.

—With our help, the Government has been able to maintain economic stability and to move to help areas secured from the Viet Cong.

—Our military effort and our equipment, supplied to the Vietnamese, have largely offset the unfavorable numerical ratio favoring the Viet Cong.

—The Vietnamese military forces continue to fight well. Our own military men consider most of them as tough and brave as any in the world. Though there have been military reverses, there have also been significant victories—which sometimes do not make headlines. On the military front, the Viet Cong is not capable of anything like a Dien Bien Phu.

—Above all, the Vietnamese people are not voting with their feet or their hearts for communism.

As to our basic policy, the alternatives to our present course might be, on the one hand, to withdraw or to negotiate on some basis such as what is called “neutralization,” or, on the other hand, for the Vietnamese and ourselves to enlarge the war, bringing pressure to persuade Hanoi, by force, that the game they are playing is not worth it.

It is also suggested that the United Nations might be of help. There may emerge possibilities for a U.N. role, but it is not clear that the U.N., which has been unable to carry through commitments such as the Congo, would be able to act effectively to deal with this far more difficult situation in its present form. And this has been the public judgment of the U.N. Secretary-General, Mr. U Thant.

As to the basic alternatives, so long as South Viet-Nam is ready to carry on the fight, withdrawal is unthinkable. A negotiation that produced a return to the essentials of the 1954 accords and thus an independent and secure

South Viet-Nam would of course be an answer, indeed *the* answer. But negotiation would hardly be promising that admitted communism to South Viet-Nam, that did not get Hanoi out, or that exposed South Viet-Nam and perhaps other countries of the area to renewed Communist aggression at will, with only nebulous or remote guarantees.

As for enlarging our own actions, we cannot speak surely about the future, for the aggressors themselves share the responsibility for such eventualities. We have shown in the Gulf of Tonkin that we can act, and North Viet-Nam knows it and knows its own weaknesses. But we seek no wider war, and we must not suppose that there are quick or easy answers in this direction.

The root of the problem, to repeat, is in South Viet-Nam. We must persist in our efforts there, with patience rather than petulance, coolness rather than recklessness, and with a continuing ability to separate the real from the merely wished-for.

As a great power, we are now and will continue to find ourselves in situations where we simply do not have easy choices, where there simply are not immediate or ideal solutions available. We cannot then allow ourselves to yield to frustration but must stick to the job, doing all we can and doing it better.

The national interests that have brought us into the Viet-Nam struggle are valid, and they do not become less so just because the going gets rough and the end is not yet in sight. President Johnson said in his state of the Union message:<sup>4</sup>

“Our goal is peace in Southeast Asia. That will come only when aggressors leave their neighbors in peace.

What is at stake is the cause of freedom, and in that cause America will never be found wanting.”

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<sup>4</sup> *Ibid.*, Jan. 25, 1965, p. 94.

## The Defense of Freedom in Viet-Nam

*by Gen. Harold K. Johnson  
Chief of Staff, United States Army<sup>1</sup>*

I believe I may best serve our many mutual interests by speaking tonight on the subject of Viet-Nam. Five weeks ago tomorrow night I departed Saigon en route to Bangkok after spending 4 days looking around South Viet-Nam. I spent a week in the country in March and early April. Thus, I had a chance to make some comparisons. Very clearly, Viet-Nam is a test case for United States power in our dealings with the Communist world. Accordingly, I want to try to explain some parts of our effort there by covering three broad points in my remarks tonight.

First, what is Viet-Nam? second, what are the key problems there for the United States? and third, how are we progressing in solving the problems?

### History of Viet-Nam

With respect to my first point, what is Viet-Nam? it is most important to an understanding of all that is going on there to have an idea, at least, of just what constitutes the Republic of Viet-Nam.

We normally think of Viet-Nam as one of the very new countries born in the aftermath of World War II. Yet the people of Viet-Nam are an old people with a long and proud tradition of civilization. Until 1946 the Vietnamese were commonly known as Annamites, and the borders of present-day Viet-Nam are essentially those which the ancient Empire of Annam reached about 1802, more than 160 years ago.

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<sup>1</sup> Address made before the National Security Industrial Association at Los Angeles, Calif., on Jan. 14.

The most significant feature of Annam's very long history is her stubborn struggle for independence from China. Few nations can boast a similar record of tenacity in defending their national freedom.

The Kingdom of Annam, which was old when the Christian era began, suffered a first conquest by China in the early second century. For the next 900 years Annam was considered a province of China. But around the year 1000, a nationwide rebellion drove the Chinese out, and the reestablished kingdom stayed independent for the next four centuries. Then Annam was conquered by China once more, but after 20 years of occupation the foreign conquerors were driven out again by the freedom-loving Annamites. From the time of this self-liberation, in 1428, the Kingdom of Annam, later called an empire, managed to maintain a status of independence from China. It was only in 1863 that French colonizers moved into this area and assumed control of that section of the country south of Saigon. The remainder of the country, including what is now North Viet-Nam, became a protectorate of France in 1884. In this protectorate an Emperor of Annam was the nominal ruler until the end of World War II.

From mid-1940 to mid-1945, all of Indochina (Annam, Laos, and Cambodia) was occupied by the Japanese. During these 5 occupation years the French civil administration was permitted to continue under Japanese control, but there developed a strong opposition, largely Communist directed, against both the Japanese and the French. Within days after Japan's surrender in August 1945, these opposition ele-

ments formed a revolutionary regime, headed by Communist leader Ho Chi Minh, which proclaimed a Republic of Viet-Nam. The new Republic was to comprise the very area which, until the beginning of the colonial period in 1863, had been the Empire of Annam.

### **Viet-Nam Today**

The French were never able to regain full control in Indochina. In 1954 an international conference at Geneva cut Viet-Nam in two at the 17th parallel: the so-called "Democratic Republic of Viet-Nam" (DRV) in the north under Communist rule, and the Republic of Viet-Nam (RVN) in the south, a part of the free world. Of Viet-Nam's total 127,000 square miles, South Viet-Nam has slightly more than 66,000. Of all Viet-Nam's present-day population, estimated at roughly 32 million, South Viet-Nam has about 15 million. In size, therefore, South Viet-Nam is slightly smaller than the State of Washington; in population, it equals California.

The country is itself a land of curious mixtures. It has three distinct types of terrain: rain forest in some parts accompanied by dense undergrowth, upland plateaus that remind a person of the eastern approaches to our own Rocky Mountains, and coastal areas and the delta that are completely under water during certain periods of the year. In the roughly one-third of the country south of Saigon there are very few roads because virtually all travel and all commerce are conducted on inland waterways.

There are a great many ethnic groups in Viet-Nam. While the majority of the population are Vietnamese, there are enough dissident groups to create problems for a central government. At best, these groups are passively hostile; at worst, they defy the efforts of the Government to exercise control over the areas in which they live. Many of the small businessmen of the country are Chinese, most of whom were not citizens until after 1954, when the Government authorized those Chinese born in Viet-Nam to take out citizenship papers. Despite citizenship, there is still a basic question as to whether or not these Chinese are loyal to the land of their birth.

Approximately 80 percent of the population live on farms—not farms as we know them, but small parcels of land designed to maintain a family, with just a little bit left over. Until just this past year, South Viet-Nam has continued to be an exporter of rice, one of its basic commodities.

To a far higher degree than most of the developing countries, South Viet-Nam possesses the material and human resources of a dynamic society and the prerequisites for a normal, even prosperous life. But South Viet-Nam has not been permitted to live a normal existence for over two decades. It is a sign of amazing basic-root strength and resilience that South Viet-Nam, though battered, is still in there fighting—despite the turmoil and sufferings caused, first by 5 years of Japanese occupation, then by 8 years of the Indochina war, and now by 10 years of Communist insurgency against the Saigon Government.

### **U.S. Commitment in South Viet-Nam**

I shall not now describe once more what you have heard and read over and over again, namely the nature and the frustrations of the war against the Communist guerrillas, who fight by ambush and ruse at a front that is everywhere and yet is nowhere. All this you know without my having to repeat it for you.

But why are we so deeply committed to helping the Republic of Viet-Nam? Let me quote you a brief passage from President Johnson's state of the Union address of January 4th, just past:<sup>2</sup>

Why are we there?

We are there, first, because a friendly nation has asked us for help against the Communist aggression. Ten years ago our President pledged our help. Three Presidents have supported that pledge. We will not break it now.

Second, our own security is tied to the peace of Asia. Twice in one generation we have had to fight against aggression in the Far East. To ignore aggression now would only increase the danger of a much larger war.

Our goal is peace in Southeast Asia. That will come only when aggressors leave their neighbors in peace.

What is at stake is the cause of freedom, and in that cause America will never be found wanting.

<sup>2</sup> BULLETIN of Jan. 25, 1965, p. 94.

As Secretary of State Dean Rusk said on a nationwide television interview, also this month:<sup>3</sup>

It is going to require persistence . . . and a certain coolness in dealing with this problem . . . rather than taking reckless action which would move us off thoughtlessly in either the direction of defeat or in the direction of a very great catastrophe.

Another question that is frequently asked, and that is certainly on the minds of at least some of you, is this: Since we Americans have such a great responsibility in South Viet-Nam, and since we provide such large amounts of aid to the country, why do we only "advise" the Vietnamese military instead of taking actual command of operations?

This very question was posed to General [Maxwell D.] Taylor, now our Ambassador to Viet-Nam, by Life magazine a few weeks ago. He pointed out what such takeover would mean in practice. It would actually imply, he said, that "American minds and American wills" would have to be inserted at the points of decision in 10 ministries and in each of the 45 provinces—and that "we Americans would have the wisdom, the foresight, the judgment to do better than the indigenous officials themselves are now doing."

General Taylor added:

I know of almost no example in history of the successful direct command of troops by foreign officers. . . . We never took over direct command of Korean troops. We retained an advisory role, as here. We got excellent results in the long run, when leadership and training of the Koreans themselves reached the necessary level.

I am convinced that the concept of Americans taking over command would be a failure. It would really defeat the purpose that we are here for—namely, to create a free nation that can stand on its own feet.

I have had personal experience in World War II and in Korea with directing the activities of non-U.S. troops, and I can endorse fully General Taylor's reasoning and conclusion.

#### **Political and Economic Problems**

So far I have mentioned problems of military policy. This is my province as a soldier. But we all know that in combating Communist

insurgency the military effort must be most closely interrelated with political, economic, social, and propaganda measures designed to preserve, or regain, the sympathies of the population. We are all most acutely aware of the fact that without a dynamic, imaginative, well-coordinated politico-economic-psychological effort, military operations as such cannot possibly solve the insurgency problem.

But Vietnamese Government attempts to regain the confidence of a single hamlet are shattered when a terrorist sneaks through the defenses to kill the head man. To the peasants this is a demonstration of where the power lies. Can the hamlet or village chief be protected from an assassin or a kidnaper? My only reply is that he must be so protected.

Can the economic and social conditions of the family in the small hamlet be improved? Protection and improvement go hand in hand.

One of the plus signs that I observed on my recent trip was the effect of advisers recently introduced at the subsector or district level in Viet-Nam. The district is a political subdivision of a province, something on the order of the relationship between a county and the State. The subsector is the military name for this political subdivision. With the arrival of the subsector advisers, an essential bridge has been created between the pacification efforts of the regular military establishment and the protection efforts of the paramilitary forces who reside full time in their communities. One of the difficulties that continues to exist is the variety of performance by the local defense units. With the increased supervisory effort, there has been an improvement in this performance. In addition, there is a bonus effect resulting from actions initiated in the economic and sociological fields by American advisers who grow more intimately familiar with conditions in their districts with each passing week.

One fact is often overlooked, and that is that guerrilla casualties consistently have been much higher than those of the Government forces. The Communist insurgents have been able so far to replenish their ranks by a form of forced recruiting, but they, too, have now been fighting, and mostly under hardship conditions, for many years without being able to gain ultimate vic-

<sup>3</sup> *Ibid.*, Jan. 18, 1965, p. 62.

tory. The hard-core Communist cadres will fight to the end, but the bulk of their men—peasant youth pressed or lured into service—are by no means fanatical supermen. There is some growing evidence that the guerrillas are not invincible and that the Communist “war of liberation” strategy is not a palatable recipe for conquest by stealth. We must not lose courage or patience.

Two major problems continue to plague us in Viet-Nam today. The first of these is the dissident element that I have already mentioned. As an example, the area of Ca Mau on the southern tip of Viet-Nam has resisted a central government since at least 1929. Another example is the Province of Quang Ngai in the upper part of the country, where members of 16,000 families elected to move to North Viet-Nam in 1954 when the country was divided, although their families remained behind. It is reasonable to assume that most of these dissidents have returned to or near their homes.

The second major problem has been the inability to establish a cohesive governmental structure that can gain and maintain the support of the majority of the populace. This has been a persistent, puzzling, and particularly difficult problem. With such a diverse population, it is not strange that a disparity of viewpoint would exist, exasperating as it is to the people of the United States.

It is most important that we maintain a clear perspective about South Viet-Nam. No campaign has ever been conducted without some failures to go along with successes. It is difficult to judge fairly and objectively the respective weights of the successes and failures in South Viet-Nam. It is important to remember that some parts of South Viet-Nam have never been under the control of a central government. The Communists are notorious for their success in penetrating and assuming the direction of the efforts of dissident groups. Some parts of Viet-Nam demonstrate no change in this pattern.

Let me now address my third point: What are we doing to solve the problems, and what kind of progress are we making? Here, of course, I will confine my remarks primarily to the military field, since this is my concern as a soldier.

### What the U.S. Is Doing

In broad terms, this is what we are doing.

Today, we continue to maintain our assistance and advisory effort at the current level of about 23,000 Americans from all three services, of which about 15,000 are Army personnel. I assure you that we are sending our very best people to Viet-Nam, and, as a sidelight on this point, let me add that we have more volunteers for Viet-Nam than we can deploy.

Moreover, I believe that there are many more favorable and constructive events than there are unfavorable.

The military force is growing stronger and more capable with each passing month.

The paramilitary forces, that is, the local hamlet and village defense units, are giving a good account of themselves in many more cases than they used to.

There is a clearer understanding of the necessity for improving the lot of the man in the hamlet and the village, together with that of his family.

Military leadership has improved over that which I observed in April. There seemed to be a more cohesive and continuous effort out in the country than there was 8 months earlier.

The Viet Cong have suffered heavily, and, while you read figures of Government casualties, it is estimated conservatively that the Viet Cong are suffering at least three to one for each Vietnamese soldier that is killed.

I have talked to a great many of our young officers and men. They quickly become attached to the Vietnamese with whom they are working. Every one that I talked to understood why he was there, the value of what he is doing, and the rightness of the cause that he was supporting. There is an occasional malcontent, of course.

There is a clear need for understanding that the shot that our forebears fired at Lexington in 1775 still reverberates in the far corners of this earth and that the oppressed and people under attack look to us to uphold the principle underlying that shot at Lexington. That principle is a very simple one: that men who wish to be free, and who are willing to fight and die for the privilege of freedom, are entitled to the support of other free men. Free men are en-

titled to pursue freedom without interference from those who seek to oppress and to enslave them. Our young officers and men believe in this principle. Each of them has raised his hand and sworn to defend freedom. I would ask that you do no less.

It is imperative that as a people we demon-

strate the maturity that has long been ours and that this demonstration be supported by an exhibition of patience, persistence, and determination. No greater honor can come to any man than that he stand and defend the cause of freedom. This is why the United States is in Viet-Nam—to defend freedom.

## The United States, France, and NATO: A Comparison of Two Approaches

by David H. Popper

Director, Office of Atlantic Political and Military Affairs<sup>1</sup>

I welcome the opportunity to participate in your discussion on this subject. I am not here to suggest simple solutions to hard problems, nor to engage in polemics on controversial matters. No purpose would be served by approaching the differences between the United States and France in a spirit of passion. It was Talleyrand who once advised his juniors always to remember the maxim: "*N'ayez pas de zèle*"; loosely, "Above all, not too much zeal."

In the past, United States relations with the French have sometimes been calm and sometimes delicate, but they have almost never been dull. France was our first ally. Over almost 200 years we have had numerous altercations, some quite serious; and we have had our common ventures, in war and in peace. It has been a long, if occasionally troubled, friendship.

Today—let us admit it—there are elements in the international scene which, if not carefully watched, could jeopardize our good relations. We are determined not to have this happen. We intend to work our way through our difficulties by careful analysis and thorough discussion of our common problems, always with due re-

gard for the interests of other states. These interests are important, and they are closely affected by our actions vis-a-vis the French.

France and the United States seldom stand alone on opposite sides of an issue. Clustered in their respective neighborhoods—perhaps more often in ours than in theirs, for the range of problems on our agenda today—are our NATO partners and other states.

The United States and France, that is to say, are not ranged against each other in a great, bipolar confrontation. Thus the issues we shall discuss are not in the same class as those which divide us from the Russians or the Chinese Communists. We are not talking about absolutist, ideological extremes. France is and will remain a part of the free world. As long as French governmental institutions are stable—and no one alive can remember when they have been more stable than they are today—the French will not embrace Communist doctrine. No one is more staunch than President de Gaulle in his opposition to Communist world domination. In the last great test of Soviet adventurism—the Cuban missile crisis of October 1962—the French stood as firmly at the side of the United States as any country.

<sup>1</sup> Address made at the University of Utah, Salt Lake City, Utah, on Jan. 21.



## France, a Key Factor in Europe

You are in the midst of an admirable and extensive study of France, and you will therefore be quite familiar with the factors which have molded the current French posture in international relations. I shall pause for only a moment to recall some of the most pertinent.

Like other Europeans, the French have been deeply scarred by the ravages of 20th-century conflict in Europe. In 1918 they were among the victors, but their manhood and their substance were bled white. In 1940 they suffered a cataclysmic defeat. Recovering sturdily from that setback, they were plunged into frustrating colonial wars in Southeast Asia and in Algeria. During all this period their actions were hampered by the governmental structure of the Third and Fourth Republics. This saddled the French with a system of weak and short-lived executives—a system tolerated in the interest of preserving a more secure democracy. In the end, the system proved inadequate to meet the harsh tests of the times.

It is not surprising, then—it is only natural—that this able, proud, energetic, and logical French populace should rally round the great historical figure who led their resistance in war and restored their status in peace. And he has not disappointed them. He liquidated the French colonial problem; restored the morale, the effectiveness, the loyalty, and the respectability of the French armed forces; presided over a great national economic and financial revival; brought to fruition a Franco-German reconciliation which should cement the peace in Western Europe; and gave France a vigorous and important role in the leadership of the West. It is a supremely impressive catalog of accomplishment, one which secures President de Gaulle's place in the firmament of French history.

France's friends in NATO—not least, the United States—can only rejoice in this modern French renaissance. We never forget that France is a key factor in Europe. Its size, its human and material strength, its resources, its geographical position make it a virtually indispensable element of any Western European or Atlantic area association. It would be very dif-

ficult even to think of NATO or an integrated Europe without it. Stability and strength in France are a matter of primary importance to us.

## NATO at a Crossroads

We are examining the French and American attitudes toward a North Atlantic world which stands at a crossroads. NATO, the institutional embodiment of that world, is thought by some to be in dire straits; by others, more realistically we believe, to be in a phase of significant change.

NATO was organized in 1949 not only for the common defense against an imminent danger of Communist aggression, but also, as the North Atlantic Treaty states, to preserve the freedom and civilization of its members and to promote stability and well-being in the North Atlantic area. The problem of defense it has tackled directly, and with remarkable success. NATO nuclear deterrence, almost completely provided by the United States, has held in check any Communist aggressive tendencies; and NATO's powerful general-purpose forces, including large American contingents, have curbed any desires there might have been for military adventures along NATO frontiers. No NATO territory has been lost. The NATO countries feel more secure today than ever before. The very credibility of a large-scale war in Europe has dwindled.

Behind this shield, free Europe, originally assisted by Marshall Plan aid, has provided a dazzling display of the recuperative powers, the energy, and the skill of its people. From an exhausted and depleted subcontinent with highly uncertain political and economic prospects, it has been transformed into a stable, dynamic, and highly prosperous area. And as the Soviet bloc loses its monolithic unity and is subjected to the mellowing influences of a more sophisticated and stable society, the sense of imminent military and social peril that existed in 1949 has all but vanished.

But people are prone to forget that only the maintenance of NATO strength can insure its members against a recurrence of cold-war threats. NATO is not immune from the time-honored phenomenon which afflicts all al-

liances—that, while they hang together in times of crisis, they tend to fall apart in fair weather. In this sense, NATO could become a victim of its own success.

Not that NATO is on the point of disintegration. Responsible leaders in NATO countries are quite aware that the basic circumstance which brought it into being—the Communist threat to the free world—continues to exist. Communist methods have changed but not Communist objectives. There was a Berlin crisis in 1961 and a Cuban crisis in 1962. There could be another crisis in 1965 or in subsequent years.

Every NATO government recognizes that its security still rests on the Atlantic alliance. This applies not only to Europe, including the French, but equally to the United States. Our postwar policy has been predicated on the recognition that a strong and free Europe is essential to our own safety. That is why we maintain close to 400,000 men in and around Europe and why we are in fact the strongest military power in Europe today.

Nevertheless, changing circumstances in both the North Atlantic and the Communist worlds do have an impact on NATO itself. The 15 NATO nations can if they wish exploit the growth potential which lies in the alliance and can adapt it to the requirements of the Atlantic partnership of the future. Or they can, though we would hope they would not, take a static view toward NATO. In this case its utility and its relevance to changing conditions would gradually decline and its future might be one of diminishing importance.

We are approaching the time when some great decisions will need to be made in this area. The North Atlantic Treaty has no terminal date; it continues in effect indefinitely. But in 1969, 20 years after the treaty was signed, any member may denounce it and withdraw from NATO 1 year thereafter. The remaining members would of course continue to be bound by the treaty unless they followed suit.

One might conclude from French official statements that they might conceivably withdraw, or that they would at least call for a thorough review of the NATO system, as they are quite entitled to do under the terms of the

treaty. Whether they would actually do so is in the realm of conjecture. Unfortunately, while the French have made clear their dissatisfaction with certain aspects of the system, they have not yet furnished a bill of particulars indicating the specific changes they might desire to make.

The French decision in this matter will be linked with the development of French policy toward the organization of Europe. For a primary question for any emerging European association of nations must be its relationship to the United States.

### **France's Stress on Nationalism**

To survey the French approach toward Atlantic area problems in relation to our own, let me make a few points as to the attitudes of the two countries and discuss them in some detail.

The first point is that, in comparison with its principal allies, France has tended in recent years to lay increasing stress on nationalism and less on interdependence. We are talking here, of course, in relative terms. All countries are to some degree interdependent in the close-knit world of today; none would willingly submerge its national identity or fundamental purposes.

Yet France under De Gaulle makes no secret of its strongly nationalist orientation. Whether in NATO or in the area of European union, the French are cool to proposals involving new steps toward integration or suggestions of broader supranational authority.

As we shall note, they seem to want to reverse the progress so far made in NATO toward military integration. It is also true that they have recognized that their interests are advanced by fulfillment of the provisions of the 1957 Treaty of Rome, through the mechanism of the European Economic Community—provisions which will produce an economically integrated Europe of the Six when they have been fully applied. These were negotiated before President de Gaulle returned to power. But as regards political integration, other Europeans complain of French unwillingness to move forward. A French veto in 1963 cut short efforts to bring Britain into the EEC. And French indif

ference seems to becloud the prospects for steps toward further integration which, in varying ways, are advocated by the Germans, Italians, Belgians, and Dutch.

I mention these matters with some diffidence, for it is not for Americans, even by implication, to seek to tell Europeans of any nationality how to manage their own affairs. We do not, however, conceal our conviction that the influence of free Europe in a world dominated by aggregations of great power will depend on closer integration in Europe, rather than on the jealous safeguard of every exclusive national prerogative on the part of any state. And we have a direct stake in the decisions which Europeans may make in this regard. For an Atlantic partnership is certain to be more soundly based if it rests on a footing of dealings between an American and a European unit of comparable importance, than if—as is the case today—there is no effective voice to speak for Europe.

The President put the case most succinctly in his address at Georgetown University on December 3—an address which charts America's course in the Atlantic community during the years ahead:<sup>2</sup>

The United States [he declared] has no policy for the people of Europe, but we do have a policy toward the people of Europe. . . .

First, we must all seek to assist in increasing the unity of Europe as a key to Western strength and a barrier to resurgent and erosive nationalism.

Second, we must all work to multiply in number and intimacy the ties between North America and Europe. For we shape an Atlantic civilization with an Atlantic destiny.

Recent French official statements would lead one to doubt that the French Government would address the problem from a similar standpoint. When French officials refer to unity in Europe, they stress the independence of Europe, in military and in other matters, rather than the interdependence of Atlantic welfare and defense. From this standpoint what seems to us to be realistic cooperation can be represented as domination from outside and as somehow denaturing the European ideal. Other NATO governments have not embraced this thesis.

<sup>2</sup> For text, see BULLETIN of Dec. 21, 1961, p. 866.

### Question of Military Integration

I turn now to my second point with respect to French views. It can be stated as follows: There are clear indications that the French, far more than any other NATO member, wish to modify the existing NATO system so as to move it in the direction of the classical-type alliance of an earlier period.

A bit of background is perhaps necessary to understand what is involved here. Very properly, the French make a sharp distinction between the Western alliance and the organizational structure of NATO. The North Atlantic Treaty, as negotiated in 1949, is a general agreement for the collective defense of its signatories within a prescribed area, in accordance with provisions of the United Nations Charter. It mentions a permanent council, but apart from that it is silent as to the way in which the parties should organize themselves to carry out the defensive purposes of the treaty.

The NATO political and military structure we have today was created step by step by the members of the organization, including the French. While the treaty itself is an expression of the underlying unity of its members, its effective organizational structure is what sets the alliance apart from the generality of defense pacts.

The essence of that structure is a carefully limited, but nonetheless significant, degree of military integration which welds the NATO armed forces into a coordinated, powerful fighting unit for use in the event of attack on NATO territory. For this purpose an international command system has been created. SIIAPE [Supreme Headquarters Allied Powers Europe], near Paris, and SACLANT [Supreme Allied Command Atlantic] headquarters, in Norfolk, both under commanders of American nationality, consist of integrated international staffs.

The officers assigned to these commands are there as NATO officers, not as national officers. They make war plans on behalf of the alliance and set standards on behalf of the alliance. Through the system of commitment of national forces to NATO, they can within broad limits count on the use of known forces to repel at-

tack. The force goals projected by NATO are models influencing the composition and development of the forces of the NATO nations.

The complex of NATO forces is supported by an internationally financed and controlled system of infrastructure facilities, such as airfields, depots, pipelines, and military communications, constructed and maintained through ongoing NATO programs. NATO encourages the standardization of equipment in the forces of the alliance, as well as the joint production of many military items, and forces committed to NATO engage periodically in NATO maneuvers. To sum up, the military success of NATO is in no small part due to the assurance that common action by known forces under integrated command will be forthcoming in the event of attack on NATO territory.

The French still play an active and important part in this system. Indeed, given their central location in the geographic structure of NATO, and given the conditions of modern war, their own defense is intimately connected with the operations of NATO air and ground commands in the central European area.

But since the establishment of the Fifth Republic, the French have markedly reduced the size of their forces committed to NATO. Two of the four French ground divisions once so committed had been withdrawn for national use in the French-Algerian hostilities. Contrary to common assumption at the time, the divisions were not recommitted when peace was restored. In 1959 the French Mediterranean Fleet was removed from NATO commitment and returned to full national command; more recently, the same was done for virtually all France's Atlantic naval forces. And the French refuse to permit any nuclear weapons under NATO control to be stationed in France.

Some of these actions have been explained as the result of considerations extraneous to the alliance itself. Nevertheless, current French doctrine seems to envisage only loose arrangements for cooperation in the event of war, within the NATO framework or bilaterally, and without subordination to international authority. Such arrangements might come to resemble those worked out by European general staffs under the ententes and alliances of the 19th and

early 20th centuries. The difficulty these presented was that one could never be certain that when the crisis came the nations concerned would be prepared to commit the forces involved or to place them under integrated rather than separate commands.

I should stress that what the French have done in withdrawing their forces from commitment is perfectly proper in terms of NATO procedures. But if other allies were to act in the same way and on the same scale, the military machine NATO has forged in Europe would rapidly lose its strength and its deterrent power. No other ally has done so.

### **The Nuclear Problem**

The issue of military integration is posed most sharply in the nuclear area. And here I come to my third point of contrast in French and American views. It is as follows: The French regard a national nuclear force as a requirement for great-power status; they have every intention of building it into a significant national force; and they are in principle unsympathetic to proposals for integrated nuclear forces in NATO. For our part, we recognize that the French have attained a military nuclear capability; we continue to hope that it may be possible to head off the creation of additional national nuclear forces; and we sense and sympathize with the desire of many of our NATO allies for a greater share in the alliance organization for nuclear defense.

It is worth noting that the decision to build a French nuclear force goes back to the Fourth Republic, prior to President de Gaulle's return to the French political scene. Thus, successive French administrations have accepted the heavy costs of developing a national nuclear establishment—costs in money and resources—which might otherwise be devoted to other military or social purposes. As the French plans move ahead in the years to come, the French envisage the creation of a *force de frappe* which, though small by American standards, will nonetheless have considerable striking power.

Our concern with the creation of new national nuclear forces lies in the fact that their very existence tends to encourage other nations to acquire their own nuclear weapons, for power

and status purposes. One hesitates to contemplate the kind of tensions that would exist if all the nations capable of manufacturing such weapons were to do so. Quite apart from the costs involved, the danger of triggering off a destructive nuclear conflict through miscalculation, accident, or irresponsible decision would increase in geometric proportion as the number of separate forces mounted. And the danger that such a conflict would almost immediately draw in others, raising the destruction to unimaginable proportions, would grow as well.

These are the reasons for our desire to avoid the proliferation of such weapons. They explain our efforts, at the United Nations and elsewhere, to obtain satisfactory assurances against putting nuclear weapons under the national control of still other countries.

The progress of these efforts in the world outside Europe is not within the scope of our discussion today. In NATO, however, we have a special sort of nuclear problem. The NATO countries could continue to rely on American strategic nuclear retaliatory forces for protection against the hundreds of Soviet missiles targeted against their territory. Some will doubtless continue to do so. Others, however, desire to share in a more significant and effective way in responsibility for their own nuclear defense. They will not be indefinitely satisfied with a second-class status, particularly if other countries of roughly similar size and importance have their own nuclear forces.

The only solution to the problem has seemed to be to provide to those NATO nations desiring to participate responsibly in NATO nuclear defense a means of doing so on a collective basis—without giving any of them individual access to or control of nuclear weaponry. The principle is clear, its implementation most complex and difficult.

In 1960 the United States made one suggestion for meeting the requirement:<sup>3</sup> after lengthy study with other allies, this eventually emerged in the form of the concept of a multilateral force. And when the British Labor government came into power last October, it was quick to propose a more comprehensive scheme for integrating within NATO various existing

or programed national nuclear contingents, together with whatever mixed-manned elements might be created under a multilateral force formula.

The French Government had previously remained aloof from the prolonged diplomatic discussion on these matters, since its energies were concentrated on the creation of its own nuclear force. At this stage, however, it made clear its objections to this line of approach. The question was raised whether German participation would be consistent with the Franco-German treaty; indeed, whether arrangements of the kind under discussion would not split the NATO alliance.

As matters now stand, the discussion is continuing through diplomatic channels. Whatever the result, we are anxious that it represent the desires of our European allies, with no possible ground for contending that pressure from this quarter has influenced the outcome.

It has always been understood that any measures adopted would be open to any interested member of the alliance. At no point has there been any desire to divide the alliance or to isolate any member of it. Our attitude was succinctly summarized by the President in a few sentences of his Georgetown speech, which I would like to quote at this point:

For 20 years the atomic might of the United States has been the decisive guard of freedom. Ours remains the largest strength and ours a most awesome obligation. But we recognize the reasonable interest and concerns of other allies, those who have nuclear weapons of their own and those who do not. We seek ways to bind the alliance even more strongly together by sharing the tasks of defense through collective action and meeting the honorable concerns of all.

This is the meaning of the proposals that we have made. This is the meaning of the discussions that we expect, and that we welcome, with all interested allies. We come to reason, not to dominate. We do not seek to have our way but to find a common way. And any new plans for the handling of weapons so powerful we think deserve most careful discussion and deliberation. No solution will be perfect in the eyes of everyone. But we all know that the problem is there. It must be solved. And we will continue to work for its solution.

To round out the picture, it must be said that we regret the failure of the French to become a party to the limited nuclear test ban treaty, understandable as that may be in terms of the

<sup>3</sup> For background, see *ibid.*, Jan. 9, 1961, p. 39.

French nuclear testing program. And we also regret the refusal of the French to occupy their seat at the Eighteen-Nation Disarmament Committee in Geneva—the major forum for the East–West consideration of disarmament problems.

### **Other Divergencies**

I have attempted to outline some of the divergencies between the American and the French approaches to the problems of the Atlantic world. Naturally enough, our policies are also, to some extent, divergent in other areas.

For example, while there are strong tendencies in the West toward bridge building with Eastern Europe, it is the French who are most optimistic as to an eventual association of all of Europe—still unspecified in form—extending from the Atlantic to the Urals. While we too are aware of difficulties standing in the way of German reunification, it was France which first stressed the need to reach agreement on German frontiers. While some NATO nations established diplomatic relations with Communist China at an early stage, France is the only one to have moved to recognition in recent years. The French favor a conference now to end the war in South Viet-Nam and to settle its future. And, like the Communist bloc in the United Nations, the French have refused to pay their share of peacekeeping costs in the Congo and thus risk the loss of their vote in the United Nations General Assembly.

I am not tonight arguing the merits of these positions. The point I would make is that they all have some bearing on the vigor of the Atlantic relationship. For that relationship is political as well as military. No one would argue for strict uniformity in the foreign policies of the NATO allies. The responsibilities of each of them vary so widely that that would be impracticable.

What I would suggest is the utility of the fullest possible discussion of policy problems involving East–West relations, in the NATO agencies which are already at hand for that purpose. Over the last few years there has been a steady increase in the number of matters of this kind raised in the unpublicized forum of

the North Atlantic Council and its subordinate bodies, not only to keep the allies informed of forthcoming developments but also to facilitate the harmonization of policies. Our United States representatives have been active in this respect, but we and others can make our consultation in NATO still more effective. We can put more matters before the Council, and we can send more of our senior officials to Paris to discuss these matters with their opposite numbers from other NATO capitals. And thus, as the military danger to NATO recedes, we might hope to use the NATO forum to realize the broader purposes of an Atlantic partnership.

### **Bilateral Relations**

There remains the problem of bilateral relations between the United States and France. Clearly, in the present atmosphere, there are potential sources of Franco-American friction which will require careful handling if good relations between the two Governments are to be preserved.

A case in point is the recent anxiety in France over large-scale investment by great American corporations in some important sectors of the French economy. This is a sensitive topic, with serious political and economic overtones. It is not, of course, a problem entirely limited to France: American business has been quick to recognize the opportunities provided by production inside the other Common Market countries, as well as elsewhere in Europe. It is anything but a simple problem. Before reaching conclusions about it, one would need to answer a number of important questions. For example, how much of an impact has American investment made on the local economy, and what is the nature of that impact? Has American business observed satisfactory standards of conduct in the local environment? Is American investment a consequence of stringency in European capital markets, and are there alternative sources of needed capital? What is the bearing of American investment on cartel and monopoly policies within the EEC? on the balance of payments problem? Does American entry bring with it advanced technology or stimulate research and development?

Obviously, questions such as these can be

answered only on the basis of expert study. The issues involved need dispassionate consideration if they are to be settled in the mutual interest of the parties. Whatever the methods used, they must be designed to produce light rather than heat, agreement rather than irritation.

Indeed, this is the spirit in which we would hope to cope with all of our problems with the French Government. We want no controversy with our oldest ally. We have made it clear that we will support no enterprise directed against France; that we will conclude no agreement in the NATO context that is not open to French adherence; and that there will be a full exchange of views with the French before any such agreements are concluded.

We are convinced that in this friendly spirit solutions can be found for our current perplexities in the Atlantic area. We think the historic forces and the concrete interests impelling Europe toward greater internal cohesion and toward closer transatlantic relations will not in the long run be denied. And we shall continue to bend our efforts toward these ends.

## **United States Takes Note of Soviet Nuclear Test**

*Following are a statement released by the U.S. Atomic Energy Commission on January 19 and a statement read to news correspondents by a Department of State spokesman on January 25.*

### **AEC Statement of January 19**

As previously reported, the United States detected through seismic signals a Soviet underground nuclear test in the Semipalatinsk area on 15 January with a yield in the intermediate range. The United States detection system has now detected a certain amount of venting connected with the test. The amounts of radioactivity measured to date will not produce measurable exposures to persons. In view of the treaty banning nuclear weapons tests in the atmosphere, in outer space and under water,<sup>1</sup>

<sup>1</sup> For text, see BULLETIN of Aug. 12, 1963, p. 239.

the Department of State has asked the Government of the Soviet Union for information on this event.

### **Department Statement of January 25**

In an oral reply to our inquiry, the Soviet Government has stated that a nuclear explosion was carried out deep underground on January 15 and that some radioactive debris leaked into the atmosphere. However, the oral reply states that the amount is so insignificant that the Soviet Government excludes the possibility of a violation of the limited test ban treaty. The United States is continuing its own evaluation of the facts involved.

## **President Meets With Committee on Nuclear Proliferation**

### **WHITE HOUSE ANNOUNCEMENT**

White House press release dated January 21

The President met today for an hour with his Committee on Nuclear Proliferation, headed by Roswell Gilpatric, and discussed its work. Present at the meeting held in the Cabinet room shortly after 1:00 p.m. were the 10 members of the advisory committee and the President's principal advisers in the national security area.

The Committee was established by President Johnson in November to study the problems for world peace and security posed by the increase in the number of nations capable of building nuclear weapons. At that time the Committee was asked to present its findings during the month of January.

Mr. Gilpatric was formerly Deputy Secretary of Defense under Presidents Johnson and Kennedy and is now a New York attorney. Other members of the Committee are:

- Arthur H. Dean, formerly chairman, U.S. delegation to the Geneva disarmament conference;
- Allen W. Dulles, formerly Director of Central Intelligence;
- Gen. Alfred M. Gruenther, formerly Supreme Allied Commander, Europe;

Dr. George B. Kistiakowsky, formerly Scientific Adviser to President Eisenhower;

John J. McCloy, formerly High Commissioner for Germany and coordinator of U.S. disarmament activities;

Dr. James A. Perkins, president of Cornell University; Arthur K. Watson, chairman of the board, IBM World Trade Corporation;

William S. Webster, president, New England Electric System;

Dr. Herbert F. York, formerly Director, Research and Engineering, Department of Defense.

## STATEMENT BY PRESIDENT JOHNSON

White House press release dated January 21

Yesterday the Nation reaffirmed its dedication to the pursuit of peace. Today we find that problem, once again, first on our national agenda.

Tomorrow and in the years ahead, our future and the future of the world will be shaped in no small measure by what we now do in the face of the complex and difficult problems posed by the spread of nuclear weapons.

I am grateful, therefore, that such distinguished and experienced men have today given me and my advisers the benefit of their patient and searching counsel.

## Agreed Minute Provides for Exchange of Shipping Information

Press release 7 dated January 18

*On December 15, 1964, the Organization for Economic Cooperation and Development (OECD) and the United States announced the conclusion of discussions in Paris resulting in arrangements for an exchange of information sought by the Federal Maritime Commission in connection with maritime freight rates relating to the inbound and outbound trade of the United States.<sup>1</sup> Following is the text of an Agreed Minute providing for the exchange of shipping information which was made public on January 18.*

1. As a result of discussions between representatives of the Governments of Belgium, Denmark, Finland, France, the Federal Republic of

Germany, Greece, Ireland, Italy, Japan, the Netherlands, Norway, Spain, Sweden, the United Kingdom (referred to collectively as "the 14 Governments") and the United States of America, it is understood that the following is the procedure to be followed in an exchange of information between these Governments in connection with Foreign Trade Studies envisaged by the Federal Maritime Commission of the United States.

2. The 14 Governments are willing to use their good offices to facilitate the production of the following statistical information by their shipowners who are members of the conferences listed in Appendix A.

(1) The total revenue tons of cargo carried during 1963 on the trade routes specified in Appendix B;

(2) The total gross freight revenue earned on such cargo carried;

(3) The number of revenue tons of certain commodities to be agreed upon with an indication of the basis of revenue tons used; and

(4) The gross freight revenue earned from the carriage of such commodities as are agreed upon under subparagraph (3) above.

These statistics will be presented as aggregated total for each conference of shipowners concerned; the method of aggregation will be decided by each conference for itself. When all the information has been assembled and aggregated by each conference it will be made available to the Government of the country in which the conference has its Headquarters. That Government will in turn forward it to the O.E.C.D. which will then circulate copies to all 15 Governments. The information will be treated as confidential.

3. This exchange of information between Governments will also include in the case of the conferences specified in Appendix C, which are based on the United States and concerned with trade outwardbound from the United States (to be referred to as "outbound conferences").

(1) copies of any letters, memoranda, circulars or documents exchanged between the out-

<sup>1</sup> For text of a joint Department of State-Federal Maritime Commission statement of Dec. 15, see BULLETS of Jan. 4, 1965, p. 13.



bound conferences and any of their common carrier member lines and/or any of their agents during the calendar year 1963 relating to rates, from the United States ports served by the respective trade to the foreign ports served, on a list of commodities to be agreed, other than documents which merely list or state such rates without discussions; and

(2) copies of any reports, studies, analyses or documents compiled by or for or received by the outbound conferences in the calendar year 1963 with respect to all rates in the subject trade charged by the outbound conferences.

The copies referred to in subparagraphs (1) and (2) of this paragraph are solely those directly available at the offices in the United States of the outbound conferences.

4. The 14 Governments are willing to use their good offices to facilitate the provision of information in this instance to resolve an immediate and specified difficulty, and this willingness to do so in this particular instance is wholly without prejudice to their known jurisdictional and other objections to a number of features of United States shipping legislation and to the procedure and activities of the Federal Maritime Commission.

5. In recognition of the readiness of the 14 Governments to use their good offices to secure the information specified in paragraphs 2 and 3 above, the United States Government undertakes, if such efforts are successful, not to proceed with the enforcement of any of the Section 21 [of the U.S. Shipping Act of 1916] Orders obtaining, including those applicable to the outbound conferences. Any proceedings now pending under these Orders, whether before the Federal Maritime Commission or in any Courts in the United States shall be terminated upon receipt of the information and documents. It is noted that pending the working out of the present arrangements these proceedings have in fact for the time being been suspended.

6. The statistical information referred to in paragraph 2 above shall not be published or communicated to private persons in a form that would prejudice individual carriers or reveal commercial secrets. Before any Government publishes the information in any form, that Government will consult with the Govern-

ment or Governments which received the information from the conferences.

7. The 14 Governments for their part have no objection to information derived from the letters, memoranda, circulars, reports, studies, analyses or documents referred to in paragraph 3 above being used in the preparation of public reports by the United States Government, provided that these do not identify either the conference or the carrier concerned.

8. The information and documents to be exchanged under this agreement shall not be used for the purpose of criminal prosecutions or assessing fines or penalties against shipowners or conferences.

9. The United States Government agrees to consult with the 14 Governments before using information or documents in formal proceedings before the Federal Maritime Commission. Such consultations may include at the request of either side a discussion of alternative methods of solving the problem involved. The 14 Governments participating in such consultations are not thereby departing from their previously expressed views (reference is made to paragraph 4 of these minutes) that they object to governmental interference in international shipping and to governmental rate fixing.

10. The Governments undertake to make their best efforts to produce promptly the information and documents specified in paragraphs 2 and 3.

PARIS, *December 15, 1964*

APPENDIX A. *Conferences Providing Statistical Information*

1. North Atlantic/Continental Freight Conference.
2. Continental North Atlantic Westbound Freight Conference.
3. North Atlantic United Kingdom Freight Conference.
4. North Atlantic Westbound Freight Association.
5. North Atlantic Mediterranean Freight Conference.
6. West Coast of Italy, Sicilian and Adriatic Ports/North Atlantic Range Conference (W.I.N.A.C.).
7. North Atlantic French Atlantic Freight Conference.
8. French North Atlantic Westbound Freight Conference.
9. North Atlantic Baltic Freight Conference.
10. Scandinavian Baltic/United States North Atlantic Westbound Freight Conference.
11. Pacific Westbound Conference.

12. Trans-Pacific Freight Conference of Japan.
13. Far East Conference.
14. Japan-Atlantic and Gulf Freight Conference.
15. Pacific Coast European Conference.
16. Outward Continental North Pacific Conference.

APPENDIX B. *List of Trade Routes*

1. From United States North Atlantic Ports to Belgium, Holland and Germany.
2. From Belgium, Germany and the Netherlands to United States North Atlantic Ports.
3. From United States North Atlantic Ports to the United Kingdom and Eire.
4. From the United Kingdom and Eire to United States Atlantic Coast Ports.
5. From United States North Atlantic Ports to Ports on the Mediterranean Sea.
6. From Ports in Italy, Sicily, Sardinia and on the Adriatic Sea to United States North Atlantic Ports.
7. From United States North Atlantic Ports to French Atlantic Ports.
8. From French North Atlantic Ports to United States North Atlantic Ports.
9. From United States North Atlantic Ports to Swedish Ports.
10. From Sweden to United States North Atlantic Ports.
11. From United States Pacific Coast Ports to Ports in Japan.
12. From Japan to United States Pacific Coast Ports.
13. From United States Atlantic and Gulf Ports to Ports in Japan.
14. From Japan to United States Atlantic and Gulf Ports.
15. From United States West Coast Ports to Ports in Scandinavia and Continental Europe.
16. From Scandinavia and Continental Europe to United States West Coast Ports.

APPENDIX C. *Outbound Conferences Providing Documents*

1. North Atlantic/Continental Freight Conference.
2. North Atlantic United Kingdom Freight Conference.
3. North Atlantic Mediterranean Freight Conference.
4. North Atlantic French Atlantic Freight Conference.
5. North Atlantic Baltic Freight Conference.
6. Pacific Westbound Conference.
7. Far East Conference.
8. Pacific Coast European Conference.

**PUBLICATIONS**

**Recent Releases**

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Office of Media Services, Department of State, Washington, D.C., 20520.*

**Foreign Affairs Outline No. 9—U.S.-Japanese Cooperation in Asia.** Article based on a speech made by William P. Bundy, Assistant Secretary of State for Far Eastern Affairs, before the Research Institute of Japan at Tokyo. Pub. 7776. Far Eastern series 123. 4 pp. 5¢.

**Amendments to the Constitution of the United Nations Food and Agriculture Organization, as Amended.** Adopted at the Twelfth Session of the Food and Agriculture Organization, Rome, November 16—December 5, 1963. TIAS 5506. 6 pp. 5¢.

**Columbia River Basin—Cooperative Development of Water Resources.** Treaty, with Annexes, with Canada—Signed at Washington January 17, 1961. Entered into force September 16, 1964. With related agreements. Exchanges of notes—Signed at Washington January 22, 1964 and at Ottawa September 16, 1964. TIAS 5638. 51 pp. 30¢.

**Establishment of Television System in Saudi Arabia.** Agreement with Saudi Arabia. Exchange of notes—Signed at Jidda December 9, 1963, and January 6, 1964. Entered into force January 6, 1964. TIAS 5659. 12 pp. 10¢.

**Mapping—Cooperative Program.** Agreement with Dominican Republic. Signed at Santo Domingo August 28, 1964. Entered into force August 28, 1964. TIAS 5663. 8 pp. 10¢.

**Trade in Cotton Textiles.** Agreement with India, amending agreement of April 15, 1964. Exchange of notes—Signed at Washington September 15, 1964. Entered into force September 15, 1964. TIAS 5664. 5 pp. 5¢.

**Peace Corps.** Agreement with Kenya. Exchange of notes—Signed at Nairobi August 26, 1964. Entered into force August 26, 1964. TIAS 5666. 7 pp. 10¢.

**Trade in Cotton Textiles.** Agreement with Yugoslavia. Exchange of notes—Signed at Washington October 5, 1964. Date of entry into force January 1, 1965. With exchanges of letters. TIAS 5667. 13 pp. 10¢.

**Agricultural Commodities.** Agreement with Guinea—Signed at Conakry June 13, 1964. Entered into force June 13, 1964. With exchange of notes. TIAS 5668. 15 pp. 15¢.

## U.S. and Canada Sign Agreement on Trade in Automotive Products

*Prime Minister Lester B. Pearson of Canada met with President Johnson at the LBJ Ranch, January 15-16. Following is an exchange of remarks between the President and the Prime Minister on January 16 prior to their signing of a U.S.-Canadian agreement on trade in automotive products, together with the text of the agreement.*

### EXCHANGE OF REMARKS

White House press release (Austin, Tex.) dated January 16

#### President Johnson

The Prime Minister and I, with Secretary Martin [Paul Martin, Canadian Secretary of State for External Affairs] and Secretary Rusk, are about to sign a historic agreement, an agreement for free trade on automotive products between Canada and the United States.

Two years ago it appeared that our two countries might have grave differences in this great field of trade. We faced a choice between the road of stroke and counterstroke and the road of understanding and cooperation. We have taken the road of understanding.

This agreement is the result of hard work on both sides all along that road. I am sure that the Prime Minister joins me in expressing our hearty thanks to the negotiators on both sides and to their chiefs, Mr. Rusk and Mr. Martin.

Mr. Prime Minister, would you like to say a word before we sign?

#### Prime Minister Pearson

Mr. President, I share completely your satisfaction as we are able today to sign this automotive agreement, and our expression of thanks to those, including the Secretary of State and the Secretary of State for External Affairs, who conducted the negotiations.

This is one of the most important accords ever signed between our two countries in the trade field. As you say, we faced a very difficult situation in this particular area of industry, and through hard work and patient negotiation we have concluded an agreement which is of benefit to both countries. In effect, we have agreed to rationalize the production of our respective industries and to expand our production and trade through a dismantling of tariff and other barriers in the automotive field. This wasn't accomplished easily, and it could not have been accomplished at all if there had not been that mutual understanding, good will, and confidence which has grown up between our two countries over the years.

A measure of the significance of this agreement is basically this: Canada and the United States trade more with each other than any other two countries. Indeed, about one-fifth of your exports go to Canada, and automobiles and parts constitute the largest single category in that trade. I am confident that this agreement will result in an even greater flow of two-way trade, and eventually the consumers on both sides of the border will share in its benefits.

Mr. President, I have said to you many times and you have said to me many times that there are no problems between our two countries which can't be solved if we work at them hard enough and in the right spirit. This is what we have done in this agreement which we are about to sign.

### TEXT OF AGREEMENT

Press release 6 dated January 18

#### Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada

The Government of the United States of America and the Government of Canada.

Determined to strengthen the economic relations between their two countries;

Recognizing that this can best be achieved through the stimulation of economic growth and through the expansion of markets available to producers in both countries within the framework of the established policy of both countries of promoting multilateral trade;

Recognizing that an expansion of trade can best be achieved through the reduction or elimination of tariff and all other barriers to trade operating to impede or distort the full and efficient development of each country's trade and industrial potential;

Recognizing the important place that the automotive industry occupies in the industrial economy of the two countries and the interests of industry, labor and consumers in sustaining high levels of efficient production and continued growth in the automotive industry;

Agree as follows:

#### ARTICLE I

The Governments of the United States and Canada, pursuant to the above principles, shall seek the early achievement of the following objectives:

(a) The creation of a broader market for automotive products within which the full benefits of specialization and large-scale production can be achieved;

(b) The liberalization of United States and Canadian automotive trade in respect of tariff barriers and other factors tending to impede it, with a view to enabling the industries of both countries to participate on a fair and equitable basis in the expanding total market of the two countries;

(c) The development of conditions in which market forces may operate effectively to attain the most economic pattern of investment, production and trade.

It shall be the policy of each Government to avoid actions which would frustrate the achievement of these objectives.

#### ARTICLE II

(a) The Government of Canada, not later than the entry into force of the legislation contemplated in paragraph (b) of this Article, shall accord duty-free treatment to imports of the products of the United States described in Annex A.

(b) The Government of the United States, during the session of the United States Congress commencing on January 4, 1965, shall seek enactment of legislation authorizing duty-free treatment of imports of the products of Canada described in Annex B. In seeking such legislation, the Government of the United States shall also seek authority permitting the implementation of such duty-free treatment retroactively to the earliest date administratively possible following the date upon which the Government of Canada has accorded duty-free treatment. Promptly after the entry into force of such legislation, the Government of the United States shall accord duty-free treatment to the products of Canada described in Annex B.

#### ARTICLE III

The commitments made by the two Governments in this Agreement shall not preclude action by either Government consistent with its obligations under Part II of the General Agreement on Tariffs and Trade.

#### ARTICLE IV

(a) At any time, at the request of either Government, the two Governments shall consult with respect to any matter relating to this Agreement.

(b) Without limiting the foregoing, the two Governments shall, at the request of either Government consult with respect to any problems which may arise concerning automotive producers in the United States which do not at present have facilities in Canada for the manufacture of motor vehicles, and with respect to the implications for the operation of this Agreement of new automotive producers becoming established in Canada.

(c) No later than January 1, 1968, the two Governments shall jointly undertake a comprehensive review of the progress made towards achieving the objectives set forth in Article I. During this review the Governments shall consider such further steps as may be necessary or desirable for the full achievement of these objectives.

#### ARTICLE V

Access to the United States and Canadian markets provided for under this Agreement may by agreement be accorded on similar terms to other countries.

#### ARTICLE VI

This Agreement shall enter into force provisionally on the date of signature and definitively on the date upon which notes are exchanged between the two Governments giving notice that appropriate action in the respective legislatures has been completed.

#### ARTICLE VII

This Agreement shall be of unlimited duration. Each Government shall however have the right to terminate this Agreement twelve months from the date on which that Government gives written notice to the other Government of its intention to terminate this Agreement.

IN WITNESS WHEREOF the representatives of the two Governments have signed this Agreement.

DONE in duplicate at Johnson City, Texas, this 16th day of January 1965, in English and French, the two texts being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

LYNDON B. JOHNSON  
DEAN RUSK

FOR THE GOVERNMENT OF CANADA:

LESTER B. PEARSON  
PAUL MARTIN

## Annex A

1. (1) Automobiles, when imported by a manufacturer of automobiles.

(2) All parts, and accessories and parts thereof, except tires and tubes, when imported for use as original equipment in automobiles to be produced in Canada by a manufacturer of automobiles.

(3) Buses, when imported by a manufacturer of buses.

(4) All parts, and accessories and parts thereof, except tires and tubes, when imported for use as original equipment in buses to be produced in Canada by a manufacturer of buses.

(5) Specified commercial vehicles, when imported by a manufacturer of specified commercial vehicles.

(6) All parts, and accessories and parts thereof, except tires, tubes and any machines or other articles required under Canadian tariff item 438a to be valued separately under the tariff items regularly applicable thereto, when imported for use as original equipment in specified commercial vehicles to be produced in Canada by a manufacturer of specified commercial vehicles.

2. (1) "Automobile" means a four-wheeled passenger automobile having a seating capacity for not more than ten persons;

(2) "Base year" means the period of twelve months commencing on the 1st day of August, 1963 and ending on the 31st day of July, 1964;

(3) "Bus" means a passenger motor vehicle having a seating capacity for more than 10 persons, or a chassis therefor, but does not include any following vehicle or chassis therefor, namely an electric trackless trolley bus, amphibious vehicle, tracked or half-tracked vehicle or motor vehicle designed primarily for off-highway use;

(4) "Canadian value added" has the meaning assigned by regulations made under section 273 of the Canadian Customs Act;

(5) "Manufacture" of vehicles of any following class, namely automobiles, buses or specified commercial vehicles, means, in relation to any importation of goods in respect of which the description is relevant, a manufacturer that

(1) produced vehicles of that class in Canada in each of the four consecutive three months' periods in the base year, and

(II) produced vehicles of that class in Canada in the period of twelve months ending on the 31st day of July in which the importation is made,

(A) the ratio of the net sales value of which to the net sales value of all vehicles of that class sold for consumption in Canada by the manufacturer in that period is equal to or higher than the ratio of the net sales value of all vehicles of that class produced in Canada by the manufacturer in the base year

to the net sales value of all vehicles of that class sold for consumption in Canada by the manufacturer in the base year, and is not in any case lower than seventy-five to one hundred; and

(B) the Canadian value added of which is equal to or greater than the Canadian value added of all vehicles of that class produced in Canada by the manufacturer in the base year;

(6) "Net sales value" has the meaning assigned by regulations made under section 273 of the Canadian Customs Act; and

(7) "Specified commercial vehicle" means a motor truck, motor truck chassis, ambulance or chassis therefor, or hearse or chassis therefor, but does not include:

(a) any following vehicle or a chassis designed primarily therefor, namely a bus, electric trackless trolley bus, amphibious vehicle, tracked or half-tracked vehicle, golf or invalid cart, straddle carrier, motor vehicle designed primarily for off-highway use, or motor vehicle specially constructed and equipped to perform special services or functions, such as, but not limited to, a fire engine, mobile crane, wrecker, concrete mixer or mobile clinic; or

(b) any machine or other article required under Canadian tariff item 438a to be valued separately under the tariff item regularly applicable thereto.

3. The Government of Canada may designate a manufacturer not falling within the categories set out above as being entitled to the benefit of duty-free treatment in respect of the goods described in this Annex.

## Annex B

(1) Motor vehicles for the transport of persons or articles as provided for in items 692.05 and 692.10 of the Tariff Schedules of the United States and chassis therefor, but not including electric trolley buses, three-wheeled vehicles, or trailers accompanying truck tractors, or chassis therefor.

(2) Fabricated components, not including trailers, tires, or tubes for tires, for use as original equipment in the manufacture of motor vehicles of the kinds described in paragraph (1) above.

(3) Articles of the kinds described in paragraphs (1) and (2) above include such articles whether finished or unfinished but do not include any article produced with the use of materials imported into Canada which are products of any foreign country (except materials produced within the customs territory of the United States), if the aggregate value of such imported materials when landed at the Canadian port of entry, exclusive of any landing cost and Canadian duty, was—

(a) with regard to articles of the kinds described in paragraph (1), not including chassis, more than 60 percent until January 1, 1968, and thereafter more

than 50 percent, of the appraised customs value of the article imported into the customs territory of the United States; and

(b) with regard to chassis of the kinds described in paragraph (1), and articles of the kinds described in paragraph (2), more than 50 percent of the appraised customs value of the article imported into the customs territory of the United States.

## Current Actions

### MULTILATERAL

#### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.  
*Notification of approval:* France, January 18, 1965.

### BILATERAL

#### Canada

Agreement concerning automotive products. Signed at Johnson City, Tex., January 16, 1965. Entered into force provisionally on date of signature, and will enter into force definitively on date notes are exchanged between the two governments stating that appropriate legislative action has been completed by them.

#### Central African Republic

Agreement relating to investment guaranties. Effected by exchange of notes at Bangui December 31, 1964. Entered into force December 31, 1964.

#### China

Agreement amending agreement concerning trade in cotton textiles of October 19, 1963, as amended (TIAS 5482, 5549), by revising export ceiling for category 57. Effected by exchange of notes at Washington January 13, 1965. Entered into force January 13, 1965.

#### Iceland

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Reykjavik December 30, 1964. Entered into force December 30, 1964.

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Reykjavik December 30, 1964. Entered into force December 30, 1964.

#### Laos

Agreement relating to investment guaranties. Effected by exchange of notes at Vientiane December 29, 1964. Entered into force December 29, 1964.

#### Somali Republic

Agreement extending the technical cooperation program agreement of January 28 and February 4, 1961, as extended (TIAS 5332, 5508). Effected by exchange of notes at Mogadiscio December 29 and 30, 1964. Entered into force December 30, 1964.

## DEPARTMENT AND FOREIGN SERVICE

### Appointments

Lloyd Nelson Hand as Chief of Protocol, effective January 21. (For biographic details, see Department of State press release S dated January 21.)

### Designations

Leonard Unger as Deputy Assistant Secretary for Far Eastern Affairs, effective January 9.

### Check List of Department of State Press Releases: January 18-24

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6	1/18	Automotive agreement with Canada.
7	1/18	Agreed minute on shipping information.
*8	1/21	Hand sworn in as Chief of Protocol (biographic details).
†9	1/21	Schwartz: statement on African refugees.
10	1/23	Bundy: "American Policy in South Viet-Nam and Southeast Asia."
11	1/23	Rusk: commissioning of U.S.S. <i>America</i> , Portsmouth, Va.
†12	1/24	Rusk: death of Churchill.
†13	1/24	Harriman: death of Churchill.

\*Not printed.

†Held for a later issue of the BULLETIN.

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OFFICIAL BUSINESS

## Policy, Persistence, and Patience An Interview With Secretary of State Dean Rusk

This 32-page pamphlet is the transcript of an interview with Secretary Rusk on the National Broadcasting Company's television program, "A Conversation With Dean Rusk," broadcast on January 3, 1965. Secretary Rusk discusses with NBC correspondents Elie Abel and Robert Gorale the issues and problems facing the United States in South Viet-Nam, Southeast Asia, the Congo, and the Western Hemisphere and explains what they mean for the American people.

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THE  
DEPARTMENT  
OF  
STATE  
**BULLETIN**

*Vol. LII, No. 1338*



*February 15, 1965*

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# The United States Reviews the U.N. Constitutional Crisis

*Statement by Adlai E. Stevenson  
U.S. Representative to the General Assembly*<sup>1</sup>

This is my first opportunity to express publicly, on behalf of the delegation of the United States, our congratulations to you on your election as President of this Assembly,<sup>2</sup> and our admiration—I shall now add—for the manner in which you have conducted that office in most difficult circumstances.

I have asked to speak at this late date so that I can share with all delegations, in a spirit of openness, with candor and with simplicity, my Government's views on the state of affairs at this United Nations as our annual general debate comes to its conclusion. Certain things which I shall say here today have to do with law, with procedures, with technical and administrative matters. So I want to emphasize in advance that these are but manifestations of much deeper concerns about peace and world order, about the

welfare of human society and the prospects of our peoples for rewarding lives.

There can be little doubt that we have reached one of those watersheds in human affairs. It is not the first, of course, and surely not the last. But this is clearly a critical point in the long, wearisome, erratic, quarrelsome but relentless journey toward that lighter and brighter community which is the central thread of the human story.

Twenty years ago we took a giant stride on that historic journey. We negotiated and signed and ratified the Charter of the United Nations. The first purpose of the United Nations was to create a new system of world order. Those who drafted the charter were acutely conscious of earlier efforts to find collective security against war and were determined to do better this time.

I speak to you as one who participated in the formulation of the charter of this organization, both in the Preparatory Commission in London

<sup>1</sup> Made in plenary session on Jan. 26 (U.S. delegation press release 4492).

<sup>2</sup> Alex Quaison-Sackey, of Ghana, was elected President of the General Assembly on Dec. 1, 1964.

DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1338 PUBLICATION 7826 FEBRUARY 15, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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and in the charter conference in San Francisco, under circumstances so eloquently recalled by Dr. [Alberto] Lleras Camargo in his memorable address in this hall last evening. I too recall vividly the fears and hopes of those days as the World War ended in the twilight of an old era and the fresh dawn of a new one—fears and hopes which brought us together determined to insure that such a world catastrophe would never again occur. At those conferences we labored long and diligently; we tried to take into account the interests of all states; we attempted to subordinate narrow national interests to the broad common good.

This time we would create something better than static conference machinery, something solid enough to withstand the winds of controversy blowing outside and inside its halls. This time we would create workable machinery for keeping the peace and for settling disputes by nonviolent means, and we would endow it with a capacity to act. This time we would create working organizations to stimulate economic growth and social welfare and human rights—and put resources back of them. And this time we would create a constitutional framework flexible enough to adapt to an inevitably changing environment and to allow for vigorous growth through invention, experiment, and improvisation within that framework.

Twenty years ago nobody could see, of course, what the postwar years would bring. But there was a widespread feeling, in those bright, cool days on the rim of the Pacific, that the United Nations was our last chance for a peaceful and secure system of world order, that we could not afford another failure. For the character of war had evolved from a clash of armies on strategic ground to the possibility of the destruction of populations and the indiscriminate destruction of wealth and culture; the weapons of war had evolved from field artillery to blockbusting bombs, and then to a single warhead that could wipe out a city; and recourse to war had evolved from what was cruel to what could be suicidal insanity.

Twenty years ago there was a widespread feeling, too, that it already was late in the day to begin loosening the straitjackets of unbridled sovereignty and unyielding secrecy, to begin systematically to build the institutions of a

peaceful, prosperous international community in the vulnerable, fragile, interdependent neighborhood of our planet. For science and technology were making the nations interdependent willy-nilly and interconnected whether they liked it or not. Science and technology were making international cooperation and organization a modern imperative in spite of ideology and politics and were paving the way for a practical assault on world poverty, if the world was up to the challenge.

### **Contemporary World Realities**

It may well be that 20 years ago people expected too much too soon from this organization. In the workaday world we quickly discover that social and scientific and institutional inventions—even important and dramatic ones—do not swing wide the doors to utopia but only add new tools to work with in the solution of man's problems and the abatement of man's ills. In the workaday world we also discover, over and over again, that man himself is a stubborn animal, and in no way more stubborn than in his reluctance to abandon the iron luggage of the past that encumbers his journey toward human community. In the workaday world we discover, too, that to be effective an international organization must be relevant to contemporary world realities and that there may be conflicting views as to just what those realities are.

So we have learned how real are the limitations upon a single enterprise so bold and so comprehensive in its goals as the United Nations. We have learned how heavy are the chains of inherited tradition that inhibit man's journey toward wider community. We have learned that the United Nations will be no less—and can be no better—than its membership makes it in the context of its times.

And yet we have seen that the charter of this organization has made it possible to maintain a hopeful rate of dynamic growth; to adapt to changing realities in world affairs; to begin to create workable international peacekeeping machinery; to begin to grapple with the complex problems of disarmament; to stimulate effective international cooperation; and so to move, however erratically, down the road to-

ward that international community which is both the goal of the charter and the lesson of history. I am proud to say that not only has the United States given of its heart and mind to this endeavor but that over the years we have contributed more than \$2 billion to the support of the United Nations and its activities.

The progress which this institution has fostered has been accomplished despite the unprecedented character of the organization, despite the intractable nature of many of the problems with which we have dealt, despite the so-called cold war which intruded too often in our deliberations, and despite a series of debilitating external and internal crises from which the organization has, in fact, emerged each time more mature and better able to face the next one.

### **Accomplishments of the United Nations**

In the short space of two decades the United Nations has responded time after time to breaches of the peace and to threats to the peace. A dozen times it has repaired or helped repair the rent fabric of peace. And who can say that this has not made the difference between a living earth and an uninhabitable wasteland on this planet?

During that time, the United Nations has sponsored or endorsed all the efforts to halt the armaments race and to press on toward general and complete disarmament in a peaceful world. Its efforts were not fruitless. Agreement was reached on a direct communications link between Washington and Moscow, a step lessening the risk of war through accident or miscalculation. A treaty was signed—long urged by the General Assembly—banning nuclear weapon tests in the atmosphere, in outer space, and under water. The two states presently capable of stationing nuclear weapons in outer space expressed in the United Nations their intent to refrain from doing so, and we adopted a resolution here calling on all other states to do likewise. In short, the efforts of the last 20 years have at last begun to arrest the vicious spiral of uncontrolled nuclear armament.

In the short span of 20 years the United Nations also has created a versatile range of international agencies which are surveying resources,

distributing food, improving agriculture, purifying water, caring for children, controlling disease, training technicians—researching, planning, programing, investing, teaching, administering thousands of projects in hundreds of places, so that, to quote the charter, “we the peoples of the United Nations” may enjoy “social progress and better standards of life in larger freedom.” These activities are now being financed at the impressive level of some \$350 million a year.

In its brief life the United Nations also has taken major strides toward creating an open community of science—for the peaceful use of atomic energy, for the application of technology to industry and agriculture and transport and communications and health, for a worldwide weather reporting system, for shared research in many fields, and for cooperative regulation of the growing list of tasks, like frequency allocation and aerial navigation, which cannot even be discussed except on the assumption of international cooperation and organization.

We have proved in practice that these things can be done within the Charter of the United Nations whenever enough of the members want them done and are willing to provide the means to get them done.

In the process we have left well behind us the outdated question of whether there should be a community of international institutions to serve our common interests. The question now is how extensive and effective these organizations should become—how versatile, how dynamic, how efficient—and on what assumptions about the sharing of support and responsibility.

### **A Fork in the Road Ahead**

And yet, in spite of this history, we have reached a fork in the road ahead of this organization—and thus in our search for world order and our journey toward a wider community.

Is this to overdraw the picture—to overdramatize the situation in which we find ourselves? Not, I think, if we recollect the historic character of warfare.

I assume that we are all convinced that the revolutionary advance in destructive capability—and the danger that little wars anywhere can lead to bigger wars everywhere—has mad

war an obsolete means for the settlement of disputes among nations. Yet World War II, I remind you, occurred after it already was clear to intelligent men that war had become an irrational instrument of national policy, that another way must be found to settle international accounts and to effect needed change.

The reason is not hard to find: The level of destruction does not obliterate the inherently double character of warfare. In our minds we tend to associate war, and correctly so, with the ancient lust for conquest and dominion; we tend, rightly, to identify war as the instrument of conquerors and tyrants. Yet in every war there is a defender who, however reluctantly, takes up arms in self-defense and calls upon others for aid. And this is the other face of war: War has been the instrument by which lawlessness and rebellion have been suppressed, by which nations have preserved their independence, by which freedom has been defended. War is an instrument of aggression—and also the means by which the aggressors have been turned back and the would-be masters have been struck down.

As long ago as 490 B.C., Miltiades and his heroic spearmen saved Greek civilization on the Plain of Marathon. Nearly 2,500 years later, the gallant flyers of the Royal Air Force fought in the skies over Britain until the invading air armadas were turned back, while the indomitable legions of the Soviet Army fought on and on at Stalingrad until at last they broke the back of the Nazi threat to the Russian homeland.

All through the years we have been taught again and again that most men value some things more than life itself. And no one has reminded us more eloquently and resolutely that it is better to die on your feet than to live on your knees than the noble spirit that left us the other day in London—Sir Winston Churchill.

As long as there are patriots, aggression will be met with resistance—whatever the cost. And the cost rises ever higher with the revolution in weaponry. At Marathon 200 Athenians lost their lives. At Stalingrad 300,000 invaders lost their lives.

There, precisely, is the difficulty we are in, now, in our day, the end result of aggression and defense is Armageddon—for man has stolen the Promethean fire. Yet resistance to aggres-

sion is no less inevitable in the second half of the 20th century than it was 2,500 years ago.

The powers of the atom unleashed by science are too startling, too intoxicating, and at the same time too useful as human tools for any of us to wish to abandon the astonishing new technology. But, if we will not abandon it, we must master it. Unless the United Nations or some other organization develops reliable machinery for dealing with conflicts and violence by peaceful means, Armageddon will continue to haunt the human race; for the nations will, as they must, rely on national armaments until they can confidently rely on international institutions to keep the peace.

### **Preserving the U.N.'s Capacity To Act**

This, it seems to me, makes the present juncture in our affairs historic and critical. This, it seems to me, is why the Assembly should be able to perform its proper functions in the event of an emergency, and why this issue before us must be resolved.

What then is the issue before us? It is, in essence, whether or not we intend to preserve the effective capacity of this organization to keep the peace. It is whether to continue the difficult but practical and hopeful process of realizing in action the potential of the charter for growth through collective responsibility, or to turn toward a weaker concept and a different system.

This choice has not burst upon us without warning. Some 3½ years ago, the last Secretary-General, Dag Hammarskjöld, in what turned out to be his last report to the General Assembly, foreshadowed this choice quite clearly. There were, he said:

... different concepts of the United Nations, the character of the Organization, its authority and its structure.

On the one side, it has in various ways become clear that certain Members conceive of the Organization as a static conference machinery for resolving conflicts of interests and ideologies with a view to peaceful co-existence, within the Charter, to be served by a Secretariat which is to be regarded not as fully Internationalized but as representing within its ranks those very interests and ideologies.

Other Members have made it clear that they conceive of the Organization primarily as a dynamic instrument of Governments through which they, jointly and

for the same purpose, should seek such reconciliation but through which they should also try to develop forms of executive action, undertaken on behalf of all Members, and aiming at forestalling conflicts and resolving them, once they have arisen, by appropriate diplomatic or political means, in a spirit of objectivity and in implementation of the principles and purposes of the Charter.

If that language of Mr. Hammarskjöld's seems mild and diplomatic, the warning was nevertheless clear. If it was relevant then, it is no less relevant now. If we needed an organization with capacity for executive action then, how much more do we need it now.

### Challenge to Assembly's Power of Assessment

There have been many challenges to the United Nations' ability to act, from the abuse of the right of the veto to the effort to impose a troika to replace the Secretary-General. Now we are faced with a challenge to the Assembly's right even to engage in peacekeeping functions or to determine how they are to be financed and to adopt assessments to support them.<sup>3</sup>

The decision to invest this Assembly with the power over the United Nations finances—its power of assessment—was made in 1945 when the charter was adopted. Ever since then, an overwhelming proportion of the members have been paying their assessments on the assumption and understanding that this was, in fact, the law—and that the law would be applied impartially to one and all.

Almost from the outset these assessments have included peacekeeping activities. Starting in 1947, the United Nations Truce Supervision Organization in the Middle East, the United Nations military observer in Kashmir, the United Nations observation mission in Lebanon, and other similar missions were financed by mandatory assessments under article 17. For 10 years no member of the United Nations thought to refuse, as some are now doing, to pay these assessments or to condemn them as illegal, as they now do.

When the assessments for the United Nations Emergency Force in the Middle East and the Congo operation were passed year after

<sup>3</sup> For background on the U.N. financial crisis, see BULLETIN of Nov. 9, 1964, p. 681; Dec. 7, 1964, p. 826; and Dec. 21, 1964, p. 891.

year by large majorities in this Assembly, the members clearly understood them also as mandatory obligations.

This was the understanding of states when they made voluntary contributions above and beyond their regular scale of assessments to reduce the burden on members less able to pay.

This was the understanding on which the members approved the United Nations bond issue, and it was the understanding on which the Secretary-General sold—and over 60 member states bought—some \$170 million of these bonds.

As the Secretary-General so aptly put it last Monday [January 18], the question is whether the United Nations will, in the days ahead, be in a position "to keep faith with those who have kept faith with it."

When the argument was pressed, in spite of the United Nations' unailing practice, that peacekeeping assessments were not mandatory because peacekeeping costs could not be expenses of the organization within the meaning of article 17, that question was taken to the International Court of Justice for an opinion. We all know that the Court confirmed the principle which the Assembly had always followed. Peacekeeping costs when assessed by the Assembly—and specifically those for the Congo and the United Nations Emergency Force—are expenses of the organization within the meaning of article 17. We also know that the General Assembly by resolution at the last session accepted that opinion by an overwhelming vote thus confirming that the law was also the policy of this Assembly as well.

The Assembly's most important prerogative may well be its power of assessment. It is the heart of collective financial responsibility and as the Secretary-General also said last week

... a policy of improvisation, of *ad hoc* solution of reliance on the generosity of a few rather than the collective responsibility of all ... cannot much long endure if the United Nations itself is to endure as dynamic and effective instrument of international action.

It is your power of assessment which being challenged. It is the power of each member of this Assembly—and particularly the smaller nations whose primary reliance for peace and security and welfare must be the

United Nations. And—make no mistake about it—it is your power to keep or to abandon.

We can live with certain dilemmas and paradoxes: we can paper over certain ambiguities and anomalies; we can ignore certain contradictions of policy and principle in the interests of pursuing the common interest of majorities in this Assembly. And we can, of course, change our procedures and devise new procedures, within the framework of the basic law, for handling our affairs in the future. Or we can indeed change the law. But we cannot have a double standard for applying the present law under which we have been operating in good faith for the past two decades.

We cannot have two rules for paying assessments for the expenses of the organization: one rule for most of the members and another rule for a few. If this Assembly should ignore the charter with respect to some of its members, it will be in no position to enforce the charter impartially as to others, with all the consequences which will follow with respect to the mandatory or voluntary character of assessments.

#### **Adapting Procedures to Political Realities**

This is not to say that the procedures under which the Assembly exercises its authority should not conform to changed conditions and to political realities. Indeed, it is all-important that they do.

That is why my Government has suggested that a special finance committee, perhaps with a membership similar to the Committee of 21, be established by the Assembly to recommend to the General Assembly in the future the ways and means under which it should finance any major peacekeeping operations—and that this committee should consider a number of alternative and flexible financing schemes whenever it is called upon for such recommendations.<sup>4</sup>

We are not dogmatic about this proposal, and we are prepared to examine patiently variations and alternatives with other members—we have been for months and months. Certainly it should not be beyond the ingenuity of such a committee, on a case-by-case basis, to devise

ways of assuring financing arrangements for the future which are generally acceptable, particularly to the permanent members of the Security Council.

But in favoring procedural changes, we do not challenge the basic law of the charter: We seek improved working procedures; we do not seek to undo the past but to smooth the future.

We support the primacy of the Security Council in the maintenance of peace and security and would support an increase in its role; but we seek to maintain the residual right of this Assembly to deal with such questions in the event the Security Council fails to do so.

We support the right, under the charter, of this Assembly to assess the membership for the expenses of this organization so long as it enforces this power equitably and impartially; we will also support steps to assure that the views of all are taken fully into account.

We believe, as I have said, that the Assembly should continue, within the scope of its powers, to be able to deal, free of a veto, with problems of peace and security should the need arise. We are prepared to seek ways of accommodating the principle of sovereign equality and the fact of an unequal distribution of responsibility.

The question here is whether the United Nations will demonstrate again, as it has in the past, a capacity for flexibility and adaptation which has permitted it to grow and to prosper in the past and whether we continue to adhere to the prevailing principle of collective financial responsibility for world peace.

It will, of course, be up to the member governments to decide whether this organization is going to continue to work under the charter as it has been accepted by most of us, interpreted by the Court, and endorsed by this Assembly.

#### **U.S. Clear About Its Own Choice**

My Government is quite clear about its own choice, lest that be a secret to any of you. We want to continue to do our full share in designing and supporting—morally, politically, and materially—any sound expansion of the peacekeeping machinery of this organization. We feel that there are possibilities for a more diversified family of weapons of peace in the United Nations arsenal—from conciliation pro-

<sup>4</sup> For text of a U.S. working paper on the financing of U.N. peacekeeping operations, see *ibid.*, Oct. 5, 1964, 488.

cedures, to small teams available for investigation of complaints and for border inspection, to logistical plans for peacekeeping missions.

My Government also intends to continue the search for meaningful and verifiable steps to limit and, hopefully—hopefully, I repeat—to halt the arms race. For a peaceful world delivered of the burden of armament, we will pursue with the urgency it merits the objective of stopping the spread of lethal weapons and of halting the multiplication of nuclear arms. This most urgent objective is in the common interest of all mankind. For if we fail to achieve it soon, all the progress attained thus far would be brought to naught and the goal of general and complete disarmament would become more distant than ever.

My Government is prepared to support a further enlargement of the capacity of the international agencies to wage the war against poverty. We would, for example, like to see the combined Special Fund and Expanded Program of Technical Assistance raise its budgetary goal well beyond the present \$150 million, once the two programs have been merged satisfactorily. We would like to see a further expansion of capital for the International Development Association. We would like to see a further expansion in the use of food for development. We would like to see some major experiments in bringing to focus the whole family of United Nations agencies.

We would like to see, among other things, the Center for Industrial Development intensify its work and become an effective laboratory for spreading the technology of the industrial revolution to the far corners of the planet. We feel that there are good opportunities for building up the institutions and programs dealing with the transfer and adaptation of science and technology, and for developing the wise use of the world's most precious resources.

And, too, we wish to see the final chapter written in the drama of decolonization, and written peacefully. We, too, wish to explore the desirability of creating some new United Nations machinery in that most neglected area of the charter called human rights. We, too, want to press on in such fields as weather forecasting, nuclear energy, resources conservation, and the conversion of sea water.

My Government is as anxious as any delegation represented in this Assembly to get on with these priority tasks, to press ahead toward the peaceful solution of disputes, toward cooperative development, toward building the law and institutions of a world community in which man can some day turn his full talents to the quality of society and the dignity of the individual.

This is what we have believed in and worked for at the United Nations for two decades now. This is what most of the members have believed in and worked for as long as they have been members.

#### **Danger of Diminishing U.N.'s Authority**

What, then, is the alternative? What if the Assembly should falter in the exercise of its own authority? What if the Assembly should repudiate its own history, reject the opinion of the International Court, reverse its own decision with respect to that opinion, and shut its eyes to the plain meaning of the charter, and thereby the treaty which gives it being?

I have no prophetic vision to bring to the answer to this question—for this would be a step in the dark, down an unfamiliar path. I can only say with certainty that the United Nations would be a different institution than most of the members joined and a lesser institution than it would otherwise be.

I do not have to draw a picture of the uncertainties, the delays, the frustrations, and no doubt the failures that would ensue were members able to decide with impunity which activities they, unilaterally, considered to be legal or illegal and which, unilaterally, they chose to support or not to support from year to year. And so our world would become not a safer but a more dangerous place for us all, and the hope for a strengthened and expanded and more useful United Nations would have been dimmed.

I must say in all earnestness that my delegation would be dismayed if at this stage in history the members of this Assembly should elect to diminish the authority of this organization and thereby subtract from the prospects for world order and world peace. If the General Assembly should now detour on the long journey toward an enforceable world order, I fear we will set back the growth of collective responsibility.



bility for the maintenance of peace.

Wise men drew a lesson from World War I and established the League of Nations. President Woodrow Wilson took the lead in that great experiment, and my countrymen, in hindsight, deeply regret that the United States did not take up its share of the burden in that historic enterprise. But the lesson of World War II was not wasted on this country, as our active leadership in establishing the United Nations and its charter attests.

Who can say whether we shall have another chance to draw a lesson from another global conflict and start again? But this we know full well: We, the human race, are fellow travelers on a tiny spaceship spinning through infinite space. We can wreck our ship. We can blow the human experiment into nothingness. And by every analogy of practical life, a quarrelsome ship's company and many hands on the steering gear is a good recipe for disaster.

#### **Why the U.S. Is Committed to the U.N.**

In such a world there can be only one overriding aim: the creation of a decent human order on which we can build a reasonable peace—not simply the precarious peace of balances and alliances, not simply the horrifying peace of mutual terror, but the peace that springs from agreed forms of authority, from accepted systems of justice and arbitration, from an impartial police force.

That is why our commitment to an effective, working, tenacious United Nations is so deep and why, in the most literal sense, the United Nations carries with it so much of the hope and future of mankind.

This is our position not because we, among the members, are uniquely dependent upon the United Nations for the security and safety of our citizens.

This is our position not because we, among the members, especially look to the United Nations for guidance and help for our economic development.

This is our position not because we found it advantageous to our narrow national interests to treat assessments as mandatory: we found it a price worth paying in recognition that others also shared the principle that all members bear

some measure of responsibility for maintaining the peace.

This is our position, rather, because we believe that in the nuclear age the only true national security for all members lies in a reliable and workable system of dealing with international disputes by nonviolent means—because we believe that we shall continue to face crises and problems which, by definition, can only be dealt with internationally—because we believe that workable, effective international institutions are a plain necessity of our day and age—because we believe that in every secure community shared privileges demand shared responsibility—and because we believe it unwise and unsafe and unnecessary to take a side road at this stage of the journey on which we set out together two decades ago.

Beneath all the complexities of the issue that now threatens the future capacity of this organization, there are some very simple, very basic, very plain points to remember.

My nation, most nations represented here, have paid their assessments and have kept their accounts in good standing.

My Government, most governments represented here, have accepted the principle of collective financial responsibility and have striven to uphold the prerogatives of this Assembly.

My Government, most of the governments represented here, want to resolve this crisis without violence to the charter and to get on with our international business.

That is why we have all stood available to discuss this issue at all times.

What we have sought is not defeat for any member of this organization. What we have sought is the success of the United Nations as a living, growing, effective international organization.

But the Assembly is now nearing a fork of the road, and I have attempted to put the issue frankly because the Assembly may soon again have to decide which branch of the road it will take. And the very least that we can do is to be absolutely clear just what we are doing when we exercise that option.

Finally, I, for one, cannot escape the deep sense that the peoples of the world are looking over our shoulder—waiting to see whether we

can overcome our present problem and take up with fresh vigor and with renewed resolution the great unfinished business of peace, which President Johnson has called "the assignment of the century."<sup>5</sup>

## **U.S. Leaders Express Sorrow at Death of Winston Churchill**

*Following is the text of a statement made by President Johnson after the death of Sir Winston Churchill at London on January 23, together with an Executive order, a message from Secretary Rusk to Michael Stewart, British Secretary of State for Foreign Affairs, and statements by Under Secretary W. Averell Harriman and U.S. Representative to the United Nations Adlai E. Stevenson.*

### **Statement by President Johnson**

White House press release (U.S. Naval Hospital, Bethesda, Md.) dated January 24

When there was darkness in the world, and hope was low in the hearts of men, a generous Providence gave us Winston Churchill.

As long as men tell of that time of terrible danger and of the men who won the victory, the name of Churchill will live.

Let us give thanks that we knew him. With our grief let there be gratitude for a life so fully lived, for services so splendid, and for the joy he gave by the joy he took in all he did.

The people of the United States—his cousins and his fellow citizens—will pray with his British countrymen for God's eternal blessing on this man, and for comfort to his family.

He is History's child, and what he said and what he did will never die.

### **Executive Order 11193<sup>1</sup>**

#### WINSTON SPENCER CHURCHILL

As a symbol of respect for the memory of Sir Winston Spencer Churchill, an Honorary Citizen of the United States, it is hereby ordered, pursuant to the provisions of Section 4 of Proclamation 3014 of March 1, 1954, that through the day of interment the flag of the United

<sup>5</sup> *Ibid.*, Oct. 19, 1964, p. 555.

<sup>1</sup> 30 Fed. Reg. 821.

States shall be flown at half-staff on all buildings, grounds and naval vessels of the Federal Government in the District of Columbia and throughout the United States and its Territories and possessions. I further direct that the flag shall be flown at half-staff for the same length of time at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.



THE WHITE HOUSE,  
January 24, 1965.

### **Message of Secretary Rusk**

Press release 12 dated January 24

My colleagues and I extend to you our deepest sympathy in the death of Sir Winston. We share your sorrow and feel greatly the loss of the man who has been such an inspiration to all free peoples of the world. He characterized to all Americans the closeness of the ties between our two countries.

### **Statement by Under Secretary Harriman**

Press release 13 dated January 24

People the world over are mourning the loss of the indomitable leader of our times, Winston Churchill, who became to all the symbol of courage and determination to preserve and strengthen the cause of freedom.

Those of us who had the privilege of knowing him and of working with him will never forget the example he set of devotion to liberty and fierce opposition to the forces of tyranny and injustice.

His wise counsel and invincible spirit will ever guide and inspire us as we face the new and critical problems ahead.

### **Statement by Ambassador Stevenson**

U.S./U.N. press release 4491 dated January 24

He, with Franklin Roosevelt, gave us our finest hour. He was not afraid of blood or sweat or tears—or anything else, for that matter. Now, all we will have of him is the inspiration of his indomitable spirit, but that is the greatest bequest he could leave us.

## The Budget of the United States Government for the Fiscal Year Ending June 30, 1966 (Excerpts)<sup>1</sup>

### PART 1. THE BUDGET MESSAGE OF THE PRESIDENT

*To the Congress of the United States:*

**International affairs and finance.**—We cannot achieve lasting world peace with armaments alone. Nor can greater worldwide prosperity be bought with money alone. These goals will be achieved only through the hard work, patience, understanding, and strength of men of good will everywhere.

Yet it is essential that we continue to put our best energies and some of our vast economic resources to work in solving the problems the world faces today. Prudent and careful expenditures for our international programs can help to keep men free, to promote understanding, and to substitute cooperation and negotiation for force in world affairs.

The 1966 budget calls for only a very modest increase in foreign economic assistance expenditures. With these funds, we will continue to concentrate our aid efforts in those less developed countries that are demonstrating the will and determination required to achieve political stability and economic growth.

We shall maintain our firm commitment to the Alliance for Progress—the focus of our ef-

forts to achieve unity and understanding in this hemisphere. As an important part of this commitment, I recommend prompt action to permit our participation in the expansion of the Inter-American Development Bank.

This budget also enables us to:

- Continue our participation in and support for the United Nations.
- Maintain an adequate and alert network of diplomatic posts around the world.
- Improve our overseas information activities, so that others may know us not just as a rich nation, but as a free and responsible nation as well.
- Expand the Peace Corps, by now a proven experiment in international cooperation.

In an important step to strengthen the free world's financial system, the members of the International Monetary Fund are considering an increase in quotas. Upon completion of these discussions, expected shortly, I shall recommend that the Congress authorize promptly the funds needed to provide the U.S. share of this increase.

### PART 4. THE FEDERAL PROGRAM BY FUNCTION

#### International Affairs and Finance

Through its international activities, the Federal Government remains alert and responsive to developments in a rapidly changing world. In pursuit of the objectives of world peace, stability, and prosperity, the United States par-

<sup>1</sup> H. Doc. 15, Part 1, 89th Cong., 1st sess.; transmitted Jan. 25. Reprinted here are the sections on international affairs and finance from parts 1 and 4 of the 12-page volume entitled *The Budget of the United States Government for the Fiscal Year Ending June 30, 1966*, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 6402 (\$1.75).

ticipates in international organizations such as the United Nations and the Organization of American States. It increases mutual understanding through worldwide information and exchange activities. It pursues negotiations affecting a wide spectrum of problems—from the reduction of armaments to the liberalization of world trade and commerce. It builds for the future by encouraging economic and social progress in the developing nations, and it helps to avert immediate dangers to peace by providing economic as well as military assistance to threatened countries.

New obligational authority of \$5.1 billion is requested for international affairs and finance activities for 1966, a decrease of about \$1.6 billion from 1965. Administrative budget expenditures for these activities are estimated to be \$4.0 billion in 1966, \$59 million less than in 1965.

**Conduct of foreign affairs.**—The Department of State has primary responsibility for a wide array of activities required to conduct the Nation's foreign affairs. To fulfill its responsibilities, it must maintain diplomatic and consular posts in 113 countries—31 more than were required 5 years ago. A small number of additional diplomatic and consular posts will be opened in 1966, reflecting the forthcoming independence of new nations and the implementation of a new consular convention with the U.S.S.R.

Workloads will continue to increase in other areas as well. For example, more Americans will be traveling abroad in 1966, resulting in an estimated 1,320,000 applications for passports—a 10% increase over 1965. Travel of foreigners to the United States will also continue to grow. The budget anticipates that 1,365,000 nonimmigrant visas will be issued—14% over 1965. Additional commercial staff will be required to deal with increased workloads, including the promotion of U.S. exports. Improved communications to support the Foreign Service and enhanced security measures at posts abroad are also provided for.

In addition, the budget includes funds for the expenses of U.S. membership in the United Nations and other international organizations. Our participation in and support of these bodies

are important to our quest for international peace, security, and cooperation.

All these activities of the Department of State will require expenditures of \$306 million in 1966, \$10 million more than in 1965.

The United States Arms Control and Disarmament Agency will expand its staff and contract research efforts in 1966 to formulate new U.S. approaches toward controlling and reducing arms and lessening the risk of war, and to support U.S. participation in international disarmament meetings.

**Agency for International Development.**—The Agency for International Development administers and coordinates economic assistance programs in less developed countries where political stability, resistance to aggression, or economic and social progress are important to the foreign policy objectives of the United States. In those countries which are working to achieve economic growth and stability through concentrated self-help and self-discipline, the United States is supplementing local resources with long-term loans and technical and supporting assistance. In 1966, expenditures for all AID activities are estimated to total \$2.1 billion, an increase of \$50 million over 1965.

New obligational authority of \$2.2 billion is being requested for 1966, about the same as the 1965 amount. This request covers only the most urgent requirements. It reflects a continuing effort to increase the effectiveness and efficiency of our assistance programs.

An increasing proportion—now over 80%—of U.S. commitments for economic assistance programs is directly tied to the purchase of goods and services in the United States. In this way, any adverse effect of our assistance program on the U.S. balance of international payments is minimized. In addition, the long-term growth of U.S. exports is stimulated through the development of new trade patterns and opportunities.

**Development loans and technical cooperation.**—Most expenditures for development assistance are in the form of long-term loans, repayable in dollars. Expenditures for these loans are estimated to total \$870 million in 1966 slightly more than in 1965. This total excludes loans under the Alliance for Progress, which is discussed separately.

## INTERNATIONAL AFFAIRS AND FINANCE

[Fiscal years. In millions]

Program or agency	Payments to the public			Recom- mended new obligational author- ity for 1966
	1964 actual	1965 esti- mate	1966 esti- mate	
<i>Administrative Budget Funds:</i>				
Conduct of foreign affairs:				
Department of State.....	\$279	\$296	\$306	\$318
U.S. Arms Control and Disarmament Agency....	6	10	10	12
Tariff Commission.....	3	3	3	4
Foreign Claims Settlement Commission.....	9	37	2	2
Economic and financial pro- grams:				
Agency for International Development:				
Development loans.....	768	862	870	780
Technical cooperation....	226	190	205	210
Alliance for Progress....	272	365	398	580
Supporting assistance....	371	370	390	369
Contingencies and other..	360	263	237	271
Subtotal, Agency for International Devel- opment.....	1,997	2,050	2,100	2,210
International financial in- stitutions:				
Present programs.....	112	62	10	310
Proposed legislation....	-----	258	25	250
Peace Corps.....	60	80	105	125
Export-Import Bank.....	-702	-645	-480	-----
Other.....	12	15	21	12
Food for Peace <sup>1</sup> .....	1,704	1,661	1,661	1,658
Foreign information and ex- change activities:				
United States Information Agency.....				
Department of State.....	161	164	161	173
	46	52	59	62
Subtotal, administrative budget.....	3,687	4,043	3,984	25,136
<i>Trust Funds</i> .....	62	-106	258	<sup>2</sup> 115
Intragovernmental transac- tions and adjustment for net cash issuances or with- drawals by international financial institutions (de- duct).....				
	256	301	89	
Total.....	3,492	3,636	4,153	

<sup>1</sup> See General Notes, page 4, item 4. [Not printed here.]<sup>2</sup> Compares with new obligational authority for 1964 and 1965, as follows: Administrative budget funds: 1964, \$4,457 million; 1965, \$6,759 million. Trust funds: 1964, \$57 million; 1965, \$32 million.

number of countries in which such financing is necessary has declined sharply in recent years, but there continue to be urgent requirements in the Far East—primarily in Vietnam. Expenditures for supporting assistance are estimated to rise to \$390 million in 1966 from \$370 million in 1965.

This assistance is concentrated in relatively few developing countries to finance the dollar costs of capital projects and/or critical imports upon which economic growth depends. India, Pakistan, and Turkey are the major recipients.

In these and other major countries, U.S. financial help is part of a systematic program of modernization carried out in accordance with a development plan. This help usually represents an agreed-upon U.S. share of the total amount of assistance provided by most of the major industrial countries of the free world. Where comprehensive development plans have not yet been formulated and approved, lending is normally undertaken only for specific projects, each of which is carefully reviewed in terms of its technical soundness and its relative contribution to overall growth.

In most countries, dollar loans—to be effective—must be complemented by technical cooperation. The United States meets this need through grants for part of the costs of furnishing U.S. advisers who can bring American experience and technical skills to bear on the various complex problems of economic development. Expenditures for such grants are expected to amount to \$205 million in 1966, \$15 million more than in 1965.

*Alliance for Progress.*—Through the Alliance for Progress, the United States is working with the Latin American nations in a special effort to achieve the economic and social reforms required to accelerate economic growth. U.S. participation in these efforts involves primarily development loans and technical assistance.

This budget includes new obligational authority of \$580 million for 1966 for the Alliance for Progress activities of the Agency for International Development; expenditures in 1966 are estimated at \$398 million, an increase of \$33 million over 1965. Other important Alliance activities will be carried out through the Inter-American Development Bank, the Export-Import Bank, the Food for Peace Program, and the Peace Corps.

*Other AID programs.*—In some cases, the United States provides supporting assistance grants and loans to counter immediate threats to political and economic stability which, in turn, pose danger to free world security. The

The United States makes substantial contributions to programs of international organizations which complement our bilateral aid efforts. These programs range from general development assistance operations, such as those of the United Nations Special Fund, to specific activities, such as the Indus Basin Development program administered by the World Bank.

AID programs for guaranteeing private investment abroad are encouraging increased participation by the American business community in the developing countries. To accelerate this trend, legislation is recommended to increase substantially the authority to extend these guarantees. The value of guarantees outstanding is expected to rise in 1966 to a total of \$4 billion, about \$1 billion more than in 1965.

**Other economic and financial programs.**—New obligational authority of \$456 million is requested for 1966 to strengthen the Alliance for Progress through expansion of the resources and activities of the Inter-American Development Bank. This total includes a request for \$206 million in new obligational authority to provide the second and final installment of a \$412 million increase in the U.S. subscription of callable capital held in reserve in the U.S. Treasury against Bank borrowing in private capital markets. No expenditure of these funds is contemplated. Under proposed legislation to expand the Bank's long-term lending financed by member governments, new obligational authority of \$250 million is being requested in both 1965 and 1966; a similar amount will be requested for 1967.

New obligational authority of \$104 million is requested for 1966 to finance the first installment of the 3-year, \$312 million increase in the U.S. subscription to the International Development Association approved during the last session of Congress. This Association is an affiliate of the World Bank, established to make loans on easier terms than regular Bank loans.

The member nations of the International Monetary Fund are considering strengthening this institution through an increase in the quotas of all members. Completion of the discussions involved is expected shortly, and legislation will be promptly recommended to authorize the U.S. share of this increase. The budget includes new

obligational authority of \$1 billion for 1965 for this purpose.

The Export-Import Bank is continuing its efforts to expand U.S. exports. The Bank's successful insurance and guarantee programs—undertaken in cooperation with insurance companies and commercial banks—will protect more than \$1.5 billion of U.S. exports against both political and commercial risks by the end of 1966. Direct loans to foreign borrowers are also expected to increase, thereby developing markets for U.S. products and providing U.S. capital equipment for projects around the world. Sales to private buyers of certificates of participation in the Bank's portfolio will contribute to an estimated net excess of Bank receipts over expenditures of \$480 million in 1966.

The continuing success of the Peace Corps is expected to result in increased demand from foreign nations for the services of volunteers, as well as increased interest from qualified Americans. Peace Corps programs are anticipated in 46 countries in 1966, and the number of volunteers and trainees is expected to rise from 15,000 in 1965 to 17,000 by the end of 1966. This will require an estimated increase of \$25 million in expenditures.

**Food for Peace.**—The Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) is the foundation of the Food for Peace program, through which U.S. agricultural surpluses are made available to help feed hungry people and contribute to economic development abroad.

About two-thirds of the Food for Peace program consists of sales of commodities to foreign nations for their own currencies. To the extent possible, these currencies are then used in the recipient countries to pay U.S. obligations, to finance loans to U.S. private enterprise, and to support local development projects. Almost all of these currencies are inconvertible, and considerable balances have developed in a number of countries. In an effort to improve our ability to make more effective use of these currencies a special foreign currency authorization is proposed permitting the President to use up to 5% of such currencies in each of those countries in which U.S. balances are in excess of regular U.S. needs. These funds will be used for addi

tional worthwhile purposes serving U.S. national interests, and annual reports will be made to the Congress on these uses.

Other aspects of the Food for Peace program provide grants of food abroad and long-term credit sales for dollars.

Expenditures for Food for Peace are estimated at \$1,661 million in 1966, the same as in 1965. The total volume of commodities shipped is expected to remain approximately at 1965 levels. The decline in expenditures for the foreign currency sales program reflects in part lower ocean transportation payments. Under legislation passed last year, these payments will cover only additional costs resulting from the use of U.S. vessels.

Disposal of commodities abroad through private welfare agencies, as authorized by section 416 of the Agricultural Act of 1949, as amended, is sometimes treated as a part of the Food for Peace effort. Expenditures for this program, which are classified under agriculture and agricultural resources, are estimated at \$179 million in 1966.

**Foreign information and exchange activities.**—The Department of State and the United States Information Agency work together to develop improved mutual understanding with other peoples.

Expenditures for educational and cultural exchange activities of the Department of State will increase as a result of measures to improve the quality and effectiveness of these activities. Most of the increase in new obligational authority is requested to substitute for a decline in U.S.-owned foreign currencies available for the program. The increase will also provide for travel of dependents of certain American teachers and professors sent abroad and for special services for non-U.S. Government-sponsored foreign students in this country.

The United States Information Agency will reallocate its resources in order to improve the quality of its information activities while reducing costs. This will permit reductions in both expenditures and employment in 1966. Under his reallocation, decreases in trade fair exhibitions and the Western European program will permit greater worldwide motion picture and television efforts as well as further buildup in

the African program. The 1966 estimate for new obligational authority includes \$13 million to complete an important Voice of America radio transmitting facility in the Far East.

## State of Our Defenses

### *Message of the President to the Congress<sup>1</sup>*

TO THE CONGRESS OF THE UNITED STATES:

One hundred seventy-five years ago, in his first annual message, President Washington told the Congress:

Among the many interesting objects which will engage your attention that of providing for the common defense will merit particular regard. To be prepared for war is one of the most effectual means of preserving peace.

For the 89th Congress—as for the 1st Congress—those words of the first President remain a timely charge.

In the 20th year since the end of mankind's most tragic war you and I are beginning new terms of service. The danger of war remains ever with us. But if the hope of peace is sturdier than at any other time in these two decades, it is because we—and free men everywhere—have proved preparedness to be “the most effectual means of preserving peace.”

Arms alone cannot assure the security of any society or the preservation of any peace. The health and education of our people, the vitality of our economy, the equality of our justice, the vision and fulfillment of our aspirations are all factors in America's strength and well-being.

Today we can walk the road of peace because we have the strength we need. We have built that strength with courage. We have employed it with care. We have maintained it with conviction that the reward of our resolution will be peace and freedom.

We covet no territory; we seek no dominion; we fear no nation; we despise no people. With our arms we seek to shelter the peace of mankind.

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<sup>1</sup> White House press release dated Jan. 18 (H. Doc. 51, 89th Cong., 1st sess.).

In this spirit, then, I wish to consider with you the state of our defenses, the policies we pursue, and—as Commander in Chief—to offer recommendations on our course for the future.

## I

### THE STATE OF OUR DEFENSES

I am able to report to you that the United States today is stronger militarily than at any other time in our peacetime history.

Under our free and open society, the American people have succeeded in building a strength of arms greater than that ever assembled by any other nation and greater now than that of any combination of adversaries.

This strength is not the handiwork of any one administration. Our force in being and in place reflects the continuity and constancy of America's purpose under four administrations and eight Congresses—and this responsible conduct of our system is, of itself, a source of meaningful strength.

For the past 4 years, the focus of our national effort has been upon assuring an indisputable margin of superiority for our defenses. I can report today that effort has succeeded.

Our strategic nuclear power on alert has increased threefold in 4 years.

Our tactical nuclear power has been greatly expanded.

Our forces have been made as versatile as the threats to peace are various.

Our Special Forces, trained for the undeclared, twilight wars of today, have been expanded eightfold.

Our combat-ready Army divisions have been increased by 45 percent.

Our Marine Corps has been increased by 15,000 men.

Our airlift capacity to move these troops rapidly anywhere in the world has been doubled.

Our tactical Air Force firepower to support these divisions in the field has increased 100 percent.

This strength has been developed to support our basic military strategy—a strategy of strength and readiness, capable of countering aggression with appropriate force from ballistic missiles to guerrilla bands.

Our forces are balanced and ready, mobile and diverse. Our allies trust our strength and our adversaries respect it. But the challenge is unceasing. The forms of conflict become more subtle and more complex every day. We must—and we shall—adapt our forces and our tactics to fulfill our purposes.

If our military strength is to be fully usable in times requiring adaptation and response to changing challenges, that strength must be so organized and so managed that it may be employed with planned precision as well as promptness.

The state of our defense is enhanced today because we have established an orderly system for informed decisionmaking and planning.

Our planning and budgeting programs are now conducted on a continuing 5-year basis and cover our total military requirements.

Our national strategy, military force structure, contingency plans, and defense budget are all now related in an integrated plan.

Our orderly decisionmaking now combines our best military judgment with the most advanced scientific and analytical techniques.

Our military policy under the Secretary of Defense is now more closely tied than ever to the conduct of foreign policy under the Secretary of State.

Thus, we now have the ability to provide and maintain a balanced, flexible military force, capable of meeting the changing requirements of a constantly changing challenge.

## II

### BASIC DEFENSE POLICIES

1. *Four years ago, President John F. Kennedy stated to the Congress and the world: "The primary purpose of our arms is peace, not war."<sup>2</sup> That is still their purpose. We are armed, not for conquest, but to insure our own security and to encourage the settlement of international differences by peaceful processes.*

We are not a militaristic people, and we have long denounced the use of force in pursuit of

<sup>2</sup> For President Kennedy's special message of Mar. 28, 1961, on the defense budget, see *Public Papers of the Presidents of the United States: John F. Kennedy, 1961*, U.S. Government Printing Office, Washington, 1962.



national ambition. We seek to avoid a nuclear holocaust in which there can be neither victory nor victors. But we shall never again return to a world where peaceloving men must stand helpless in the path of those who, heedless of destruction and human suffering, take up war and oppression in pursuit of their own ambitions.

2. *The strength of our strategic retaliatory forces must deter nuclear attack on the United States or our Allies.*

The forces we now have give that capability. The United States has—

More than 850 land-based intercontinental ballistic missiles.

More than 300 nuclear-armed missiles in Polaris submarines.

More than 900 strategic bombers, half of them ready at all times to be airborne within 15 minutes.

These strategic forces on alert are superior, in number and in quality, to those of any other nation.

To maintain our superiority, the immediate future will see further increases in our missile strength, as well as concentration on further technological improvements and continuing vigorous research and development.

We are—

Requesting more than \$300 million to continue our program for extending the life and improving the capabilities of our B-52 strategic bombers, while eliminating two squadrons of B-52B's, the earliest—and least effective—model of this plane.

Continuing development of engines and other systems for advanced aircraft to retain our option for a new manned bomber, should the need arise.

Continuing deployment of the SR-71, the world's fastest airplane, which will enter the Active Forces this year.

Continuing installation of the new over-the-horizon radars, giving us almost instantaneous knowledge of ballistic missiles launched for attack.

Continuing procurement and deployment of our latest strategic missiles, Minuteman II and Polaris A-3, greatly extending the range, ac-

curacy, and striking power of the strategic forces.

Replacing older, more costly, and vulnerable elements of our strategic forces. The outdated Atlas and Titan I missiles will be retired this year and the remainder of the B-47 forces will be phased out during fiscal year 1966.

All this is part of a continuing process. There will always be changes, replacing the old with the new.

Major new developments in strategic weapons systems we propose to begin this year are—

A new missile system, the Poseidon, to increase the striking power of our missile carrying nuclear submarines. The Poseidon missile will have double the payload of the highly successful Polaris A-3. The increased accuracy and flexibility of the Poseidon will permit its use effectively against a broader range of possible targets and give added insurance of penetration of enemy defenses.

A series of remarkable new payloads for strategic missiles. These include *penetration aids*, to assure that the missile reaches its target through any defense; *guidance and reentry vehicle design*, to increase manyfold the effectiveness of our missiles against various kinds of targets; and methods of reporting the arrival of our missiles on target, up to and even including the time of explosion.

A new short-range attack missile (Sram) that can, if needed, be deployed operationally with the B-52 or other bombers. This aerodynamic missile—a vast improvement over existing systems—would permit the bomber to attack a far larger number of targets and to do so from beyond the range of their local defenses.

3. *The strength, deployment, and mobility of our forces must be such that, combined with those of our allies, they can prevent the erosion of the free world by limited, nonnuclear aggression.*

Our nonnuclear forces must be strong enough to insure that we are never limited to nuclear weapons alone as our sole option in the face of aggression. These forces must contribute to our strategy of responding flexibly and appropriately to varied threats to peace.

I have already cited the increases achieved during recent years in the strength and mobility

of our Army, Navy, Marines, and of our air transport which gets them to the scene of battle and the tactical aircraft which support them there. These forces, furthermore, are now better balanced, better integrated, and under more effective command and control than ever before. We shall maintain our present high degree of readiness.

We must further improve our ability to concentrate our power rapidly in a threatened area, so as to halt aggression early and swiftly. We plan expansion of our airlift, improvement of our sealift, and more prepositioned equipment to enable us to move our troops overseas in a matter of days, rather than weeks.

To this end, we will—

Start development of the C-5A cargo transport. This extraordinary aircraft capable of carrying 750 passengers will bring a new era of air transportation. It will represent a dramatic step forward in the worldwide mobility of our forces and in American leadership in the field of aviation.

Build fast deployment cargo ships, capable of delivering military equipment quickly to any theater. This represents a new concept in the rapid deployment of military forces. These ships will have a gas turbine engine propulsion system, a major advance in marine engineering for ships of this size. Such vessels will be deployed around the globe, able to begin deliveries of heavy combat-ready equipment into battle zone within days or even hours.

Increase our forward floating depot ships stationed close to areas of potential crisis.

Begin large-scale procurement of the revolutionary sweptwing F-111 and the new A-7 Navy attack aircraft.

We will also begin construction of 4 new nuclear-powered attack submarines, and 10 new destroyer escorts. And we will continue to develop a much smaller, more efficient, nuclear powerplant for possible use in our future aircraft carriers.

*4. While confident that our present strength will continue to deter a thermonuclear war, we must always be alert to the possibilities for limiting destruction which might be inflicted upon our people, cities, and industry—should such a war be forced upon us.*

Many proposals have been advanced for means of limiting damage and destruction to the United States in the event of a thermonuclear war. Shifting strategy and advancing technology make the program of building adequate defenses against nuclear attack extremely complex.

Decisions with respect to further limitation of damage require complex calculations concerning the effectiveness of many interrelated elements. Any comprehensive program would involve the expenditure of tens of millions of dollars. We must not shrink from any expense that is justified by its effectiveness, but we must not hastily expend vast sums on massive programs that do not meet this test.

It is already clear that without fallout shelter protection for our citizens, all defense weapons lose much of their effectiveness in saving lives. This also appears to be the least expensive way of saving millions of lives, and the one which has clear value even without other systems. We will continue our existing programs and start a program to increase the total inventory of shelters through a survey of private homes and other small structures.

We shall continue the research and development which retains the options to deploy an anti-ballistic-missile system, and manned interceptors and surface-to-air missiles against bombers.

*5. Our military forces must be so organized and directed that they can be used in a measured, controlled, and deliberate way as a versatile instrument to support our foreign policy.*

Military and civilian leaders alike are unanimous in their conviction that our armed might is and always must be so controlled as to permit measured response in whatever crises may confront us.

We have made dramatic improvements in our ability to communicate with and command our forces, both at the national level and at the level of the theater commanders. We have established a national military command system, with the most advanced electronic and communications equipment, to gather and present the military information necessary for top level management of crises and to assure the continuity of control through all levels of command. It survival under attack is insured by a system

of airborne, shipborne, and other command posts, and a variety of alternative protected communications.

We have developed and procured the post-attack command control system of the Strategic Air Command, to assure continued control of our strategic forces following a nuclear attack.

We have installed new safety procedures and systems designed to guarantee that our nuclear weapons are not used except at the direction of the highest national authority.

This year we are requesting funds to extend similar improvements in the survivability and effectiveness of our command and control to other commands in our oversea theaters.

*6. America will continue to be first in the use of science and technology to insure the security of its people.*

We are currently investing more than \$6 billion per year for military research and development. Among other major developments, our investment has recently produced antisatellite systems that can intercept and destroy armed satellites that might be launched, and such revolutionary new aircraft as the F-111 fighter-bomber and the SR-71 supersonic reconnaissance aircraft. Our investment has effected an enormous improvement in the design of antiballistic-missile systems. We will pursue our program for the development of the Nike X antimissile system, to permit deployment of this antiballistic missile should the national security require. Research will continue on even more advanced antimissile components and concepts.

About \$2 billion a year of this program is invested in innovations in technology and in experimental programs. Thus, we provide full play for the ingenuity and inventiveness of the best scientific and technical talent in our Nation and the free world.

American science, industry, and technology are foremost in the world. Their resources represent a prime asset to our national security.

*7. Our soldiers, sailors, and airmen, and marines, from whom we ask so much, are the cornerstone of our military might.*

The success of all our policies depends upon our ability to attract, develop fully, utilize, and retain the talents of outstanding men and women in the military services. We have

sought to improve housing conditions for military families and educational opportunities for military personnel.

Since 1961, we have proposed—and the Congress has authorized—the largest military pay increases in our history, totaling more than \$2 billion.

To insure that the pay of military personnel, and indeed of all Government employees, retains an appropriate relation to the compensation of other elements of our society, we will review their pay annually. The procedures for this review will be discussed in my budget message.

It is imperative that our men in uniform have the necessary background and training to keep up with the complexities of the ever-changing military, political, and technical problems they face each day. To insure this, the Secretary of Defense is undertaking a study of military education to make certain that the education available to our service men and women at their academies, at their war colleges, and at the command and staff colleges, is excellent in its quality.

In recent years large numbers of volunteers have been rejected by the military services because of their failure to meet certain mental or physical standards, even though many of their deficiencies could have been corrected. To broaden the opportunity for service and increase the supply of potentially qualified volunteers, the Army is planning to initiate an experimental program of military training, education, and physical rehabilitation for men who fail at first to meet minimum requirements for service. This pilot program, which will involve about 10,000 men in 1965, will establish how many of these young volunteers can be upgraded so as to qualify for service.

*8. Our citizen-soldiers must be the best organized, best equipped reserve forces in the world. We must make certain that this force, which has served our country so well from the time of the Revolution to the Berlin and Cuban crises of recent years, keeps pace with the changing demands of our national security.*

To this end, we are taking steps to realign our Army Reserves and National Guard to improve significantly their combat readiness and effec-

tiveness in times of emergency. This realignment will bring our Army Reserve structure into balance with our contingency war plans and will place all remaining units of the Army Reserve forces in the National Guard. At the same time, by eliminating units for which there is no military requirement, we will realize each year savings approximating \$150 million. Under our plan, all units will be fully equipped with combat-ready equipment and will be given training in the form of monthly weekend drills that will greatly increase their readiness. Under the revised organization, both the old and the new units of the National Guard, as well as individual trainees who remain in the Reserves, will make a much greater and continuing contribution to our national security.

We shall continue to study our reserve forces and take whatever action is necessary to increase their combat effectiveness.

9. *The Commander in Chief and the Secretary of Defense must continue to receive the best professional military advice available to the leaders of any government in the world.*

The importance of a strong line of command running from the Commander in Chief to the Secretary of Defense and the Joint Chiefs of Staff to the unified and specified commanders in the field has been repeatedly demonstrated during recent years.

The Secretary of Defense will present to you certain recommendations to strengthen the Joint Staff.

10. *We will strengthen our military alliances, assist freedom-loving peoples, and continue our military assistance program.*

*It is essential to continue to strengthen our alliances with other free and independent nations. We reaffirm our unwavering determination that efforts to divide and conquer free men shall not be successful in our time. We shall continue to assist those who struggle to preserve their own independence.*

The North Atlantic Treaty Organization is a strong shield against aggression. We reaffirm our belief in the necessity of unified planning and execution of strategy. We invite our NATO allies to work with us in developing better methods for mutual consultation and joint strategic study. We shall continue to seek ways

to bind the alliance even more strongly together by sharing the tasks of defense through collective action.

*We shall continue our program of military and economic assistance to allies elsewhere in the world and to those nations struggling against covert aggression in the form of externally directed, undeclared guerrilla warfare.* In southeast Asia, our program remains unchanged. From 1950, the United States has demonstrated its commitment to the freedom, independence, and neutrality of Laos by strengthening the economic and military security of that nation. The problem of Laos is the refusal of the Communist forces to honor the Geneva accords into which they entered in 1962. We shall continue to support the legitimate government of that country. The Geneva accords established the right of Laos to be left alone in peace.

Similarly, the problem of Vietnam is the refusal of Communist forces to honor their agreement in 1954. The North Vietnam regime supported by the Chinese Communists, has openly and repeatedly avowed its intention to destroy the independence of the Republic of Vietnam through massive, ruthless, and incessant guerrilla terrorism against Government and people alike.

Our purpose, under three American Presidents, has been to assist the Vietnamese to live in peace, free to choose both their own way of life and their own foreign policy. We shall continue to honor our commitments in Vietnam.

#### PRINCIPLES OF DEFENSE MANAGEMENT

1. *To carry out our strategy and enforce our policies requires a large budget for defense.*

The world's most affluent society can surely afford to spend whatever must be spent for it freedom and security. We shall continue to maintain the military forces necessary for our security without regard to arbitrary or predetermined budget ceilings. But we shall continue to insist that those forces be procured at the lowest possible cost and operated with the greatest possible economy and efficiency.

To acquire and maintain our unprecedented military power, we have been obliged to invest more than one-half of every dollar paid in taxes to the Federal Government. The defense

budget has grown from \$43 billion in fiscal year 1960 to more than \$51 billion in fiscal year 1964. I now estimate the Defense expenditures for fiscal year 1965 to be about \$49.3 billion, or approximately \$2 billion less than in fiscal year 1964. I further estimate that Defense expenditures for fiscal year 1966 will be reduced still another \$300 million.

There are two main reasons for this leveling off in Defense expenditures:

First, we have achieved many of the needed changes and increases in our military force structure.

Second, we are now realizing the benefits of the rigorous cost reduction program introduced into the Defense Establishment during the past 4 years.

As I have stated—and as our enemies well know—this country now possesses a range of credible, usable military power enabling us to deal with every form of military challenge from guerrilla terrorism to thermonuclear war. Barring a significant shift in the international situation, we are not likely to require further increments on so large a scale during the next several years. Expenditures for defense will thus constitute a declining portion of our expanding annual gross national product, which is now growing at the rate of 5 percent each year. If, over the next several years, we continue to spend approximately the same amount of dollars annually for our national defense that we are spending today, an ever-larger share of our expanding national wealth will be free to meet other vital needs, both public and private.

Let me be clear, however, to friend and foe alike. So long as I am President, we shall spend whatever is necessary for the security of our people.

*2. Defense expenditures in the years ahead must continue to be guided by the relentless pursuit of efficiency and intelligent economy.*

There is no necessary conflict between the need for a strong defense and the principles of economy and sound management. If we are to remain strong—

outmoded weapons must be replaced by new ones;  
obsolete equipment and installations must be eliminated;

costly duplication of effort must be eliminated.

We are following this policy now, and, so long as I am President, I intend to continue to follow this policy.

We have recently announced the consolidation, reduction, or discontinuance of defense activities in some 95 locations. When added to those previously completed, these actions will produce annual savings of more than \$1 billion each year, every year, in the operations of the Defense Department, and release about 1,400,000 acres of land for civilian purposes. These economies—which represent more prudent and effective allocation of our resources—have not diminished the strength and efficiency of our defense forces, but rather have enhanced them.

We are the wealthiest nation in the world and the keystone of the largest alliance of free nations in history. We can, and will, spend whatever is necessary to preserve our freedom. But we cannot afford to spend 1 cent more than is necessary, for there is too much waiting to be done, too many other pressing needs waiting to be met. I urge the Congress to support our efforts to assure the American people a dollar's worth of defense for every dollar spent.

*3. While our primary goal is to maintain the most powerful military force in the world at the lowest possible cost, we will never be unmindful of those communities and individuals who are temporarily affected by changes in the pattern of defense spending.*

Men and women, who have devoted their lives and their resources to the needs of their country, are entitled to help and consideration in making the transition to other pursuits.

We will continue to help local communities by mobilizing and coordinating all the resources of the Federal Government to overcome temporary difficulties created by the curtailment of any Defense activity. We will phase out unnecessary Defense operations in such a way as to lessen the impact on any community, and we will work with local communities to develop energetic programs of self-help, calling on the resources of State and local governments—and of private industry—as well as those of the Federal Government.

There is ample evidence that such measures can succeed. Former military bases are now in use throughout the country in communities which have not only adjusted to necessary change, but have created greater prosperity for themselves as a result. Their accomplishments are a tribute to the ingenuity of thousands of our citizens, and a testimony to the strength and resiliency of our economy and our system of government.

4. *We must continue to make whatever changes are necessary in our Defense Establishment to increase its efficiency and to insure that it keeps pace with the demands of an ever-changing world; we must continue to improve the decisionmaking process by those in command.*

The experience of several years has shown that certain activities of the Defense Establishment can be conducted not only with greater economy, but far more effectively when carried out on a department-wide basis, either by a military department as executive agent or by a Defense agency. The Defense Communications Agency, established in 1959, and the Defense Supply Agency and the Defense Intelligence Agency, established in 1961, have all eliminated duplication of effort, improved management, and achieved better fulfillment of their missions. In addition, we have recently announced—

consolidation of the field contract administration offices of the military department under the Defense Supply Agency;

formation of the Department of Defense Contract Audit Agency, to increase the efficiency and lower the cost of Government auditing of Defense contracts;

formation of the Traffic Management and Terminal Command, under the single management of the Department of the Army, to regulate surface transportation of military cargo and personnel within the continental United States.

Each of these actions will lead to better performance, surer control, and less cost. Most important, these actions are informing and expediting the decisionmaking process. We will

continue to seek out opportunities to further increase the effectiveness and efficiency of our Defense Establishment.

## CONCLUSION

The Secretary of Defense will soon come before you with our detailed proposals for the coming year. He will have recommendations for further strengthening of our strategic forces and our conventional forces. He will have additional suggestions for achieving greater efficiency, and therefore greater economy.

As you consider the state of our defenses and form your judgments as to our future course, I know that you will do so in the knowledge that today we Americans are responsible not only for our own security but, in concert with our allies, for the security of the free world. Upon our strength and our wisdom rests the future not only of our American way of life, but that of the whole society of free men.

This is an awesome responsibility. So far, we have borne it well. As our strength rose—and largely as a consequence of that strength—we have been able to take encouraging steps toward peace. We have established an Arms Control and Disarmament Agency. We have signed a limited nuclear test ban agreement with the Soviet Union. We have, at the same time, met the challenge of force, unflinchingly, from Berlin to Cuba. In each case, the threat has receded and international tensions have diminished.

In a world of 120 nations, there are still great dangers to be faced. As old threats are turned back, change and turmoil will present new ones. The vigilance and courage we have shown in the last 20 years must be sustained as far ahead as we can see. The defense of freedom remains our duty—24 hours a day and every day of the year.

We cannot know the future and what it holds. But all our experience of two centuries reminds us that—

To be prepared for war is one of the most effectual means of preserving peace.

LYNDON B. JOHNSON.

THE WHITE HOUSE, January 18, 1965.

## U.S. Objectives and Refugee Relief Programs in Africa

*Following are statements made on January 21 by G. Mennen Williams, Assistant Secretary for African Affairs, and Abba P. Schwartz, Administrator of the Bureau of Security and Consular Affairs, before the Subcommittee on Refugees and Escapees of the Senate Judiciary Committee.*

### STATEMENT BY MR. WILLIAMS

Thank you for this opportunity to discuss the foreign policy interests and objectives of the United States in Africa and the current situation of African refugees. These are matters of great importance to the United States.

Africa, as you know, for all its difficulties, has experienced an unprecedented spurt toward freedom and development. Next month the West African country of Gambia will become the continent's 37th independent nation—the 33d new African state since 1951. Never before have so many countries come to independence in so short a time. The African revolution of freedom bears dramatic witness to a transition from colonialism to national independence that has not yet run its course.

The United States welcomes Africa's new nations and wants to see them prosper in peace. Their independence holds new promise for a secure world community, and we wish to see them make increasingly effective contributions to the world community.

We have supported the growth of independence and self-determination in Africa because it is both realistic and right. The welfare, peace, and security of the United States are closely linked with those of the rising nations of Africa. We want to see a strong, vigorous, and free Africa develop in prosperity and sta-

bility, because such a development will be of benefit both to the African nations and to the United States.

In Africa we seek the same flourishing of human dignity, freedom, and self-determination that our Founding Fathers called for in this country. Because of the mutuality of our goals and our interests, it is clear that Africa is important to the United States and to the free world.

We cannot, therefore, be complacent about the Communist threat to Africa. It is there, it is real, it is dangerous. And we must meet it within a framework of policy and financial considerations suitable to a democratic nation.

To this end, the United States will continue to assist African nations to help themselves. This goal is completely in harmony with our American heritage.

For the same reason, we support the principle of government by consent of the governed for the people still in dependent status. We oppose any abridgement of human rights anywhere. And we encourage the protection of the just rights of minorities everywhere.

We believe that our pursuit of these principles in our relations with Africa will help us build countries with a similar interest in peace, in security, and in prosperity in the years ahead.

### Africa's Basic Problems

Although independence has come rapidly to much of Africa, many African leaders recognize and have stated that independence, by itself, does not solve the continent's basic problems. Africa's problems of poverty, illiteracy, and disease are deep-rooted and difficult to solve.

We and other friends of Africa are trying to help African nations overcome their handicaps

We also believe that lasting solutions to many of Africa's problems can best be accomplished primarily by Africans themselves. Indeed, both singly and through such groupings as the Organization of African Unity and the Economic Commission for Africa, the African nations already have taken important steps in search of solutions to their problems.

Yet, in this interdependent world, the challenges and opportunities which African states face are challenges and opportunities for us as well. The fight against poverty and the struggle for full and equal human rights which concern us in our own society must also concern us in Africa.

This does not mean that we intend to tell Africa what to do. It does mean, however, that we remain ready and willing to assist in every way we can—through the Peace Corps, through economic assistance, through education—when our help is sought by African nations.

We have already done a great deal in this regard, and we hope to make our future contributions even more effective. But the United States is not alone in its desire to aid Africa. We are working closely with other friendly nations to speed the day when African nations can move ahead without external assistance.

Because of our interest and assistance—and despite present difficulties in the Congo—most Africans basically view U.S. efforts with respect. Although recent events have created some suspicions, most people in Africa know our objective there is to help maintain their true independence and not to dominate their new nations.

By contrast, the Communists do seek to dominate Africa. They are actively attempting to destroy independence on that continent. Despite their repeated efforts, however, the Communists have had far less success than they expected—in the Congo, in Guinea, and elsewhere. There is no Communist satellite in Africa. Africans have worked hard for their independence, and they will not abandon it to an alien ideology of any kind.

Despite the efforts of Africans and their friends, the continent is faced with many inherent problems that cannot be solved quickly.

One of the most difficult problems faced by the African states is that of the movement and treatment of refugees. A flow of refugees is caused in some instances by hostilities arising from tribal or ethnic rivalries. In others, it is the result of a confrontation between black nationalism and European rule.

Whatever its cause, the flight of refugees has an impact on the refugees' homelands, provides new problems for the countries to which refugees flee, and raises the danger of Communist exploitation of refugees. This combination of factors presents a challenge to the United States, to African nations, to the United Nations, and to the various international, national, and private relief agencies. Not only is there a need to provide immediate relief for the refugees but also a need to resolve the underlying political, economic, and social problems. Clearly, the best efforts of all are required.

The major African refugee problems today are:

1. As a result of a change in regime several years ago in Rwanda—stemming from both political and ethnic antagonisms—some 160,000 refugees (for the most part Tutsis) have fled into neighboring countries. There are now about 35,000 in Burundi, 50,000 in Uganda, 15,000 in Tanzania, and 60,000 in the Congo.
2. Some 40,000 refugees from southern Sudan are located in Uganda, Kenya, Ethiopia, Chad, the Central African Republic, and the Congo.
3. There are about 250,000 refugees from Angola in the Congo as a consequence of the struggle between the Portuguese authorities and the Angolan nationalist movement.
4. Between 8,000 and 10,000 Mozambican refugees have crossed the border from Mozambique into Tanzania for similar reasons.
5. Some 30,000 refugees from Portuguese Guinea have similarly moved into Senegal.
6. Many young refugees, mainly in their twenties, have left South Africa, South-West Africa, Rhodesia, Angola, and Mozambique. Some leave their homeland to escape arrest for political activity. Others want to help their nationalist political organizations carry on work in exile. Many leave seeking educational op-



portunities denied to them at home. The principal gathering points for these young refugees have been Léopoldville and Dar-es-Salaam. More recently, newly independent Zambia's capital, Lusaka, also has become a center for them. Once they reach independent capitals, they seek to make education and training arrangements abroad. Usually they succeed in finding such arrangements in the Western World, in other African countries, or in the Communist nations.

7. As a consequence of the rebellion in the Congo, thousands of Congolese and non-Congolese have fled into neighboring countries.

### **The Congo Situation**

Because of the great interest in the Congo situation, I would like to interject here remarks about the nature of the rebel regime and the rescue of Americans, Europeans, Asians, and Africans from rebel-held areas.

Despite their affinity for leftist jargon and affiliations, most Congolese rebel leaders are motivated by a desire for political power rather than by ideological considerations. They willingly accept financial and military aid from the Russian and Chinese Communists or from so-called "radical" African states. Until the end of October, however, they professed a respect for Belgian interests and a willingness to work with Belgium.

The leaders of the rebellion gained popular support by exploiting tribal differences, real or imagined grievances against local or Central Government authorities, and genuine economic and social misery.

Such success as the rebel army has had up to now springs from discipline based upon tribal beliefs. Initiation ceremonies convince rebel soldiers that their witch doctors have made them invincible to bullets. Protected by this belief, and bolstered frequently by drugs, they often can unnerve poorly disciplined and inadequately led Central Government forces by relentless attacks.

The rebels exterminated people who had worked closely with the Central Government or who were not members of the MNC-Lumumba—a political party founded by the

late Prime Minister, Patrice Lumumba. In some areas, notably Kindu and Paulis, the rebels also apparently were driven by a desire to return to the primitive state in which they lived before Belgian colonizers arrived. In those areas hundreds of "intellectuals"—which means anyone who was literate—were summarily executed.

Since the rebellion began last May, thousands of Congolese also have fled the eastern Congo, but no accurate count of their number is available. Members of a given tribe fleeing the rebels simply have been absorbed by their tribal brothers outside the path of the rebel advance. Those who fled to countries surrounding the Congo (Uganda, Tanzania, Sudan, and the Central African Republic) may number as many as 10,000. These, too, usually have been assisted by related tribes in those countries.

A new group of Congolese refugees, for which no accurate count is available, was created by the recapture of large areas of the eastern Congo by Central Government forces. This group, which fled before the advance of the Congolese Army, could prove a target for the Communists and "radical" African states. They may well be susceptible to recruitment as guerrillas against Central Government forces.

In addition to the uncounted thousands of Congolese refugees, some 4,000 non-Congolese also fled or were evacuated from the eastern Congo. Approximately 500 of them left prior to the closing of the borders between the Congo and Sudan, Uganda, and the Central African Republic in August. The rest have been evacuated since the recapture of Stanleyville on November 24. Of the 4,000 evacuees, 2,500 properly can be described as refugees. These are Belgians, Greeks, Indians, Pakistanis, and Dutch who have spent years in the Congo as small businessmen or planters. They have no home other than the Congo and now are living in relatively stable areas of the Congo and surrounding countries or have gone to Europe. The other 1,500 evacuees are missionaries (including 500 Americans), employees of large companies, and technicians working for the Congolese Government. The permanent residences of the latter group are in other countries.

and many have homes and jobs to which they can return.

The non-Congolese evacuees fall into three categories:

1. those whose evacuation was recommended before the rebels arrived and who left when warned;
2. those who received a timely warning to evacuate but decided to stay;
3. those who did not receive advance warning of the rebels.

About 500 evacuees, including at least 300 American missionaries, fell into the first category. The second group was composed largely of European and Indian/Pakistani businessmen and planters. They decided to stay—often because little happened to them in similar situations in 1961—to protect their property or to protect the interests of the large companies for which they were working. This category also included Protestant and Catholic missionaries—among them Dr. Paul Carlson—who did not wish to quit their flocks. The third group either lived deep in the hinterlands or in Stanleyville, which fell to the rebels suddenly. Two American missionary casualties, Mr. William Scholten and Miss Mary Baker, were in this group.

After August 1964, the rebels rarely gave permission for a non-Congolese to leave rebel-controlled territory. The members of the American consulate in Stanleyville were held as hostages under daily threats to their lives from mid-August on. Beginning October 28, all Americans and Belgians were treated as hostages.

The Belgian-American rescue operation<sup>1</sup> was undertaken against a background of increasingly ominous threats against the lives of American and Belgian hostages. Making the situation even more desperate were reports that what little rebel authority existed in Stanleyville was breaking down in the face of a rapidly deteriorating rebel military situation. At least 47 non-Congolese—including 4 Americans—were killed by rebels prior to the Stanleyville operation.

The rescue operation was undertaken on No-

<sup>1</sup> For background, see BULLETIN of Dec. 14, 1964, p. 838.

vember 24. As a result, more than 1,300 non-Congolese and over 1,000 black Africans were rescued from Stanleyville. In subsequent air and ground rescues, another 1,600 non-Congolese were saved. Fifty-nine American hostages were rescued, and four were killed by rebels since November 24. There are no known Americans unaccounted for in areas still held by the rebels. So much for the Congo.

### Communist Exploitation of Refugees

Because of the instability created by these various groups of refugees in different sections of Africa, the Communist nations are exploiting the African refugee situation in several ways.

In the case of the Rwandan refugees, for example, there is reasonably reliable evidence that Communist powers, particularly Communist China, have involved themselves to the detriment of a peaceful solution. This involvement has included encouragement of extremist agitators, who stir up the refugees to pursue a militant policy toward Rwanda, extending to terrorist raids across Rwanda's borders. Communist assistance to refugee extremists reportedly has encompassed financial support to the exiled ex-King of Rwanda and his close adherents, advice on organizing terrorist raids, some arms aid, and the training of guerrilla instructors in mainland China. It is believed that this assistance in recent months probably has been coordinated by the Chinese Communist embassy in Bujumbura, Burundi, with its similar assistance given to the rebels in the Congo.

In Dar-es-Salaam and other refugee centers the Soviet Union, China, and other Communist countries actively seek to influence and gain footholds in refugee groups. Their efforts take several forms, which include offering scholarships to refugee students, flooding offices of exile nationalist groups and student camps with propaganda literature, providing arms and other material assistance to nationalist refugee organizations, and offering the leaders short-term visits to Communist countries. It is estimated that more than 700 refugees have gone to Communist countries for study and training. Significant numbers also have gone to certain North African countries and to Ghana for mili-

tary training. Today, for every three refugees that go to the Communist bloc, one goes to the West—a sharp rise from the ratio of one for every six that prevailed a year ago.

The main thrust of Communist propaganda appears to be to create an image of themselves as friends of the oppressed Africans against colonialist tyranny, at the same time branding the United States as a “neocolonialist” power which opposes freedom and self-determination in Africa.

For humanitarian reasons, the United States Government supports programs of assistance for African refugees. We actively support the African refugee programs of the United Nations High Commissioner for Refugees. In addition, through the UNHCR, the World Food Program, and private organizations, the United States Government provides significant quantities of foodstuffs for the various refugee groups under the Food for Peace (P.L. 480) program. These programs for aiding African refugees will be discussed by my colleague, Mr. Abba Schwartz, Administrator of the Bureau of Security and Consular Affairs. His bureau has responsibility for refugee and migration affairs in the Department of State.

We also have an educational program for young African refugee students. Since 1961, the Department of State has had a scholarship program to provide educational opportunities for southern African students. Under this program, a small number of southern African students, temporarily in residence in independent African countries, are brought to the United States for university study. Initially they are placed either at Lincoln University in Pennsylvania or at Rochester University in New York. There they receive orientation and, if necessary, language training prior to entry into a program leading to a degree. At present, 200 students from a number of southern African countries are studying in the United States under this program.

This program provides an attractive alternative to study in Communist countries. The education the students receive here will help prepare them to make a responsible, constructive contribution to the development of Africa and to provide intelligent and democratic leadership to their people.

Clearly there are many obstacles to an early solution of the many African refugee problems. Where refugee problems have developed as a result of the conflict between African nationalism and European rule, solution of the problems will depend on resolution of the political conflict. In the case of the Rwandan refugees, where the problem is one of tribal or ethnic rivalries, the breakdown of security in the Congo has made solution more difficult. For example, in the past year there has been cooperation between the Congo rebels and the extremists among the refugees from Rwanda who share the goal of overthrowing the Government of Rwanda. The finding of a solution also has been made more difficult by the support given to extremist agitators by certain Communist powers.

Looking to the future, it can be predicted that these refugee problems in Africa will continue for some time to come. Until political solutions can be worked out between the Africans and Europeans in southern Africa, the refugee movements arising from this political conflict seem likely to continue or even increase. Similarly, the Rwandan refugee problem will not disappear quickly. Solution can only come when the refugees from Rwanda accept the political and social changes which have come about in Rwanda and decide to settle down where they are now or return home peacefully.

To sum up, the movements of refugees are manifestations of the political, economic, and social problems in Africa, which both Africans and friends of Africa are working to resolve. The problems themselves are principally African in nature and must be worked out in a manner satisfactory to Africans. Non-African countries cannot and should not attempt to impose external remedies for African ills. Although African refugee problems may exist for some time, such problems are not unique to Africa, nor are they unexpected, as Africans new to authority and responsibility gain experience in running their own affairs and dealing with their many problems. Certainly the United States throughout its history has been the world's greatest haven for refugees from all parts of the world, and we can view with sympathy and understanding Africa's present refugee difficulties.

In the light of this situation, then, U.S. refugee relief programs in Africa are a vitally important tool in our efforts to accelerate lasting solutions to the problems. We respectfully request, therefore, your continued interest and your continued support for U.S. refugee work in Africa.

#### **STATEMENT BY MR. SCHWARTZ**

Press release 9 dated January 21

I am pleased to appear before the committee in connection with its review of refugee problems in Africa.

There are over 490,000 refugees in Africa today who have left their homelands because of changing conditions in Africa and have crossed international frontiers into other African countries offering asylum. These refugees, comprising six separate and conspicuous refugee problems, are grouped according to the following countries from which they have fled: Angola, Rwanda, the southern Sudan, South Africa, Portuguese Guinea, and Mozambique.

Under present conditions, few of these refugees will be able and willing to return to their homelands. The potential for resettling them in other countries is very limited. As a practical matter, for the foreseeable future most will remain in the countries which have granted them asylum. A relatively small number will continue to accept educational opportunities in other countries. Efforts to solve these refugee problems, on the part of the asylum governments concerned and through international resources, are directed toward effecting the refugees' soonest possible local integration on a basis of self-dependency.

In addition to these six problems there are at least 10,000 Congolese refugees who have fled before rebel activities in the eastern part of the Congo into nearby asylum countries. The future status of these refugees will depend upon subsequent political and military developments in the Congo. Meanwhile, they are being cared for principally by their tribal brothers in the asylum countries or through relief assistance provided by the governments of these countries.

Apart from our educational program in behalf of refugee students, which Governor Williams has already discussed, United States assistance to the African countries which have granted asylum to these groups of refugees has been given in two principal ways: through our contribution to the program of the United Nations High Commissioner for Refugees (UNHCR) and our strong support in this connection of projects for African refugees, and through the provision of P.L. 480 food commodities. This food is provided on a government-to-government basis, through American and international voluntary agencies or through United Nations channels.

As a member of the 30-nation Executive Committee of the UNHCR program, which carefully reviews and approves all UNHCR policies, programs, projects, and funds, the United States Government has been able to exercise a continuing influence upon the UNHCR effort in Africa. The UNHCR Executive Committee numbers five African nations on its membership—Tunisia, Algeria, Tanzania, Nigeria, and Madagascar—a circumstance which has enlarged the opportunities for U.S.-African cooperation. Our P.L. 480 assistance for African refugees is usually given as an element within an overall program coordinated by the UNHCR. As in many other areas, in the field of refugee assistance P.L. 480 contributions have often proved indispensable to avert starvation and have served as a conspicuous symbol of American good will toward African peoples and nations.

A third and considerable form of United States assistance has been the contributions in cash and kind of American Protestant and Catholic voluntary agencies and the provision of their expert services in carrying out operations (including their distribution of P.L. 480 foods).

#### **The Six Refugee Problems**

Let me speak briefly about each of the six refugee problems which I mentioned earlier.

1. *Angolan refugees in the Congo—250,000 (estimated)*

Approximately 161,000 refugees from Angola entered the Congo in 1961, and there has been

a continuing intermittent influx in subsequent years down to the present. Although some estimates place the number far higher, it is the Department's best estimate that there are now about 250,000 Angolan refugees in the Congo. A large number of them were resettled locally, in 1961 and early in 1962, on land made available by the Congolese Government under a program conducted by the UNHCR in conjunction with the United Nations Operation in the Congo (UNOC), the League of Red Cross Societies (LICROSS), and Catholic and Protestant voluntary agencies. Most of the refugees who have arrived during the last several years have not received such resettlement assistance.

## 2. *Refugees from Rwanda—160,000*

There are approximately 160,000 refugees from Rwanda in neighboring asylum countries who have fled from Rwanda in several waves since 1959. These include 50,000 in Uganda, 35,000 in Burundi, 15,000 in Tanzania, and 60,000 in the Kivu Province of the Congo. These refugees fled Rwanda as a result of violence associated with political change in that country, exacerbated by age-old antagonisms between the Tutsi and Hutu ethnic groups in Rwanda. About 90 percent of the refugees are members of the minority Tutsi ethnic group (of which there are 300,000 members still within Rwanda). The governments of the asylum countries concerned, with the assistance of the UNHCR, have been seeking to bring about the local settlement of these refugees. LICROSS and the voluntary agencies have been active participants in these programs, which have been impeded in the Kivu by disorder and civil strife.

## 3. *Refugees from southern Sudan—40,000 (estimated)*

During the last several years, an estimated 40,000 refugees from the southern part of Sudan have entered Ethiopia, Kenya, Uganda, the Congo (Léopoldville), the Central African Republic, and Chad. These refugees from predominantly Moslem Sudan, like virtually the entire population of the southern one-third of that country, are black Africans. About 15 percent are Christians, the rest pagans. More than one-fourth of these refugees entered Uganda, where

they have been receiving UNHCR relief and local resettlement assistance since May of 1964 at the request of the Ugandan Government. The UNHCR, at the request of the Government of the Central African Republic, is also commencing a similar program for Sudanese refugees in that country. Those in the other asylum countries are not yet receiving any major organized assistance but have been given some relief help by voluntary agencies and members of the local populations. Most of them are living at a bare subsistence level.

## 4. *South African and South-West African refugees—undetermined numbers*

Since March of 1960 a relatively small but steadily increasing number of refugees from South Africa, opposed to the *apartheid* policies of the South African Government, have been entering and receiving initial asylum in the U.K. High Commission territories of Swaziland, Basutoland, and Bechuanaland. There has also been a small, intermittent influx into Bechuanaland of refugees from South-West Africa. Most of these refugees have proceeded to other African countries—especially Tanzania—and thence have gone on to other countries to accept educational opportunities. While the exact total number who have come out so far is not known, the number in the indicated asylum countries at any given time is from 500 to 1,000. These refugees have not as yet received organized international assistance but have been helped considerably by certain voluntary agencies and by African political organizations.

## 5. *Refugees from Portuguese Guinea in Senegal—30,000*

Some 30,000 refugees from Portuguese Guinea have entered Senegal since March of 1964, the largest influx by far taking place in June and July. Their flight is a byproduct of the turmoil and violence associated with the organized effort of Portuguese Guinea nationalist groups to secure self-determination for the people in that country. The problem of emergency feeding of these refugees was met through P.L. 480 resources distributed by the Catholic Relief Service, at the request of the President of Senegal. At its 12th session in October 1964 the UNHCR Executive Committee authorized the

UNHCR to carry out a program to assist the Government of Senegal in resettling these refugees within Senegal, chiefly on an agricultural basis.

#### 6. *Refugees from Mozambique*

During the past few years a small number of refugees from Mozambique (estimated at not over 1,000) entered Tanzania, where they have been given relief but no rehabilitation assistance by the Government of Tanzania and by interested African political organizations. Last fall an additional 10,000 refugees fled from Mozambique into Tanzania. They are presently being given emergency relief by the Government of Tanzania, Catholic Relief Service, and through the World Food Program. The UNHCR has not yet received a formal request from the Government of Tanzania to assist in coping with this problem.

#### **P.L. 480 Assistance**

The value of United States P.L. 480 food contributions for sub-Sahara African refugees has averaged about \$1.7 million per year over the last 3 years. These food contributions have often been particularly effective in meeting the first emergency needs of the refugees. Such assistance has then been continued as required until the refugees—chiefly through UNHCR-sponsored resettlement programs—have become self-supporting through agricultural pursuits on land made available by the local governments. Many of the refugees have been able to become self-supporting within a period of months following their arrival in the asylum countries.

I should like to cite the P.L. 480 program for refugees in Senegal as a recent and typical example of the importance of this resource in helping African asylum countries meet urgent refugee problems. When the 30,000 refugees from Portuguese Guinea fled into Casamance Province in Senegal in the spring and summer of 1964, they were initially housed and fed by local Casamance farmers. In July, when the food supplies of these farmers were virtually exhausted, the President of Senegal requested Catholic Relief Service to initiate a title III, P.L. 480 program large enough to meet the

basic food requirements of both the 30,000 refugees and an equivalent number of Senegalese farmers until the annual harvest in late October. This program was established on an emergency basis and averted famine in Casamance. Food distribution to the farmers was terminated by the end of October but will be continued for the refugees until they have become self-supporting under the UNHCR local resettlement program approved by the UNHCR Executive Committee in October.

Regardless of the channels used to provide P.L. 480 foods for refugees—whether on a government-to-government basis or through private or intergovernmental agencies—the food packages are marked in the English and local languages to indicate that they are a gift of the people of the United States.

#### **UNHCR Programs**

During the past 3 years the UNHCR has become increasingly involved in African refugee problems. This is because the African asylum countries prefer that external assistance for helping them meet refugee problems come through United Nations rather than bilateral means. The overall worldwide budget of the UNHCR has been at the level of approximately \$3 million for each of the last 2 years, of which about one-half has been devoted to refugee problems in Africa. In addition to this substantial but limited assistance, the UNHCR plays a significant role in stimulating a further and continuing flow of assistance through voluntary contributions from many governments, private groups, and individuals. Finally, the UNHCR is able to draw upon his emergency fund to meet the first urgent needs in new refugee situations, pending approval by his Executive Committee of a regular program toward resolving the problem. UNHCR programs are always conceived to effect the permanent resettlement of the refugees as soon as possible, thus keeping the period of direct welfare relief to a minimum.

The UNHCR acts toward making his assistance available only after he has been requested to do so by the asylum country concerned. Upon receiving a request for such assistance, the UNHCR sends a factfinding

mission to appraise the problem on the spot. If the problem warrants UNHCR assistance, a proposed program is drawn up in coordination with the government of the asylum country. This program is presented, as soon as feasible, to the UNHCR Executive Committee for approval. The submission to the Executive Committee includes detailed project justification and funding data. If approved by the Executive Committee, the program is implemented by the UNHCR under contractual arrangements with voluntary agencies, including LICROSS. These arrangements often include financial contributions and other participation by the private agencies. UNHCR assistance is always designed to be supplementary to that which the responsible asylum government is able to provide from its own resources. In the largely underdeveloped African asylum countries the refugee problems are often a severe burden on their limited resources. The UNHCR acts as overall coordinator of the resettlement programs and of the effort to develop additional resources through international contributions.

The prototype for UNHCR-asylum country joint programs for the local resettlement of refugees was the operation in Togo concluded in 1963. During 1961 some 6,000 refugees from Ghana entered Togo, where for a number of months they existed on a minimum subsistence level, largely through help from their tribal brothers in Togo. As these resources steadily diminished, the Togolese Government requested the assistance of the UNHCR. The UNHCR, after developing emergency relief contributions, formulated with the Togolese Government the local resettlement program under which the refugees have become self-supporting and which has thus resulted in the elimination of this particular refugee problem. The Togolese Government provided land for the refugees to enable them to become small farmers able to produce enough food for their own use and to sell sufficient in the local market to meet their other needs and to improve their opportunity in life. At the same time, at the request of the UNHCR, the United States furnished sufficient quantities of P.L. 480 foods (under a title II program with LICROSS) to meet emergency and continuing feeding requirements until the refugees could harvest crops of their

own. The UNHCR provided building materials for low-cost dwellings, emergency medical assistance, clothing, the seeds and agricultural implements necessary for farming purposes, and cooking utensils. Those refugees who were not able for whatever reason to enter agriculture were aided through special projects, including vocational training, to reestablish themselves as artisans or in business. The UNHCR has followed substantially the same pattern in dealing with the problems of the Rwandan, Angolan, Sudanese, and Portuguese Guinean refugees.

The UNHCR local resettlement programs in Africa are substantially different from the type of problem faced with refugees in Europe. In the case of the latter, the major solution lay in overseas resettlement. Local integration projects for those who could not emigrate were difficult and costly to work out for a variety of reasons and had to be carried out on an individual case basis. In Africa, generally speaking, the refugee problems are not susceptible to solution through external resettlement. However, the local resettlement of the refugees can be accomplished on a mass basis, in view of the ready availability of sufficient land, the favorable conditions for agriculture, and the fact that in many instances the refugees have a close tribal affinity with the local residents of the asylum countries and are received hospitably by the latter.

The most complex and costly problem faced by the UNHCR in Africa is the Rwandan refugee problem. The UNHCR has entered into a great variety of projects in dealing with this problem in Burundi, Uganda, Tanzania, and the Kivu Province of the Congo.

In addition to the provision of food, clothing, medical assistance, building materials, cooking utensils, and seeds and agricultural implements, as was done in Togo, UNHCR projects for the Rwandan refugees have included special tsetse-fly control measures in order to make the land provided habitable, projects to improve irrigation and to guarantee sufficient supply of water for daily use, community development, educational assistance, and special vocational and handicraft training projects. Because of developments in the eastern Congo and nearby

areas, it has been necessary for the UNHCR to postpone the implementation of some approved projects, to abandon others, and to transfer refugees from one country to another—a costly, complex operation which will entail the establishment of a new planned community in Tanzania for up to 10,000 refugees to be moved from the Kivu Province of the Congo. The relocation of 10,000 refugees within Burundi is also planned.

At the same time the UNHCR hopes that conditions will permit the carrying out of two programs approved by the Executive Committee which call for a comprehensive effort, in cooperation with other concerned United Nations agencies, to create the facilities and the social environment in Burundi and the Kivu which will ultimately make possible the permanent integration of many of the refugees in local economic life and which will raise the level of living conditions generally in the resettlement areas selected for these programs. Toward these ends special projects are planned, for example, for the conversion of marshes into arable land through drainage (this project is already underway in Burundi); public-health programs; reforestation; the creation and operation of educational facilities; the production and processing of tea (as a cash crop); the modernization of techniques in agricultural production and animal husbandry; and the establishment of vocational training facilities and handicraft workshops. These zonal programs would insure that the refugees and the local residents enjoy equally the benefits of a rising standard of economic life and would avoid the antagonisms which would be inevitable if the refugees—through United Nations assistance—were given more favorable opportunities and living conditions than low-income indigenous groups.

#### **Voluntary Agency Assistance**

The role of the American and the international voluntary agencies in assistance programs for African refugees is a vital one. Together with LICROSS, these agencies are the chief operational instruments in the refugee assistance programs in Africa carried out with international funds. The religious agencies,

through their traditional missionary work, have a detailed knowledge of the areas and peoples concerned and a long experience in the provision of assistance in Africa which are indispensable to the success of current programs. LICROSS, experienced in meeting emergency and disaster situations in underdeveloped countries, has also (as in Togo, for example) used its assistance programs as a vehicle for initiating and training local Red Cross societies.

#### **Assistance From Asylum Countries**

The governments of the African asylum countries have faced their responsibilities in this field with courage and generosity. Without exception, they have granted asylum to those fleeing from other countries. The citizenry of the asylum countries have shared their slender resources with the refugees, and the governments—many of which face acute national economic problems—have met the costs of refugee assistance from their own budgets insofar as possible. Only when the burden has become untenable have they turned to the UNHCR. Uganda, for example, has expended over \$1.5 million on the Sudanese and Rwandan refugees during the past 2 years and will spend about \$1 million in 1965 alone. Tanzania, while receiving UNHCR assistance for Rwandan refugees, has dealt largely unaided with the flow of refugees from Mozambique and South Africa into Tanzania and has agreed to accept the transfer of additional thousands of Rwandan refugees from the Kivu Province into Tanzania for permanent settlement.

There is little doubt that there will be refugee problems in Africa for some years to come. The essential mechanism for dealing with these will probably continue to be similar to that which I have described in general terms today and which has been reasonably effective so far. It is gratifying to know that the committee is making a careful review of this field since it touches directly upon matters of importance to the United States: our traditional concern for the provision of humanitarian aid to refugees and our ardent desire that Africa, its nations and its peoples, attain political and economic stability within the framework of genuine freedom and democracy.



## Family Law and the Women of Africa

**U.N. SEMINAR ON THE STATUS OF WOMEN IN FAMILY LAW  
LOMÉ, TOGO, AUGUST 18-31, 1964**

*by Gladys A. Tillett*

The U.N. Seminar on the Status of Women in Family Law held at Lomé, Togo, August 18-31, 1964, was not just a routine meeting of women on family problems. Like the earlier seminar on women in public life held in Addis Ababa in 1960, it dealt with the potential of women for economic and social progress. The discussion at Lomé was interwoven with the future of Africa. It recognized the part women must play in meeting the aspirations of newly emerging nations and in raising standards of living for the African people.

This was the fourth and final regional seminar in the current series on the status of women in family law conducted by the United Nations under its program of advisory services in the field of human rights.<sup>1</sup> With each seminar it has become increasingly clear that, even though the legislation of a country may guarantee political rights for its women citizens as well as its men, such legislation cannot be fully effective, nor can women make their full contribution to the well-being of the community, if they do not stand equal under all aspects of the law.

Each meeting brought to light striking illustrations of outworn customs which deprive

many countries of the energies, initiative, and potentials for progress represented by women. In many areas, marriage has the immediate effect of depriving the wife of personal and property rights basic to equality and dignity. For example, consider practices condemned by the U.N. Conference on Slavery in 1956,<sup>2</sup> such as child betrothal and marriage too young for the girl to complete her education; or the inheritance of a widow as a piece of property by her husband's heirs. Or consider the case of a social worker who has studied abroad, or the headmistress of a school, both the possessors of numerous degrees; or a doctor or a lawyer or a personnel director in a large corporation—in many countries, upon entering marriage, these, like all other married women, would be legally incompetent to serve as guardians of their own children. Or consider an able wife and mother denied parental rights even though these are recognized without question for an unwed

• *Mrs. Tillett is the U.S. Representative on the United Nations Commission on the Status of Women and has been a member of the U.S. delegation to the last four sessions of the General Assembly. She was the U.S. participant in the Lomé seminar; her alternate was Elsie Austin, assistant cultural affairs officer at Lagos, Nigeria.*

<sup>1</sup> For a report by Mrs. Tillett on the seminar held at Bogotá, Colombia, Dec. 3-17, 1963, see BULLETIN of July 27, 1964, p. 128. Mrs. Tillett also attended the seminar at Tokyo, Japan, in 1962 as U.S. observer.

<sup>2</sup> For background, see BULLETIN of Oct. 8, 1956, p. 561.

mother; or a woman supporting her family, including a husband who may be ill or blind, yet unable by law and custom to manage the family property. It was in the light of such situations that the Commission on the Status of Women recommended special attention to family law.

### **Participation**

The participants in the Lomé seminar came from 21 countries, and nearly half were men. They were designated as experts and were not government-instructed. They came from Algeria, Cameroon, Central African Republic, Congo (Brazzaville), Dahomey, Ethiopia, Ghana, Guinea, Ivory Coast, Kenya, the Malagasy Republic, Mali, Morocco, Nigeria, Senegal, Sierre Leone, Sudan, Tanzania, Togo, Tunisia, and Upper Volta. France, Israel, and the United States sent official observers.

The delegation of the host country, Togo, was headed by the wife of the Vice President of the Republic, who had herself a background of distinguished achievement. Other members of the Togo delegation held high posts in the Government.

Ghana's participant was a Judge of the Ghanaian High Court, one of the few women in the world to hold such a post. Her alternate was from the Ministry of Education.

Mali sent the President of its Supreme Court and as alternate a member of the Social Commission of Women in Mali. This was a husband and wife team.

Sudan sent the Deputy Chief Justice of its Supreme Court; Morocco, its Attorney General; Cameroon, the Vice President of its Court of Appeals; Congo (Brazzaville), the Director of the Cabinet of its Ministry of Justice; Guinea, the Deputy President of its National Assembly Social Committee; Central African Republic, the Chief of Women's Advancement Service in its Ministry of Health and Social Affairs; the Malagasy Republic, a Magistrate from its Palace of Justice; Nigeria, the State Counsel of its Federal Ministry of Justice; Senegal, a Commissioner of its Supreme Court; Tunisia, the Vice President of the First Tribunal of Tunis; Upper Volta, a Deputy of its National Assembly; and Kenya, its Superintendent of Women's Prisons.

Two countries, Sierra Leone and the Ivory Coast, sent distinguished educators. Three countries, Uganda, Tanzania, and Dahomey, sent leaders of women's organizations.

Some 19 nongovernmental organizations in consultative status with the Economic and Social Council of the U.N. sent observers who participated in the discussions. They included the International Confederation of Free Trade Unions; the World Federation of United Nations Associations; the Afro-Asian Organization for Economic Cooperation; the International Commission of Jurists; the International Committee of the Red Cross; the International Council of Women; the International Federation of Business and Professional Women; the International Federation of Women Lawyers; the All African Women's Conference; the Friends World Committee for Consultation; the International Movement for Fraternal Union Among Races and Peoples; the Commission of the Churches on International Affairs; the Catholic International Union for Social Service; the World Assembly of Youth; the World Confederation of Organizations of the Teaching Profession; the World Federation of Catholic Young Women and Girls; the World Movement of Mothers; the World Union of Catholic Women's Organizations; and St. Joan's International Alliance.

### **Arrangements and Documentation**

The Government of Togo provided facilities for the seminar and made the preparatory arrangements. The United Nations provided conference services, including simultaneous translation.

As in the Status of Women Commission and other United Nations bodies, documentation was supplied in advance. The United Nations provided a summary of U.N. action thus far. Other papers had been prepared at the request of the United Nations: one, on the customary laws on marriage, divorce, and inheritance and the effects of marriage on the status of women and children, by Judge Annie Jiagge of Ghana; another, on the status of women in customary family law and the evolution of the status of women in family law, by Guy Adjete Knassegan, Advocate, and Marie Sivomey, chief of the

Office of Social Affairs, both from Togo. A paper on family law in African countries influenced by Islam had been written by Professor Samai Rashed of the Faculty of Law of the University of Cairo.

The inaugural meeting of the seminar was opened with addresses by Nicolas Grunitzky, President of the Republic of Togo, and Pana Ombri, Minister of Labor, Social Affairs, and Civil Service.

Mrs. Josephine Meatchi of Togo was elected chairman of the seminar. Vice chairmen came from the Central African Republic, Ghana, Morocco, and Tanzania. The rapporteur was from Nigeria. Other participants were discussion leaders on the agenda topics: Mr. Sall of Mali on legal conditions for marriage and questions of dowry, etc.; Mrs. Hyde-Forster of Sierra Leone on the effect of marriage on personal status and property rights; Mr. Yoyo of Congo (Brazzaville) on legal conditions and effects of dissolution of marriage; Mr. Pouka of Cameroon on parental rights and duties; and Judge Jiagge on the legal status of unmarried women, inheritance rights, and social factors affecting the status of women in the family.

#### **Promotion of Stable Marriage**

Early in the discussion attention was drawn to the role of Africa in winning support for the U.N. Convention on Consent to Marriage, Minimum Age for Marriage and Registration of Marriages. Two African countries, Guinea and Togo, had taken the lead in urging General Assembly approval of this convention when it was forwarded from the Commission on the Status of Women and adopted and opened for signature in 1962. In December 1964, following the Lomé seminar, Upper Volta became the 10th country to ratify the marriage convention, thus fulfilling the requirement for ratification by 10 countries in order to bring it into effect.

Participants generally agreed that the age of marriage established in each country should be high enough to permit girls to complete their education prior to marriage. It was thought this would lead to more stable marriages and might decrease the demand for divorce.

Since as an observer I had the privilege of sharing in the discussion, I pointed out that

experience in the United States supported this view. I quoted from a recent study showing that persons in the upper levels of professional and managerial groups had the lowest divorce rates in the United States. I added that "while the United States faces a high divorce rate, nevertheless statistical data show 85 percent of the population marry only once. The remaining 15 percent account for a divorce rate out of proportion to their numbers, since this percent remarry—and often redivorce."

A number of the participants expressed surprise and satisfaction at this explanation, since the impression had been that a large proportion of United States women were involved in divorce. I therefore continued with an account of other methods which promote stability of marriage, including the unified family courts established in many of our States, which provide counseling and guidance with a view to protecting the children as well as the marriage partners.

#### **African Problems**

It was generally agreed that the cooperation and encouragement of men are essential if progress is to be made in improving the status of women in Africa. It was therefore significant that the seminar sessions, with both men and women participating, were conducted in an atmosphere that was frank, friendly, and sympathetic. For example, in the discussion of property rights it was pointed out that, while laws in Africa generally recognize joint ownership in business, it would be just to apply this principle also to ownership of the home, especially where husband and wife both work and pool their earnings.

Social and economic factors were considered in their relation to safeguarding the dignity of women. Polygamy was discussed in this context. It was pointed out that in most countries polygamy exists along with monogamy, and some thought complete abolition of polygamy might be premature. Participants also expressed the view that African countries might aim at the progressive abolition of polygamy, not only through legislation but also by removal of underlying conditions which tend to perpetuate it; when equal opportunities for educa-

tion and employment were open to women, polygamy might disappear of its own accord. It was reported that in one country polygamy had been abolished, and in others the incidence was less—in one case as low as 2 percent. While dowry was recognized as not in itself objectionable, it was evident that abuse of dowry, like bride price, favors polygamy by the rich and deprives young men with little money of the right to marry. One country reported laws allowing a reasonable dowry which is not compulsory and imposing high penalties on those setting high prices.

All felt that education of women and girls is basic to the solution of cultural and sociological problems in certain parts of Africa, especially practices which are harmful to the health and contrary to the human dignity of young girls.

There was concern and also agreement that all countries in the region should be called on to prevent the cruel customs which inflict great suffering on widows upon the death of the husband. Education was seen as the means not only to eliminate discrimination against women but to improve the well-being of the family as a whole.

Under this broad interpretation, the participants urged expansion of technical, vocational, and professional training to equip women for their new roles and responsibilities in developing societies. They envisioned added stability for the home through the benefits of adult education, particularly for rural women, in nutrition, child care, and home management. Educated women will have the capacity as well as the responsibility for leadership in making all groups aware that the political equality already granted women gives them new leverage to lift their status. Voluntary organizations were cited as a channel through which women can work in joint nonpartisan efforts to stimulate progress. One participant noted that in her country volunteer organizations are already providing women with a means to focus public opinion and have often influenced government.

I intervened to say that in the United States women's organizations, both civic and professional, are regarded as effective bodies which can be counted on for courage in promoting

sound social change. They are often consulted by high government officials because of their knowledge, competence, and influence. I cited the unprecedented number of women appointed by President Johnson to high policymaking posts as a milestone in the progress of women. I also emphasized the great service of the Women's Bureau in the U.S. Department of Labor in studying problems and bringing about improvement for women in the United States, and noted that such women's bureaus have been established in many other countries. And I described the work of our national Commission on the Status of Women, patterned on the U.N. Commission, which has made a 2-year study of the situation at the local as well as national level and has developed a series of recommendations for further action.

#### **Value of U.N. Seminars**

The Lomé seminar gave added impact to the series of U.N. seminars on women in family law. As in previous meetings, the seminar had the advantage of distinguished leadership with a background of knowledge and experience for its task. It examined problems in depth with special attention to needs and situations in Africa. It stirred thought on the grassroots level, stimulated hope for practical action for the progress of women, and emphasized the political, social, and economic potential of women in the U.N. Decade of Development. The impact of the seminar was perhaps best demonstrated by the unanimous recommendation of the participants that another U.N. seminar be held in Africa in the near future on matters of concern to women.

Women in all parts of the world have long been aware of the problems which confront them in achieving equal recognition of dignity and rights in family law. It was Mme. Marie-Helene Lefauchaux, for 6 years Chairman of the U.N. Commission on the Status of Women, whose experience gave her wide knowledge of women in developing countries, who said,

A great deal has been heard during the winding up of colonial administrations about "dignity," which is justifiably sought after; it is about time that the same concern was felt, at all times and everywhere, for the dignity of women.

## **Department Releases 1965 Edition of "Treaties in Force"**

Press release 16 dated January 28

The Department of State on January 28 released for publication *Treaties in Force: A List of Treaties and Other International Agreements of the United States in Force on January 1, 1965*.

This is a collection showing the bilateral relations of the United States with 136 states or entities and the multilateral rights and obligations of the contracting parties to more than 360 treaties and agreements on 74 subjects. The 1965 edition lists some 300 new treaties and agreements, including the consular convention and king crab fishery agreement with Japan, the Columbia River treaty with Canada, the Chamizal convention with Mexico, the desalination agreement with the U.S.S.R. and the cultural exchanges agreements with that country and Rumania, the commercial communications satellite agreement, and two law-of-the-sea conventions (continental shelf and territorial sea). Also included in this edition are NS *Savannah* agreements with Denmark, Ireland, Italy, Norway, Portugal, Sweden, Spain, and the United Kingdom.

The bilateral treaties and other agreements are arranged by country or other political entity, and the multilateral treaties and other agreements are arranged by subject with names of countries which have become parties. Date of signature, date of entry into force for the United States, and citations to texts are furnished for each agreement.

The publication provides information concerning treaty relations with numerous newly independent states, indicating wherever possible the provisions of their constitutions and independence arrangements regarding assumption of treaty obligations.

Information on current treaty actions, supplementing the information contained in

Above all else, the seminar at Lomé gave the participants an opportunity to consider together the special situation of women on the African Continent and to point the way to fulfillment for all the women of Africa of the great principles of dignity and equality embodied in the constitutions of each of their countries.

### **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.*

#### **Security Council**

Letter dated November 16 from the Representative of South Africa regarding the resolution (S/5773) adopted on June 18. S/6053. November 19, 1964. 2 pp.

Report by the Secretary-General concerning the incident involving fighting between Israel and Syria on 13 November 1964 in the northern area of the Armistice Demarcation Line established by the Israel-Syrian General Armistice Agreement. S/6061, November 24, 1964. 41 pp.; S/6061/Add.1, December 1, 1964. 63 pp. and photographs.

Note verbale dated November 26 from the Representative of Czechoslovakia regarding the problems of U.N. peace-keeping operations. S. 6070. November 27, 1964. 5 pp.

Letter dated November 30 from the Representative of Jordan transmitting the text of a memorandum issued by his Government regarding the complaint of the Syrian Arab Republic against Israel. S/6077. December 2, 1964. 2 pp.

Report of the Special Committee on the Policies of Apartheid of the Government of the Republic of South Africa. S/6073, December 7, 1964, 227 pp.; S/6073 Add.1, December 10, 1964, 129 pp.

Letter dated December 8 from the Representative of the United Kingdom regarding a series of attacks made on the territory of the Federation of South Arabia about which the British Government is addressing a protest to the Yemeni Republican authorities. S/6091. December 9, 1964. 2 pp.

Report by the Secretary-General on the United Nations Operation in Cyprus for the period September 10 to December 12, 1964. S/6102. December 12, 1964. 121 pp.

Letter dated December 11 from the Representative of Yemen regarding military acts of aggression committed by the British Armed Forces against the Yemen Arab Republic. S/6105. December 14, 1964. 3 pp.

Letter dated December 11 from the Representative of Greece regarding Turkish charges of Greek propaganda activities relative to Cyprus. S/6108. December 14, 1964. 2 pp.

Letter dated December 12 from the Representative of Greece regarding a violation of Greek airspace by Turkish aircraft. S/6109. December 14, 1964. 1 p.

*Treaties in Force*, is published weekly in the *Department of State Bulletin*.

The 1965 edition of *Treaties in Force* (318 pp.; Department of State publication 7817) is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402, for \$1.50.

## Current Actions

### MULTILATERAL

#### Aviation

Convention for unification of certain rules relating to the precautionary attachment of aircraft. Done at Rome May 29, 1933. Entered into force January 12, 1937.<sup>1</sup>

*Accession deposited:* Niger, October 9, 1964.

Protocol relating to amendment to convention on international civil aviation (to increase number of parties which may request holding an extraordinary meeting of the Assembly). Adopted at Rome September 15, 1962.<sup>2</sup>

*Ratification deposited:* Malawi, November 30, 1964.

Convention on offenses and certain other acts committed on board aircraft. Done at Tokyo September 14, 1963.<sup>2</sup>

*Ratification deposited:* Portugal, November 25, 1964.

#### Labor

Instrument for the amendment of the constitution of the International Labor Organization. Dated at Montreal October 9, 1946. Entered into force April 20, 1948. TIAS 1868.

*Admission to membership:* Malta, January 4, 1965.

#### Law of the Sea

Convention on the high seas. Done at Geneva April 29, 1958. Entered into force September 30, 1962. TIAS 5200.

*Accessions deposited:* Albania (with reservation and declaration), December 7, 1964; Italy, December 17, 1964.

Convention on the continental shelf. Done at Geneva April 29, 1958. Entered into force June 10, 1964. TIAS 5578.

*Accession deposited:* Albania, December 7, 1964.

#### Load Line

International load line convention. Done at London July 5, 1930. Entered into force January 1, 1933. 47 Stat. 2228.

*Accession deposited:* Cyprus, November 2, 1964.

#### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Ratifications deposited:* Brazil, Western Samoa, January 15, 1965.

<sup>1</sup> Not in force for the United States.

<sup>2</sup> Not in force.

## Publications

Convention concerning the international exchange of publications. Adopted at Paris December 3, 1958. Entered into force November 23, 1961.<sup>1</sup>

*Ratification deposited:* Denmark, November 10, 1964.

Convention concerning the exchange of official publications and government documents between states. Adopted at Paris December 3, 1958. Entered into force May 30, 1961.<sup>1</sup>

*Ratification deposited:* Denmark, November 10, 1964.

## Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Notification of approval:* Sweden, January 18, 1965.

## Women—Political Rights

Convention on the political rights of women. Done at New York March 31, 1953. Entered into force July 7, 1954.<sup>1</sup>

*Notification that it considers itself bound:* Niger, December 7, 1964.

### BILATERAL

#### China

Agreement relating to the status of U.S. forces participating in joint exercises in 1965 and providing for the mutual waiver of damage claims to government property. Effected by exchange of letters at Taipei December 10 and 19, 1964. Entered into force December 19, 1964.

#### Korea

Agreement concerning trade in cotton textiles, with exchanges of letters. Effected by exchange of notes at Washington January 26, 1965. Entered into force January 26, 1965.

#### Yugoslavia

Agreement regarding claims of U.S. nationals, with exchange of notes and interpretative minute. Signed at Belgrade November 5, 1964.

*Entered into force:* January 20, 1965.

### Check List of Department of State Press Releases: January 25–31

Press releases may be obtained from the Office of News, Department of State, Washington, D.C. 20520.

Release issued prior to January 25 which appears in this issue of the BULLETIN is No. 9 of January 21.

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†14	1/26	Cotton textile agreement with Korea.
†15	1/27	Ball: statement on legislation to implement coffee agreement.
16	1/28	<i>Treaties in Force . . . 1965</i> released.

† Held for a later issue of the BULLETIN.

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## Policy, Persistence, and Patience An Interview With Secretary of State Dean Rusk

This 32-page pamphlet is the transcript of an interview with Secretary Rusk on the National Broadcasting Company's television program, "A Conversation With Dean Rusk," broadcast on January 3, 1965. Secretary Rusk discusses with NBC correspondents Elie Abel and Robert Gordon the issues and problems facing the United States in South Viet-Nam, Southeast Asia, the Congo, and the Western Hemisphere and explains what they mean for the American people.

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THE  
DEPARTMENT  
OF  
STATE  
**BULLETIN**

*Vol. III, No. 1-39*



*February 22, 1965*

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# United States and South Vietnamese Forces Launch Retaliatory Attacks Against North Viet-Nam

## WHITE HOUSE STATEMENT, FEBRUARY 7

White House press release dated February 7

On February 7, U.S. and South Vietnamese air elements were directed to launch retaliatory attacks against barracks and staging areas in the southern area of North Viet-Nam which intelligence has shown to be actively used by Hanoi for training and infiltration of Viet Cong personnel into South Viet-Nam.

Results of the attack and further operational details will be announced as soon as they are reported from the field.

Today's action by the U.S. and South Vietnamese Governments was in response to provocations ordered and directed by the Hanoi regime.

Commencing at 2 a.m. on February 7th, Saigon time (1 p.m. yesterday, eastern standard time, two South Vietnamese airfields, two U.S. barracks areas, several villages, and one town in South Viet-Nam were subjected to deliberate surprise attacks. Substantial casualties resulted.

Our intelligence has indicated, and this action

confirms, that Hanoi has ordered a more aggressive course of action against both South Vietnamese and American installations.

Moreover, these attacks were only made possible by the continuing infiltration of personnel and equipment from North Viet-Nam. This infiltration markedly increased during 1964 and continues to increase.

To meet these attacks the Government of South Viet-Nam and the U.S. Government agreed to appropriate reprisal action against North Vietnamese targets. The President's approval of this action was given after the action was discussed with and recommended by the National Security Council last night [February 6].

Today's joint response was carefully limited to military areas which are supplying men and arms for attacks in South Viet-Nam. As in the case of the North Vietnamese attacks in the Gulf of Tonkin last August,<sup>1</sup> the response is appropriate and fitting.

<sup>1</sup> For background, see BULLETIN of Aug. 24, 1964, p. 258.

DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1333 PUBLICATION 7830 FEBRUARY 22, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

The Bulletin is for sale by the Superintendent of Documents, U.S. Govern-

ment Printing Office, Washington, D.C., 20402. PRICE: 52 issues, domestic \$10, foreign \$15; single copy 30 cents.

Use of funds for printing of this publication approved by the Director of the Bureau of the Budget (January 19, 1961).

NOTE: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the Department of State Bulletin as the source will be appreciated. The Bulletin is indexed in the Readers' Guide to Periodical Literature.

As the U.S. Government has frequently stated, we seek no wider war. Whether or not this course can be maintained lies with the North Vietnamese aggressors. The key to the situation remains the cessation of infiltration from North Viet-Nam and the clear indication by the Hanoi regime that it is prepared to cease aggression against its neighbors.

**STATEMENT BY PRESIDENT JOHNSON,  
FEBRUARY 7**

White House press release dated February 7

Following meetings with the National Security Council, I have directed the orderly withdrawal of American dependents from South Viet-Nam.

It has become clear that Hanoi has undertaken a more aggressive course of action against both South Vietnamese and American installations, and against Americans who are in South Viet-Nam assisting the people of that country to defend their freedom. We have no choice now but to clear the decks and make absolutely clear our continued determination to back South Viet-Nam in its fight to maintain its independence.

In addition to this action, I have ordered the deployment to South Viet-Nam of a Hawk air defense battalion. Other reinforcements, in units and individuals, may follow.

**STATEMENT BY SECRETARY OF DEFENSE  
ROBERT S. McNAMARA, FEBRUARY 7<sup>2</sup>**

Good afternoon, ladies and gentlemen. In describing certain of the events which have taken place in South Viet-Nam and North Viet-Nam during the past 24 hours, I'll refer to this map which stands in front of us. On it we have shown the relative positions of China, Laos, North Viet-Nam, South Viet-Nam, Cambodia, Thailand, and the South China Sea.

Approximately 24 hours ago, at 2 a.m. Sunday morning, February 7, Saigon time, the Viet-Nam Communist guerrillas carried out three

<sup>2</sup> Made at the opening of a news conference at the Pentagon.

attacks, one against installations in the Pleiku area, which is in the central part of South Viet-Nam, a second at Tuy Hoa, with an airstrip adjacent to it, an area near the coast, and a third against Viet-Nam villages near Nha Trang.

The first attack in the Pleiku area was carried out by a company of Viet Cong using 81-mm. mortars, the mortar fire was directed against the United States military compound at the Second Corps Headquarters of the South Vietnamese military forces, and simultaneously elements of the same company attacked the airstrip at Camp Holloway, at which were located United States helicopter forces on the outskirts of Pleiku.

This latter attack on the airstrip was accompanied by a ground probe during which small-arms fire was used, rifle grenades, demolition charges, and recoilless rifles. Following completion of the attacks a Viet Cong four-tube, 81-mm. mortar position was located outside the perimeter defense of the airstrip. Nearby were containers for 61 mortar rounds. The United States casualties in the Pleiku area were 7 killed, 109 wounded, and, of the 109, 76 of the wounded required evacuation.

In addition 5 United States helicopters were destroyed, 9 to 11 damaged, and 6 United States fixed-wing aircraft were damaged.

The second attack at Tuy Hoa was directed against Vietnamese villages in the area and against the storage tanks for aviation gas for the Vietnamese Air Force stationed at the Chop Chi Airfield. Again, 81-mm. fire was used, the storage tanks of aviation gas were set on fire. There were no United States casualties in that area.

The third attack, as I mentioned earlier, was against a village or series of villages about 15 miles northeast of Nha Trang. The reports of operations in this area are fragmentary, and I can't give you the results other than to say that we believe that there were no United States casualties there. Immediately following, the United States representatives in Saigon met with representatives of the South Vietnamese Government. They jointly agreed that joint retaliatory action was required. The President's approval of this action was given after the action was discussed with and recommended

by the National Security Council at a meeting held between 7:45 p.m. and 9 p.m. last night.

As a result of this action, elements of the U.S. and South Vietnamese Air Forces were directed to launch joint retaliatory attacks against barracks and staging areas in the southern portion of North Viet-Nam.

On this map you see Hanoi, the capital of North Viet-Nam, Saigon, the capital of South Viet-Nam, the line of demarcation between the two countries at the 17th parallel. The targets agreed upon for the joint retaliatory attacks were barracks areas and staging areas in the southern portion of North Viet-Nam. As I say, elements of the U.S. and South Vietnamese Air Forces were directed to launch joint retaliatory attacks against those targets. These are the areas which Hanoi has used as bases for the infiltration of men and equipment out of the southern portion of North Viet-Nam across the border into Laos, down the corridor through Laos, and into South Viet-Nam. The infiltration routes are picturized on the map. One comes into the Pleiku area in the central part of Viet-Nam, and others come further south.

U.S. aircraft took off from three U.S. carriers that were steaming in the South China Sea. These carriers were steaming south of the 17th parallel, which is the line of demarcation between North and South Viet-Nam, about 100 miles off the coast of South Viet-Nam. The three carriers were the U.S.S. *Ranger*, U.S.S. *Hancock*, and U.S.S. *Coral Sea*.

Of the aircraft which took off from the carriers, 49 struck the Dong Hoi barracks and staging area in the southern part of North Viet-Nam. Certain other U.S. aircraft and certain South Vietnamese aircraft aborted because of adverse weather conditions and did not proceed to their target areas. Photo reconnaissance of the results of the strike is not yet available, but the combat crews upon their return to the carriers reported seeing heavy fires, heavy smoke, and substantial damage to military targets in the target area. One U.S. aircraft, an A-4 from the carrier *Coral Sea*, was lost. The pilot was seen to eject into the sea. Air-sea rescue operations are underway. All other aircraft returned safely to their bases.

## U.S. LETTER TO PRESIDENT OF U.N. SECURITY COUNCIL, FEBRUARY 7

*Following is the text of a letter from U.S. Representative Adlai E. Stevenson to Roger Seydloux, President of the Security Council.*

DEAR MR. PRESIDENT: I have the honor to inform you of the following acts which have further disturbed the peace in Viet-Nam.

In the early morning of February 7th, Vietnamese time, Viet Cong forces carried out coordinated attacks on South Vietnamese air bases in Pleiku and Tuy Hoa, on two barracks installations in the Pleiku area, and on a number of villages in the area of Tuy Hoa and Nha Trang. Numerous casualties were inflicted, and at least one village was burned.

These attacks by the Viet Cong, which operates under the military orders of North Vietnamese authorities in Hanoi, were a concerted and politically timed effort to sharpen and intensify the aggression at a moment designed for broader effect in the field of international politics, and to test the will of the Republic of Viet-Nam and the United States to resist that aggression.

The Government of the Republic of Viet-Nam and the Government of the United States immediately consulted and agreed that it was necessary to take prompt defensive action. Accordingly, on the afternoon of February 7th, Vietnamese time, United States and South Vietnamese air elements were directed to take joint action against certain military facilities in the southern area of North Viet-Nam. An attack was carried through against Dong Hoi, which is a military installation and one of the major staging areas for the infiltration of armed cadres of North Vietnamese troops into South Viet-Nam in violation of international law and of the Geneva Accords of 1954.

The Viet Cong attacks of February 7th related directly to the central problem in Viet-Nam. That central problem is not one of a struggle by one element of the population in South Viet-Nam against the Government. There is, rather, a pattern of military operations directed, staffed, and supplied in crucial respects from outside the country. Up to 34,000

armed and trained soldiers have infiltrated into South Viet-Nam from the north since 1959. In addition, key items of equipment, such as mortars of the type employed in the attacks of February 7th, have come from North Viet-Nam. During 1964, the infiltration of men and equipment has increased sharply, and virtually all of those now coming in are natives of North Viet-Nam.

Infiltration in such numbers can hardly be labeled "indirect aggression"—though that form of aggression is illegal too. What we are witnessing in Viet-Nam today is a sustained attack for more than six years across a frontier set by international agreement.

Members of the Security Council will recall that we discussed in the Council, in August 1964,<sup>3</sup> aggression by the Hanoi regime against naval units of the United States in the Gulf of Tonkin. At that time we described these attacks as part of a pattern which includes the infiltration of armed personnel to make war against the legitimate government of South Viet-Nam, the arming of terrorist gangs in South Viet-Nam, the assassination of local officials as an instrument of policy, the continued fighting in Laos in violation of the Geneva agreements,—a pattern, in short, of deliberate systematic and flagrant violations of international agreements by the regime in Hanoi which signed them and which by all tenets of decency, law, and civilized practice, is bound by their provisions.

The Republic of Viet-Nam, and at its request the Government of the United States and other governments, are resisting this systematic and continuing aggression. Since reinforcement of the Viet Cong by infiltrators from North Viet-Nam is essential to this continuing aggression, counter-measures to arrest such reinforcement from the outside are a justified measure of self-defense.

---

<sup>3</sup> For text of a statement made by Ambassador Stevenson before the Security Council on Aug. 5, see BULLETIN of Aug. 24, 1964, p. 272.

Mr. President, my Government is reporting the measures which we have taken in accordance with our public commitment to assist the Republic of Viet-Nam against aggression from the North.

We deeply regret that the Hanoi regime, in its statement of August 8, 1964, which was circulated in Security Council Document S/5888, explicitly denied the right of the Security Council to examine this problem. The disrespect of the Hanoi regime for the United Nations adds to the concern which any United Nations member state must feel about Hanoi's violation of the purposes and principles of the United Nations Charter.

Nevertheless I would remind you, and through you other members of the Security Council and of the United Nations, that our mission in Southeast Asia is peace and that our purpose is to ensure respect for the peace settlement to which all concerned are committed.

We therefore reserve the right to bring this matter to the Security Council if the situation warrants it.

In a statement issued this morning on behalf of President Johnson, the United States Government once again emphasized that "we seek no wider war. Whether or not this course can be maintained lies with the North Vietnamese aggressors. The key to the situation remains the cessation of infiltration from North Viet-Nam and the clear indication by the Hanoi regime that it is prepared to cease aggression against its neighbors."

Our objective is a peaceful settlement. This would require both the self-restraint of the regime to the north and the presence of effective international peacekeeping machinery to make sure that promises are kept.

This is our purpose. But we will not permit the situation to be changed by terror and violence and this is the meaning of our action this weekend.

Accept, Excellency, the assurances of my highest consideration.

ADLAI E. STEVENSON

## Unity, the Legacy of American Democracy

*Address by President Johnson*<sup>1</sup>

Tonight I want to share with you some thoughts on what I conceive to be the meaning of this moment in our national life.

In all of history, men have never lived as we are privileged to live tonight—at this rare and at this precious moment.

Our arms are strong—our freedoms are many.

Our homes are secure—and our tables are full.

Our knowledge is great—and our understanding is growing.

We enjoy plenty—we live in peace.

And this is much—but there is more.

Out of the years of fire and faith in this 20th century, our diverse peoples have forged together a consensus such as we have not known before—a consensus on our national purposes and our national policies, and the principles that guide them both.

This consensus is new. We have come to it more suddenly than we foresaw—and more fully than we anticipated. Tonight questions are being asked about the meaning of that consensus—proper, penetrating, and profound questions.

Thoughtful men want to know—are we entering an era when consensus will become an end in itself?

Will we substitute consensus for challenge?

Will a devotion to agreement keep us from those tasks that are disagreeable?

---

<sup>1</sup> Made before the Anti-Defamation League of B'nai B'rith at Washington, D.C., on Feb. 3 (White House press release; as-delivered text). The League gave President Johnson its annual America's Democratic Legacy award.

Tonight, for myself, I want to turn back to the ancient Scriptures for the answer:

He that observeth the wind shall not sow; and he that regardeth the clouds shall not reap.

If we were to try, this restless and stirring and striving nation would never live as the captive of a comfortable consensus.

So we must know that the times ahead for us—and for the world for that matter—are not to be bland and placid. We shall know tests. We shall know trials—and we shall be ready. For I believe more will be demanded of our stewardship than of any generations which have ever held the trust of America's legacy before us.

So let me be specific.

### **Using the Consensus To Strengthen Our Society**

We are at the threshold of a new America—new in numbers, new in dimensions, new in its concepts, new in its challenges. If the society that we have brought already to greatness is to be called great in the times to come, we must respond to that tomorrow tonight.

The unity of our people—the consensus of their will—must be the instrument that we put to use to strengthen our society, undergird its values, elevate its standards, assure its order, advance the quality of its justice, nourish its tolerance and reason, and enlarge the meaning of man's rights for every citizen.

For I believe with Justice Brandeis that:

If we would guide by the light of reason, we must let our minds be bold.

And this is what we are striving to do here

in your Capital City and in your National Government.

Invested just a few weeks ago with the trust of America's consensus, we are grasping the netles of our society. We are not avoiding controversy to prolong the political consensus—rather, we are striving to use the consensus to resolve and remove the political controversies that have already stood too long across the path of our people's progress and their fulfillment.

I took the oath as the President only 12 or 13 days ago. Since my state of the Union message on January 4 before my inauguration, I have sent to the Congress by the end of this week 16 messages—messages that are facing up to conflicts, messages that involve controversy—and don't doubt it—and messages that respond to the needs of this society.

For what we have asked, we stand ready tonight to welcome all support and to confront all opposition. Believing that our requests are right, and that our cause is just, this administration is determined that the opportunity of this rare and most precious moment shall not be denied, defaulted, or destroyed.

If some say our goals are idealistic, we welcome that as a compliment. For 188 years, the strongest fiber of America has been that thread of idealism which weaves through all our effort and all our aspiration.

So let the world know—and let it be known throughout our own land—that this generation of Americans is not so cynical, and not so cool, not so callous that idealism is out of style.

In a national house that is filled to overflowing, we are determined that the lives we lead shall not be vacant and shall not be empty.

Your Government is not concerned with statistics but with the substance of your schools, and your jobs, and your cities, and your family life, and your countryside, your health, your hopes, your protection, your preparedness—and your rights and opportunities.

For as Emerson once said:

The true test of civilization is not the census, nor the size of cities nor the crops, but the kind of man that the country turns out.

So we are concerned tonight with the kind of man that the country turns out in these times and the times that are to come.

In a changing environment, a changing society, a changing age, we are determined that our own beloved America shall turn out men who are enlightened and who are just, men who know beauty in their lives and compassion in their souls, men who are hardened by the strength of their faith rather than by the harshness of their fears.

And it is for this that we work and are ready to fight—and we ask you to work and, if need be, fight with us—in a consensus of common purpose and common idealism.

While we look inward to search the soul of America, we do not turn inward—nor turn away from the opportunities and responsibilities of America tonight in this world.

We proceed as we do, knowing that as we cannot isolate ourselves from the world, so we cannot isolate our role in the world from our responsibilities at home.

We must meet the responsibilities here if we are to be equal to the opportunities there. But the success of all we undertake—the fulfillment of all that we aspire to achieve—rests finally on one condition: the condition of peace among all people.

Mr. [Dore] Schary and Mr. [Abraham] Fineberg, in your citation tonight, the words expressed the essence of America in the thought that—"as a country, we try." I believe that it is the highest legacy of our democracy that we are always trying—trying, probing, falling, resting, and up trying again—but always trying and always gaining.

And this is the pursuit and the approach that we must make to peace. Not in a day or a year or a decade in 120 nations or more—not, perhaps, in a lifetime—shall we finally grasp the goal of peace for which we reach tonight. But we shall always be reaching, always trying—and, hopefully, always gaining.

#### **Exchange of Visits With Soviet Leadership**

Toward that end, when I spoke last month to the Congress,<sup>2</sup> I expressed the hope that the new leadership of the Soviet Union might come and visit our land—come to see us, to meet us,

<sup>2</sup> For text of President Johnson's state of the Union message of Jan. 4, see BULLETIN of Jan. 25, 1965, p. 94.

to learn firsthand the determination here in our beloved America for peace and the equal determination to support freedom.

I am gratified that this expression is receiving the active, the constructive—and, I hope, the fruitful—attention and the interest of the Soviet Government. I have reason to believe that the Soviet leadership would welcome my visit to their country—as I would be very glad to do. I am hopeful that before the year is out this exchange of visits between us may occur. As I have said so often before, the longest journey begins with a single step—and I believe that such visits would reassure an anxious world that our two nations are each striving toward the goal of peace.

So let it be said and let it be known that wherever America has responsibility—wherever America has opportunity—we shall be found always trying.

So I believe it is for the long effort ahead, not for the end of the passing moment, that our great national consensus has formed and will actually be preserved.

In division, there is never strength.

In differences, there is no sure seed of progress.

In unity our strength lies, and on unity our hope for success rests.

So let us never forget that unity is the legacy of our American democracy. Through the veins of America flows the blood of all mankind—from every continent, every culture, every creed. If we built no more arms, or no more cities, or no more industry, or no more farms, we would be remembered through the ages for the understanding that we have built in human hearts.

It is in the heart that America lives and has its being—and it is there that we must work, all together and each of us alone. We must work for the understanding, and the tolerance, and the spirit of benevolence and brotherly love that will assure every man fulfillment and dignity and honor, whatever his origins, however he

spells his name, whatever his beliefs, whatever his color, whatever his endowments.

If this be our purpose, and if this be our accomplishment, then our society will be great.

## U.S. Recalls Ambassador From Tanzania

### *Department Statement*<sup>1</sup>

On January 15 the Government of the United Republic of Tanzania declared two United States diplomatic officers *personae non gratae* on the ground that they had engaged in subversive activities and asked them to leave Tanzania within 24 hours.

The United States Government, which desires continuing friendly relations with the Government of the United Republic of Tanzania, instituted a thorough inquiry into the facts and found no basis whatever for the allegation. The United States Government presented the Government of the United Republic of Tanzania with the results of its investigation, including relevant documentation. The United States Government advised the Government of the United Republic of Tanzania that, on the basis of all the information available to it, the allegation concerning the two diplomatic officers was entirely unsubstantiated. The United States Government asked the Government of the United Republic of Tanzania to provide any evidence to support the allegation made, and also proposed that the two Governments join in an effort to ascertain all the facts.

The Government of the United Republic of Tanzania has declined to supply any evidence to substantiate the allegation and has also declined to join with the United States Government in a thorough examination of the facts.

In these circumstances the United States Government has recalled the Ambassador [William Leonhart] for consultation.

<sup>1</sup> Read to news correspondents on Jan. 30 by Robert J. McCloskey, Director, Office of News.



## The Economic Responsibilities of the United States

*by Under Secretary Harriman*<sup>1</sup>

The United States is the most important economic power in the free world. I propose to discuss tonight the inescapable responsibilities that go with that power and the opportunities that it opens up. These include our foreign trade goals, our efforts to achieve a strong international monetary system, and our foreign aid objectives. These matters are closely related. How we handle them will do much to determine not only our national well-being but our national security.

The first essential is a sound, strong domestic economy, with an adequate rate of growth. We need this, first of all, for the welfare of our people. We need it also to sustain our security requirements, whether military, political, or economic.

A high growth rate lessens our burdens. Our defense budget, huge—and necessary—as it is, is in fact no more than the increase in our gross national product during the last 18 months. Foreign aid is now less than one-tenth of our annual increase in national output. The President's foreign aid request for the next fiscal year is one-half of 1 percent of our GNP.

We need stable prices also. Maintenance of a high growth rate and stable prices will improve our competitive position abroad and at the same time make the United States more attractive for capital investment. Both factors would improve our balance of payments, thus enhance our ability to finance our own foreign investments and commitments.

Full employment and a growing economy

provide a favorable climate for measures to reduce obstacles to trade and to encourage the mobility of resources within the domestic economy. They facilitate adjustment to competition, whether foreign or domestic.

Our war on poverty here at home is aimed at raising the quality of American life. But that is not its only goal, for, as President Johnson said in his state of the Union message:<sup>2</sup>

We were never meant to be an oasis of liberty and abundance in a worldwide desert of disappointed dreams. Our nation was created to help strike away the chains of ignorance and misery and tyranny wherever they keep man less than God meant him to be.

Our high living standards and sustained growth are, of course, extremely important in the world struggle between freedom and coercion. We used to hear much about rapid economic growth in the Communist world. We have heard a good deal less about it in the last few years. And the GNP for Western Europe, Canada, Japan, and the United States is fast approaching \$1¼ trillion—about 2½ times that of the entire Communist world.

In economic competition with the West, the Communists are not gaining ground as they once were. Their agricultural policies have been disastrous. Nor have they been able to keep the promises they have made to their own people to provide more consumer goods. These are facts of which the more discerning leaders of developing nations have become aware. And even leaders of some Communist countries seem to be aware of them—hence their moves toward increased economic incentives.

<sup>1</sup> Address made before the American Business Press, Inc., at Washington, D.C., on Feb. 4 (press release 19).

<sup>2</sup> For text, see BULLETIN of Jan. 25, 1965, p. 51.

There is a further connection between our prosperity and growth and the economic health of the free world. Our economy "feeds" the economies of so many other nations—they cannot be prosperous and strong if we are not. It used to be said that if the United States had the sniffles, the rest of the free world caught cold. Fortunately, Western Europe and Japan are much hardier than that now. In fact, some years ago they continued to forge ahead while we suffered a mild recession. But the rest of the free world would surely suffer if we were to have a serious setback. Just as certainly, the expansion of our economy is a stimulant to the rest of the free world. We have had almost 4 years of sustained economic advance. In that period our annual imports have increased by \$3½ billion to \$18,500,000,000. That is \$3½ billion of income for other countries that they would not have had if our economy had stood still. Of this, the larger part—more than \$2 billion—represented tropical agricultural products, metals, and other primary commodities, bought mostly from the developing countries. This substantial increase in our purchases has helped their prospects for development.

We, in turn, benefited through an increase of approximately \$4½ billion in our exports in 4 years—an increase of about 22 percent. Thus our growth was stimulated by full employment and higher incomes in Western Europe and Japan and by the rising pace of development in various other countries of the free world.

Nothing demonstrates this more clearly than the fact that in the past decade of remarkable economic growth in Western Europe our trade with that area has more than doubled and with Japan more than tripled. These figures show clearly the value to us of our investment in the Marshall Plan and in Japanese reconstruction.

### **Interdependence of Free World**

This brings me to a major point, the inescapable reality that our economic policies are closely linked with the policies of other free-world countries. This interdependence makes our lives somewhat more complicated but our efforts greatly more productive. The fact is that economic nationalism is as much of an

anachronism for the United States today as it was at the end of World War II.

This was understood 20 years ago when we looked out on a world come to wholesale grief and chaos from war. We were almost alone in emerging from that war with a powerful economy; and we held the preponderance of the world's financial reserves. However, we rightly believed that our position was vulnerable, since so much of the free world was weak, in serious disorder, and under external pressure.

We acted accordingly. As one essential, we undertook a series of military commitments to insure the common defense. But it was through our economic policies—in aid, in trade, and in monetary arrangements—that we set in motion a new, dynamic impetus for economic recovery and an era of unprecedented prosperity in the West.

Our world is immeasurably better, stronger, and safer for these developments. Other industrial countries are no longer unduly dependent on our capital or critically sensitive to fluctuations in our markets. Nevertheless, we are more, rather than less, heavily involved in the world economy.

Our economic dimensions alone make this involvement a necessity. But it is also a matter of today's realities in an open international economic system. It is a system we have worked hard throughout the postwar period to enlarge and to strengthen. We have done so in the knowledge that it can accelerate the economic growth, and hence the security, of the free world by enabling the efforts of each nation to support, rather than detract from, the efforts of other nations.

Such a system provides maximum opportunities for international economic specialization; it stimulates the growth and spread of technology; it encourages capital to flow in directions where it can be most productively employed; it enhances the role of competition as a productive and modernizing economic force; and it gives to consumers everywhere a wider range of choice.

We can gain these great advantages only by constantly working for them. The system as a whole can succeed only if national economic policies are based on mutual cooperation and an

agreed code of responsible behavior. And, as the largest single element in the world economy, the United States has a unique obligation to lead the way.

The United States has sought diligently to fulfill that obligation. More than three decades ago, we began a long and tenacious effort to reduce restrictions on the movement of goods and capital and to develop sensible ground rules for national behavior in the field of foreign economic policy.

We took the lead through the reciprocal trade negotiations in the thirties; through the series of postwar multilateral trade reductions under the General Agreement on Tariffs and Trade; through our financial and aid policies which greatly hastened the day when Western Europe and Japan could remove quotas and exchange controls and once more make their currencies convertible; and most recently through the Trade Expansion Act of 1962.

This persistent exercise in international cooperation led to an unprecedented boom in world trade. Since 1948 the volume of world trade has tripled. For the first time in this century, trade increased faster than income. Thereby it accelerated economic growth and raised productivity in all countries.

The striking contrast between these achievements and the situation in the thirties is not a matter of trade volume alone. In that unhappy era competitive exchange depreciation and trade retaliation measures were standard weapons in a nation's economic arsenal. Yet the net effect of these methods was self-defeating. All nations suffered through lower income and increased unemployment.

Now we have broken free from the web of trade and payment restrictions that were the legacy of the thirties and of the Second World War. We have built an impressive system of international organizations through which we can consult and work together with other nations to make all of us richer and more secure. This is the purpose of such organizations as the OECD [Organization for Economic Cooperation and Development], the GATT [General Agreement on Tariffs and Trade], the IMF [International Monetary Fund], the World

Bank, and the specialized economic agencies and regional organizations of the United Nations.

We and our free-world partners have come a long way in building this system of international cooperation, but we may now be at an important crossroad. Progress now—whether in trade, in financial affairs, or in aid programs—will depend increasingly on effective cooperation among all the major industrial nations.

### **The Kennedy Round**

The Kennedy Round of tariff negotiations, now underway, is a key test of our collective resolution. In concept and in scope these negotiations represent the most ambitious opportunity thus far to enlarge the benefits of trade for all nations of the free world.

There will be hard bargaining. We, as well as our partners in Europe and Japan, bring to these negotiations special and highly charged domestic interests. No country will be able to get all that it would like. But the success of the negotiations will not lie in specific trade advantages we may gain or disadvantages we may avoid. Rather, it will depend on the progress made toward a better world trading environment. A successful Kennedy Round will encourage the continued expansion of world trade. As such it will be to the common advantage of all participants, industrial and developing countries alike.

Looking beyond a successful Kennedy Round, there will be other tests of our resolution in the trade field. They can arise in subsequent trade negotiations as well as in other commercial policy issues. At every stage we will face the question of how much competition we are prepared to accept from abroad. On the basis of the record—of the benefits in employment and productivity we have gained from trade expansion—I believe we should move in the direction of accepting more, rather than less, of such competition. Neither we nor other industrial countries can afford restrictive policies whose ultimate effect is to curb economic change and thus to discourage modernization and expansion.

## The International Monetary System

Similar considerations apply to our role and objectives in the international financial field. The international monetary system, after all, is not an end in itself. It is an instrument that can either encourage or hinder desirable actions in trade and in domestic economic policy.

The United States of necessity has had a dominant role in the postwar evolution and expansion of this payments system. There were two reasons for this. As the dollar was the only major currency that was fully convertible throughout the period, it had to serve as an international reserve for the rest of the world. Without it, the supply of international means of payment would not have been sufficient to finance the rapidly growing volume of international trade. Second, through military and economic aid and through long-term loans to foreign governments, as well as through private investment, the United States transferred a huge amount of capital and international reserves to the rest of the world.

Our reserves and capital were put to good use—not only to help secure vital political interests but in economic terms as well. These actions restored the international monetary system and brought us to our present world of booming trade and convertible currencies.

Almost throughout this period, we incurred balance-of-payments deficits. These deficits were the necessary counterpart of the rebuilding of reserve positions in other countries, notably in Western Europe. In the late 1950's, when these deficits grew, we took measures to regain equilibrium.

Our objective has been, and continues to be, to bring our accounts in balance without sacrificing important military, political, and economic responsibilities abroad, or a high level of employment at home. Our deficit is becoming smaller, and our fundamental financial position grows stronger. Nevertheless we are concerned that our very large net receipts from goods and services are not yet enough to make up for our net military expenditures abroad, the small portion of our aid that is still untied, net foreign travel, and our presently large net outflow of private capital.

There is every reason for confidence that we

will be able to deal effectively with the problem of our deficits and our gold outflow. The facts of our underlying financial strength help keep this problem in perspective.

A key element in that financial strength is assets owned abroad by the U.S. Government and by American citizens totaling \$86 billion. This does not include more than \$12 billion of Government loans to developing countries on longer terms. Against these assets are claims on the United States by foreign governments and citizens totaling \$56 billion. Thus, we have a net assets position abroad of \$30 billion. And these net assets have increased steadily since the war. The increase was over and above our huge capital grants in the form of military and economic aid.

In addition, we have \$15 billion in gold and a commercial export surplus that totaled more than \$5 billion last year. There should be no question, therefore, of the international financial strength of the United States or the soundness of the dollar.

We should recognize that our balance-of-payments deficits have been an important source for creating the additional liquidity the world has needed to finance the vast expansion in world trade. As we eliminate the deficit in our balance of payments, it will be necessary to develop alternate sources of liquidity to finance continued expansion in world trade. One major source in this liquidity will be through the International Monetary Fund. This is already being planned and should have our full support.

Further, we believe that other industrial countries should share with us the burdens of maintaining a reserve currency. As of now, the dollar holdings of other countries form an indispensable part of the world's international reserves and comprise a key element in the operations of the world economy.

The need to encourage the continued and enlarged movement of private capital around the world is an important case in point. These capital flows have been a major vehicle for the interchange of technology among industrial countries. They finance trade. They contribute to the effective employment of world resources.

One difficulty we face is the fact that our highly developed capital market has no effective counterparts in other industrial countries.

As a result, foreign borrowers sometimes enter our capital market simply because it is large, efficient, and convenient, thus putting added pressure on our balance of payments. We have taken temporary measures to reduce this use of our capital. Over the long term, of course, this is not a satisfactory answer. Our common purposes require an increased, not a diminished, flow of capital in the free world. For this reason we look to the opening and strengthening of capital markets in Western Europe.

More generally, we have come to learn that payments pressures of one sort or another can recur in an open international system. The United Kingdom, Canada, and Italy, as well as the United States, have at various times in the past few years been confronted with such pressures.

A strong tradition of international cooperation has developed in the monetary field to deal with such crises. But all would agree that we don't know all the answers and that much remains to be done. Financial crises can subject the world economy to large and unnecessary losses. These must be avoided. But our sights should go beyond this. In the last analysis, the merit of any international monetary system must be measured by its ability to promote trade, the productive movement of capital, economic growth, and stability, and to help in achieving and maintaining international equilibrium. Our problem is to meet the increasing liquidity requirements of an expanding world economy, not to force a harsh reduction in the existing level of world liquidity. We must never forget the lesson of the thirties and the self-defeating scramble for gold that preceded it. It is in these terms that we must constantly re-examine and reassess our policies and instruments.

#### **U.S. Responsibilities in the Developing Countries**

Finally, I would like to comment on our economic responsibilities in the developing countries.

This, fortunately, is no longer a task for us alone. But we must continue to provide leadership. In many respects it is the biggest piece of unfinished business that we and other free-world industrial countries face.

In his message on foreign aid, President Johnson said:<sup>3</sup>

For our own security and well-being, and as responsible free men, we must seek to share our capacity for growth, and the promise of a better life, with our fellow men around the world.

We and our fellow members of the OECD have enormous industrial and commercial power to put behind this common endeavor. As a group, the United States, Canada, Western Europe, and Japan account for approximately two-thirds of the world's total output. We command at least that much of the world's industrial capacity, and we have a major share of its agricultural surplus. Our foreign trade comes close to being three-fourths of total world trade. We must get these assets more heavily engaged in the job of development. Unhappily, the gap between the incomes of the industrial countries and the underdeveloped countries is widening.

We must succeed in two general tasks:

*First*, in putting growing amounts of the capital, technology, and organizational skills of the industrial countries to effective use in the developing countries; and

*Second*, in giving these countries reasonable access to our markets, enabling them to expand their export earnings and pay more of their own way toward modernization.

We have no illusions about the difficulties, but I believe these tasks are necessary and that they will require greater coordination of effort—among industrial countries as a group and between industrial countries and developing countries.

They also will require steady progress toward a trading world progressively free of restrictions and toward an international monetary system that encourages the flow of capital—private and public—among all nations.

I have concentrated on what seem to me to be the inescapable economic responsibilities of the United States—responsibilities which we must continue to fulfill if we are to remain prosperous and free.

But, as I have emphasized equally, we alone cannot achieve those objectives. The cooperation of other free nations is indispensable—par-

<sup>3</sup> *Ibid.*, Feb. 1, 1965, p. 126.

ticularly the other industrial nations. None of us can share fully in the benefits of modern society, none of us can find security, under policies of economic independence. We have immense stakes in working together. It must be our common goal to enlarge the area of our cooperation if the free world is to keep on growing in strength, if we are to achieve eventually a decent world order and a stable peace.

## **Vice President Humphrey To Head Peace Corps Advisory Council**

*Following is the text of a letter from President Johnson to Vice President Humphrey.*

White House press release dated January 26

JANUARY 26, 1965

DEAR MR. VICE PRESIDENT: For three and one half years I have been happy to serve as Chairman of the National Advisory Council of the Peace Corps. Today I am asking you to accept this responsibility which has meant so much to me.

As you take on this new and additional responsibility I would like you to focus your attention on several lines of action which I hope you will follow:

*First*, I would like you and the National Advisory Council to convene soon a Conference of Returned Peace Corps Volunteers on or about March 1, the fourth anniversary of the establishment of the Peace Corps. Over 3,000 Volunteers have already come back from two years of overseas service. They, and the nearly 10,000 Volunteers now serving in 46 countries, are a major new national resource. It is time to assemble a representative group of them to discuss their role in our national life, at home and abroad. I want you to bring them together with leaders of American education, of business and labor, of community action programs, of federal, state and local government. In serious workshop sessions they should consider the opportunities for further service by the returning Volunteer in all parts of our public life—in the War on Poverty and in the Foreign Service, in our work to promote human rights at home and

in our overseas AID programs, in our school classrooms and in our universities, in our unions and in private enterprise.

*Second*, I will count on you to help carry the message of the Peace Corps' opportunities to the four corners of this country. As the Peace Corps grows from 10,000 to 20,000 Volunteers to meet the requests and needs of other peoples, its performance must continually improve. The quality of the Volunteers—their ability to do the work and to work with people, whether in the schoolroom or in the community—must be the best that America can offer. I hope you will carry the Peace Corps story to the graduating students and faculties of our campuses, to our skilled workmen, to doctors and nurses, to experienced teachers—to every capable citizen willing to serve his country overseas.

*Third*, I hope you will accept as a special concern the matter of foreign students in this country, 25,000 of whom come from countries where the Peace Corps is serving. Returning Volunteers will be interested, as I am, in helping to make the experience of these foreign guests successful in all respects, educationally and personally. I hope you, the National Advisory Council and the participants in the proposed Conference will give special attention to this opportunity for further service by returned Volunteers, and report to me your recommendations and action.

*Fourth*, I hope you and the Advisory Council will propose other ways to ensure that this nation makes full use of former Volunteers. I have already selected men from the Peace Corps organization more frequently than from any other government department or agency in order to staff this Administration. For the Great Society requires first of all Great Citizens, and the Peace Corps is a world-wide training school for Great Citizens.

This new assignment is exceptionally appropriate for you. You were the first member of the Senate to see the vision of the Peace Corps and to propose legislation to embody it. Moreover, this new assignment directly complements your other work with the War on Poverty and the coordination of efforts toward full civil rights for all Americans. These efforts are all concerned with human dignity. They represent

the central purpose of this Administration: to open new opportunities for people.

In these last four years under Sargent Shriver's able and effective direction the Peace Corps has made history. Working with him, we can see that it continues to make history.

Sincerely,

LYNDON B. JOHNSON

The Honorable HUBERT H. HUMPHREY

*The Vice President*

*Washington, D.C.*

## **U.S. Comments on French Proposal To Return to Gold Standard**

*The Treasury Department on February 4 released the following statement.*

President de Gaulle has recommended that the gold exchange standard, based on the use of dollars freely convertible into gold at \$35 an ounce, and which has served the world well for 30 years, be abandoned. He has proposed that instead we retreat to the full gold standard which collapsed in 1931 and which proved incapable of financing the huge increase of world trade that has marked the 20th century.

Studies of possible ways to improve the world monetary system have been underway for the past 18 months in the International Monetary Fund and in the Group of Ten countries making up the GAB [General Arrangements To Borrow]. The new French proposal will presumably be introduced in these forums, where a number of other proposals have been under study for some time. However, a move toward the restoration of the so-called gold standard, with all its rigidities and sharp deflationary consequences, would be quite contrary to the mainstream of thinking among the governments participating in these studies.

In no event would any solution be acceptable that involved a change in the fixed \$35 price of gold. It is also essential that any changes in the system insure that adequate international credit will continue to be available to finance the swings in trade typical of a growing world economy.

## **Importance of Agricultural Issues in Kennedy Round**

*Statement by Christian A. Herter<sup>1</sup>*

I have been in Brussels to hold discussions with the Commission of the European Economic Community, in which we exchanged views on how we could best contribute to the progress of the Kennedy Round, particularly in the field of agriculture. As I think you know, I have just come from Geneva, where last week the Executive Secretary of the GATT [General Agreement on Tariffs and Trade], Mr. [Eric] Wyndham White, laid before the participating countries a proposal to proceed with an exchange of specific offers on the whole range of agricultural products. Agricultural issues were the focus of our talks here in Brussels, for I think that the Commission and my Government are fully agreed on the great importance of getting the agricultural side of the negotiations underway. We had very thorough conversations, which I hope will be useful to both the Community and ourselves in responding to Mr. Wyndham White's suggestion.

Agriculture is certainly the most important order of business in the Kennedy Round at this point. As you know, the industrial phase of the negotiations is actively engaged, with discussions going on right now in Geneva concerning the lists of industrial products to be excepted from 50-percent tariff cuts. We must now see to it that we proceed to fulfill the GATT ministers' directive that the negotiations should cover all types of products, including agriculture. For agricultural products, our objective is that agreed by the ministers at the onset of the Kennedy Round, the creation of "acceptable conditions of access to world markets for agricultural products in furtherance of a significant development and expansion of world trade in such products. . . ."<sup>2</sup> Twenty-five percent of the United States' total exports are agricultural. For us and for other agricultural exporting

<sup>1</sup> Made at Brussels, Belgium, on Feb. 3. Mr. Herter is the President's Special Representative for Trade Negotiations.

<sup>2</sup> For text of a declaration adopted by the GATT ministers on May 6, 1964, see BULLETIN of June 1, 1964, p. 879.

countries, it is extremely difficult to see how a genuinely reciprocal bargain could be struck in the Kennedy Round unless we can achieve liberalization of this portion of our trade as well as our industrial exports.

We agree with Mr. Wyndham White that the best way of getting negotiations started on agriculture is for each participant to put specific offers on the table. Let me reiterate what I said in Geneva last week: We for our part have no preconceived ideas as to the form which these offers should take as long as they conform to the objective of trade liberalization set down by the ministers. Nor do we exclude from discussion and negotiation any element of our agricultural support system necessary to achieve this objective. We shall be in a position, I think, to make very respectable offers.

Before I left the United States 10 days ago, I had a meeting with President Johnson to discuss this trip and the Kennedy Round in general. On that occasion he stressed once again his strong personal endorsement of the Kennedy Round in view of the extraordinary opportunity it offers to expand trade and cooperation among the many countries which are participants. Let me assure you that our will to succeed is as strong as ever, and we trust that this spirit is shared by the others on whom success depends.

## **U.S. and U.S.S.R. Complete Plans for 1965 Exchanges Program**

### *Department Statement*<sup>1</sup>

United States and Soviet officials have concluded a 3-day review of the results of the 1964 cultural, scientific, and educational exchanges program between the two countries and have completed plans for the 1965 program.

The current exchanges agreement was signed on February 22, 1964,<sup>2</sup> in Moscow and runs until the end of 1965. It is the fourth in a series

<sup>1</sup> Read to news correspondents on Jan. 30 by Robert J. McCloskey, Director, Office of News.

<sup>2</sup> For a Department statement and remarks made by Ambassador Foy D. Kohler, see BULLETIN of Mar. 23, 1964, p. 451.

of 2-year intergovernmental agreements, the first dating from 1958, which cover arrangements for visits and exchanges in the fields of higher education, science, industry and technology, agriculture, medicine and public health, performing arts, culture and the professions, publications, exhibits, radio and television, and athletics.

The talks were carried out in a friendly and frank atmosphere, and the negotiators agreed that greater efforts will be needed to complete the exchanges planned for 1965. Both sides agreed to expand the exchange of graduate students, scientists, and scholars, as well as technical, educational, and cultural delegations over the levels reached in 1964.

In the field of performing arts, the Cleveland Symphony Orchestra will appear in six Soviet cities for 6 weeks beginning in April and the Juilliard Quartet will tour the Soviet Union in May. A still unnamed major American attraction will appear in the Soviet Union in late 1965. Prominent individual American artists to appear will be pianists Van Cliburn and Eugene Istomin, violinists Isaac Stern and Joseph Fuchs, and singers Jerome Hines and Mary Costa. The Moscow Art Theater (which opens in New York on February 4), the Moiseyev Dancers, and the Moscow Symphony Orchestra will appear in the United States in 1965. Soviet individual artists to also tour the United States will include the famous pianist Svyatoslav Richter, soprano Tamara Milashkina, pianist Yakov Zak, and violinist Igor Oistrakh. Violinist David Oistrakh, father of Igor, will also appear if his health permits.

The United States-Soviet track and field meet will take place in Moscow in July. The meet was held in Los Angeles in 1964. An American swimming team will appear in the Soviet Union in the late summer, and a Soviet basketball team will tour the United States in April.

The U.S. officials at the talks were headed by Frank G. Siscoe, Director of the Soviet and Eastern European Exchanges Staff, Department of State. The chief Soviet negotiator was Boris Krylov, Head of the American Section, Soviet State Committee for Cultural Relations with Foreign Countries.



## Theater Study Group Given Permanent Advisory Status

The Department of State announced on January 29 that a group of professionals in the American theater, who have worked together for more than a year on a special study of ways to use drama more effectively in the Department's program of sending cultural presentations abroad, have agreed to become the nucleus of a permanent advisory panel.

Nan Martin, stage and television actress, who has been chairman of the *ad hoc* group, will continue as chairman of the permanent panel. Others who have so far agreed to continue on the panel are:

Robert Whitehead, *vice chairman*, producer  
Edward Kook, lighting and production expert  
Jerome Lawrence, writer  
Kevin McCarthy, actor  
Jo Mielziner, stage designer  
Dick Moore, actor and producer-director, former editor of *Equity*  
Chester Morris, actor  
Donald Oenslager, scene designer  
Alan Schneider, director  
Peggy Wood, actress

The study conducted by the group has opened up new directions for the more effective and economical use of drama in the cultural presentations program. Recommendations now being carried out include sending overseas husband-and-wife acting teams and drama coaching teams to countries desiring instruction in American dramatic techniques.

First of the husband-and-wife acting teams will be Fredric March and Florence Eldridge, who plan to leave in April for a 6-week tour of Italy, Greece, and other countries in the Middle East, including Turkey, the Syrian Arab Republic, Lebanon, the United Arab Republic, Iran, and Afghanistan. The couple will perform excerpts from well-known American plays and readings from Robert Frost. Other acting couples have indicated tentative acceptances, when present commitments are completed.

The first drama coaching team will go to Japan in May. It will be headed by Harold Clurman, director of many New York produc-

tions, including currently "Incident at Vichy," by Arthur Miller. Others on the team are Ruth White and William Prince, actors, and Paul Morrison, lighting expert. The group will help Japanese talent of the Institute of Dramatic Art at Tokyo produce a Japanese language version of Eugene O'Neill's "Long Day's Journey Into Night."

## Foreign Policy Conference To Be Held at Dallas

Press release 18 dated February 1

Under Secretary of State George W. Ball will be the principal speaker in a five-State regional foreign policy conference at Dallas, Tex., February 27. The conference, which is jointly sponsored by Southern Methodist University and the Dallas Council on World Affairs, is expected to attract several hundred representatives of local and State organizations in Texas, Arkansas, Louisiana, New Mexico, and Oklahoma.

The other speakers who will participate are: Ellsworth Bunker, Ambassador to the Organization of American States; James L. Greenfield, Assistant Secretary of State for Public Affairs; Peter Solbert, Principal Deputy Assistant Secretary of Defense, International Security Affairs; Joseph J. Sisco, Deputy Assistant Secretary of State for International Organization Affairs; and Fred Hadsel, Director, Office of Inter-African Affairs.

The conference will be opened by R. Richard Rubottom, Jr., vice president of Southern Methodist University and formerly Assistant Secretary of State. Ed Gossett, president, Dallas Council on World Affairs, will preside at the conference luncheon.

The Dallas conference is one of a series conducted by the U.S. Department of State to bring Government officials responsible for formulating and carrying out foreign policy together with citizen leaders and representatives of the radio, television, and press.

## International Economic Policies

### ECONOMIC REPORT OF THE PRESIDENT AND ANNUAL REPORT OF THE COUNCIL OF ECONOMIC ADVISERS (EXCERPT)<sup>1</sup>

*Following is the portion of the Annual Report of the Council of Economic Advisers which deals with international economic policies (Chapter 2, pages 110-119).*

The formulation of domestic economic policies must take account of the impact of these policies on the economies of other countries and on our international relations. A strong U.S. economy promotes growth and prosperity abroad. At the same time, a vigorous and growing world economy and expanding world trade contribute to our own growth, stability, and vitality.

High among immediate U.S. priorities is the necessity for further strengthening of our international payments position. While devoting special attention to balance of payments problems, we will also continue to work actively toward the attainment of longer-range international economic goals: liberalizing the world's trading arrangements; strengthening the economies of the less developed countries; and further improving international monetary arrangements.

In all of these areas, important progress has

<sup>1</sup> *Economic Report of the President, Transmitted to the Congress January 1965, Together With the Annual Report of the Council of Economic Advisers* (H. Doc. 20, 89th Cong., 1st sess.; transmitted on Jan. 28), for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402 (\$1.25).

been made in the recent past, but major tasks remain. This section outlines near-term and longer-run policies for carrying out these tasks.

#### Balance of Payments: Prospects and Policies

The U.S. payments position showed further improvement between 1963 and 1964 while the economy was registering major gains in income and employment. But even more substantial reductions in the payments deficit must remain among the key objectives of national economic policy.

#### *Longer-run prospects*

Evidence accumulated during the past year generally confirms the conclusion of last year's Annual Report of the Council that the longer-term prospects for continued improvement in the U.S. payments position are favorable.

With domestic prices remaining essentially stable, it should be possible to consolidate and extend the recent improvement in the competitiveness of our exports. Moreover, exports will be aided in coming years by continued strong growth of incomes abroad. Demands for labor-saving investment goods—in the development and production of which the United States has traditionally pioneered—should increase. The stronger position of primary producing countries, furthermore, may continue to add significantly to these countries' demands for American products.

Income from past investments abroad should continue to rise rapidly. Further progress is also being made in the reduction of the balance of payments cost of military and other government transactions overseas. At the same time, however, our persistent deficit on tourist account will continue to reflect rising incomes at home and growing interest in foreign lands. U.S. imports, too, will grow as our economy expands. But it is encouraging that the growth of U.S. imports in recent years has been somewhat smaller than might have been expected on the basis of experience in earlier periods of economic expansion. This apparently reflects, in part, the improved competitiveness of American products.

The future course of U.S. direct investment abroad will be influenced by conflicting forces. Sustained prosperity in the United States may encourage investment at home rather than abroad. An increasingly less receptive attitude on the part of a number of foreign countries toward an expansion of American ownership may deter direct investment. At the same time, however, American firms still have strong incentives to expand their facilities or open new ones in widening foreign markets, particularly the European Economic Community (EEC).

New issues of foreign securities in the U.S. market, as already noted, were restrained by the Interest Equalization Tax in 1964. Revisions that are being recommended in the U.S. tax treatment of earnings of foreign investors in the United States should encourage increased purchases of U.S. securities. Current efforts to improve and enlarge capital markets abroad should also bear fruit over the longer run, although foreign demands on U.S. capital markets are likely to remain substantial for some time to come.

### *Problems and policies*

While the analysis of key factors underlying our basic payments position leads to a favorable over-all appraisal, there are various uncertainties in the more immediate future that are cause for concern. The very large gains in our trade balance recorded since early 1963, for example, may be difficult to repeat. Moreover, the factors mentioned earlier which gave rise to exceptionally large capital outflow in late 1964, while

expected to have less force in coming months, might tend to delay satisfactory progress toward balance in our international accounts. Thus, the Administration is currently undertaking an intensive assessment of our near-term balance of payments prospects and their implications for policy. The results of this assessment will be the subject of a special Presidential message in the near future.

It is clear that continued U.S. success in maintaining cost-price stability associated with rapid gains in productivity is fundamental to improvement in our balance of payments. Also required are sustained efforts to promote American exports and to encourage tourism within the United States by both Americans and foreigners. And, for the time being at least, we cannot relax the various special measures now in force, such as the tying of foreign aid, which are designed to keep the balance of payments cost of U.S. Government expenditures abroad at the lowest practical level consistent with our foreign policy and national security objectives.

With the help of appropriate policies, we must move decisively toward international balance, thereby reinforcing the position of the dollar as the world's major reserve currency. As we succeed in this endeavor, we can expect to encounter some demand by both private and official foreign holders for additional short-term dollar assets needed to help to meet their growing liquidity requirements. Under such circumstances, the United States can reasonably supply a limited volume of additional dollars in keeping with the ultimate objective of equilibrium in its payments position.

Two broad principles will continue to govern our choice of policies. First, policies directed at the balance of payments must remain coordinated with our over-all national economic policies. Second, truly effective measures to strengthen the balance of payments of any major trading and investing nation—especially a key-currency country—cannot be devised by individual countries in isolation. The burdens and benefits of adjustment must be shared by deficit and surplus countries. Indeed, further progress toward reasonable balance of payments equilibrium among all countries requires close cooperation among economic policy-makers here and abroad.

## Trade

The growth of world trade is strongly influenced by the commercial policies which trading nations pursue, individually and collectively. The reduction or elimination of barriers to trade and measures for its further expansion were intensively discussed in two major international forums during the past year—the General Agreement on Tariffs and Trade (GATT) and the United Nations Conference on Trade and Development.

### *Kennedy Round*

The Kennedy Round of trade negotiations opened formally in Geneva last May and got under way in earnest toward the end of the year. The objectives of the United States, whose participation in these negotiations was made possible by the Trade Expansion Act of 1962, are a 50 percent cut in tariffs on as wide a range of industrial products as possible, the substantial liberalization of trade in agricultural products, the reduction or removal of non-tariff barriers to trade, and the opening of greater trade opportunities to the less developed countries.

The working hypothesis adopted by the GATT nations is to apply 50 percent tariff reductions across the board to industrial products which are not specifically excluded by the participating countries. In November, after many months of intensive preparatory work, the major trading nations submitted their "exceptions lists," identifying the products which they wished to withhold from all or part of the 50 percent tariff cut. Successfully passing this major milestone implicitly reaffirmed the commitment of the major trading nations to a substantial lowering of tariff barriers.

Progress has been slower in the negotiations on agriculture. The United States has insisted from the start of the preparatory discussions that agricultural products, as well as industrial products, must be included in the forthcoming negotiations. From the standpoint of both its own interest and that of the world trading community, the United States is concerned lest, in the process of eliminating intra-EEC barriers on trade in agricultural products, the EEC countries erect new external restrictions. It is

important that further development of the EEC contribute to the growth of over-all world trade as well as to the expansion of commerce within the Community. The United States remains eager to negotiate tariff and other trade concessions with the EEC countries which will cover agriculture as well as industry. Our objective is to achieve meaningful tariff concessions that will expand world trade.

According to the principles laid down by the GATT Ministers, the less developed countries are not expected to offer full reciprocity for the concessions extended to them by the developed countries. These countries will stand to benefit from the elimination of tariffs on tropical products and also to some extent from the reductions in tariffs on industrial products and the liberalization of agricultural trade.

As 1965 opens, the United States looks forward to successful negotiations in the Kennedy Round. These negotiations, expected to run through the current year and perhaps into 1966, will be complex and difficult, for the stakes are high—involving as they do the vital interests of 40 or more participating nations. Success will stimulate trade expansion and closer economic cooperation, stepping up worldwide productive capacity and efficiency and contributing to rising incomes and greater human welfare in all countries; failure would risk the onset of a new wave of protectionism.

The years immediately ahead may be among the most dramatic and rewarding in our continuing drive for trade liberalization begun thirty years ago.

### *UN Conference on Trade and Development*

The United Nations Conference on Trade and Development (UNCTAD) provided a forum primarily for the less developed countries to express their views on the present legal and institutional framework governing world trade, and to make a series of suggestions for trade policies to promote economic development. The Conference was the first of its kind, and revealed a striking unity among 77 less developed countries in urging changes in the existing order. Permanent machinery—a Trade and Development Board—has been established under the United Nations for the continuing study of related trade and development problems. The

UNCTAD participants also agreed to hold a similar formal conference in 1966, and every three years thereafter. In the meantime, the United States and other advanced countries are engaged in a major reexamination of their individual and collective economic policies toward the less developed countries.

The UNCTAD focused attention on many trade and development issues of particular interest to the developing countries. Recommendations adopted by the Conference without dissent dealt, among other things, with the removal of obstacles to the expansion of developing countries' exports; the promotion of trade among developing countries; studies of means to provide additional compensatory and supplementary financing to offset short- and long-term losses of export earnings; and a study of an interest equalization fund to encourage the use of previously untapped international financial resources.

The proposal that developed countries grant generalized tariff preferences to the exports of manufactures and semimanufactures from developing countries was strongly pressed at the UNCTAD. The Conference was unable to agree on a positive recommendation regarding preferences, but the issue remains of primary concern to the developing countries and is receiving further study.

The United States has chosen to play a major role in the organization of post-UNCTAD activities. We are hopeful that these sessions will be profitable for all concerned, and that they will be used to advance the widely shared objective of a more rapid expansion of trade and economic development throughout the world.

### **Foreign Aid**

U.S. foreign assistance policy is based on both humanitarian and national security considerations. It also is based on two premises regarding the development process: first, that external assistance plays a vital role in furthering economic growth, frequently providing the difference between satisfactory growth and stagnation; second, that such assistance can only complement efforts by the recipient nations in their own behalf.

In recent years the United States has increas-

ingly concentrated its aid in those countries that have the best prospects for growth and that demonstrate a willingness and ability to help themselves, thereby ensuring that our assistance will make a maximum impact in promoting economic development. Such aid serves a variety of purposes: to help to broaden the capital base of developing countries; to facilitate the transfer of skills and knowledge through technical assistance; and, in some instances, to assist in the maintenance of the political and economic stability that is a prerequisite for economic growth.

In Latin America, our development loans and technical assistance are channeled through the Alliance for Progress as part of a broad cooperative effort by the nations of the Western Hemisphere. Outside the Western Hemisphere, major recipients of U.S. development assistance include India, Pakistan, Turkey, and Nigeria. In those countries still faced by immediate threats to their security, military assistance—amounting to more than one-fourth of total U.S. foreign aid—supports local defense forces, thus freeing a portion of the recipients' domestic resources for development purposes.

In the years ahead, gross aid disbursements must continue to rise if the current momentum of economic development of the poorer nations is to be maintained and accelerated. Consequently, the United States is pressing for greater aid contributions from those advanced countries that can clearly afford larger programs, as well as for a general easing of the terms on aid loans, i.e., for lower interest rates and longer maturities. As the public and private external debt burdens of the less developed countries mount, the need for lengthening the maturity and grace periods of future loans becomes more urgent.

Private investment from developed countries is another and, in the long run, perhaps more important, potential source of capital—as well as of technical and managerial skills—for less developed countries. To stimulate greater U.S. private participation in economic development activities, the Agency for International Development (AID) offers U.S. businessmen a wide range of investment guarantees, local currency

loans, and special services by AID Missions abroad. The Administration has also proposed an investment tax credit for U.S. firms investing in developing countries.

The United States is gradually eliminating AID assistance programs in a number of countries, such as Taiwan, where rising incomes and expanding investment opportunities are now attracting substantial and increasing domestic savings and relatively hard loans from abroad. In the near future, other nations can be expected to make the same transition, though, in still others, successful development may require larger imports of capital in the short run.

Successful and balanced growth in low-income areas is a complex evolution in which social, political, technical, and human change are all interwoven. Such growth cannot be attained instantaneously, but there have been solid accomplishments. In helping 75 countries to help themselves, we are engaged in an undertaking of indefinite duration but also of inestimable importance to the current and future economic and political health of the entire world.

#### **International Monetary Arrangements**

During 1964, questions regarding the future of international monetary arrangements came to the forefront of public discussion. Two thorough studies of the present functioning and the future needs of the system were completed last August, one prepared by the Deputies of the Finance Ministers and Central Bank Governors of the leading industrial countries known as the "Group of Ten," the other by the staff of the International Monetary Fund (IMF).<sup>2</sup> These formed the basis for a number of steps taken at the Annual Meeting of the Governors of the Fund that promise to improve the functioning of world monetary arrangements. The studies also led to frank and open discussions of those longer-run issues on which agreement had not yet been reached. The actual course of monetary developments during the year, moreover—notably those connected with the defense of the British pound against speculative at-

tacks<sup>3</sup>—helped to bring both the strength and the limitations of existing monetary arrangements into even sharper focus.

As the Council's Annual Report for 1964 pointed out, a properly functioning international monetary system should promote steady growth of the world economy. It should (a) minimize disruptive and speculative conversions of foreign exchange into gold and prevent such conversions from reducing international liquidity; (b) encourage adjustment of imbalances by both deficit and surplus countries in ways that avoid imparting either a deflationary or an inflationary bias to the world economy, and that foster greater freedom of international transactions; (c) make adequate but not excessive financial resources available to permit achievement of these objectives. The reports of the Group of Ten and the IMF examined present and prospective international monetary arrangements from each of these viewpoints.

#### *Areas of substantial agreement*

The two reports (which reached broadly similar conclusions) revealed a wide range of issues on which the financial authorities of the major industrial countries are in substantial agreement. No abrupt change in present institutional arrangements was considered either necessary or desirable. Thus, the report of the Group of Ten stressed that the existing international monetary system based on fixed exchange rates and the established price of gold has "proved its value as a foundation on which to build for the future." It also declared that *over-all* liquidity "seemed fully adequate under present circumstances to cope with possible threats to the stability of the international payments system." At the same time, it suggested that the growth of world trade and payments is likely to require larger liquidity in the future, involving further increases in credit facilities, and, in the longer run, "possibly" calling for some new form of reserve asset.

For the nearer term, there was substantial agreement that growing liquidity needs could largely be met by a further expansion of credit,

<sup>2</sup> For background, see BULLETIN of Aug. 31, 1964, p. 323, and Sept. 28, 1964, p. 444.

<sup>3</sup> For a statement by President Johnson, see *ibid.*, Dec. 14, 1964, p. 848.

reinforced by increasingly close cooperation among monetary and other financial authorities. The network of bilateral and multilateral credit facilities that has been built up in recent years—including reciprocal swap arrangements, *ad hoc* central bank support operations, and the issuance of special medium-term bonds to creditor countries for reserve purposes—has proved a flexible and highly effective instrument for expanding usable liquidity, particularly when needed as a defense against sudden speculative attacks. Further use of such devices was recommended, given proper safeguards. At the same time, stress was placed on the likelihood of enlarged future needs for the use of medium-term credits from the IMF. The two reports therefore recommended—and the Governors of the Fund subsequently directed—that consideration be given to a moderate general increase in Fund quotas (probably of about 25 percent) and to appropriate additional selective quota increases.

As a means of encouraging the economical and efficient use of gold, the Fund report favored the handling of new quota subscriptions so as to “mitigate the repercussions of gold payments on the gold reserves of the contributing members and of the reserve centers that may be affected.” The report of the Group of Ten took a similar position. In the case of the United States, such mitigation would seek to limit reductions in U.S. gold holdings occasioned by the increase in IMF quotas to the amount of the United States’ own gold contribution—a contribution that would carry with it an equivalent assured drawing right on the Fund. If, by contrast, other countries bought gold from the United States in order to make their contributions to the Fund, U.S. reserves and the total of world reserves would be reduced.

In discussing credit facilities, the reports also noted that there had as yet been little provision for long-term lending for monetary purposes. Some of the Deputies of the Group of Ten suggested, therefore, that in certain exceptional cases, countries with large and growing reserves might properly extend longer-term loans to other industrialized countries in need of additional reserves. Such long-term loans might in

certain instances be in the general interest of all the industrial countries. Appropriate long-term adjustment by a low reserve country may be more effective when that country pursues a gradual return to payments surpluses than when it attempts an abrupt balance of payments improvement that requires severe deflationary measures and could disrupt international trade. Such long-term arrangements could be attractive to lenders, provided that the loan could be shifted to a country in a stronger reserve position if the reserve position of the original lender should decline substantially.

Any expansion of credit facilities, of course, also carries significant risks. Undue reliance on the use of such facilities may delay the initiation of corrective actions—on the part both of deficit and of surplus countries—that are appropriate to bring payments positions into better balance. Such risks are increased if insufficient information is available regarding the total volume of actual credit extensions.

To deal with such problems, and to provide a firmer basis for the further expansion of credit facilities, the Group of Ten agreed that bilateral financing and liquidity creation should be subject to “multilateral surveillance,” to be conducted primarily under the auspices of the OECD [Organization for Economic Cooperation and Development]. This will essentially involve a more regular and systematic exchange of information on the means of financing both deficits and surpluses. At the same time, the Group of Ten suggested intensive further study of the nature of the adjustment process in international payments and of the optimal “mix” of monetary, fiscal, incomes, trade, and other policies for the achievement of both internal and external objectives. Such a study—also under OECD auspices—is now under way.

#### *Some major questions remaining to be resolved*

Looking toward the possible future need for a new type of reserve asset to supplement gold and foreign exchange, the Group of Ten established a study group on the Creation of Reserve Assets. Broadly speaking, the study group was asked to examine and compare two general approaches. One approach would introduce a new

reserve unit by formal decision of the member countries of the Group of Ten. While such a new unit could take a variety of forms, one proposal which has been put forward is for a collective reserve unit closely linked to gold in its creation and use.

A second major approach would be based on acceptance and further development of gold tranche and similar claims on the IMF as international reserve assets. There are several techniques by which the total of reserve assets in this form can be varied in accordance with economic and financial conditions as they affect the reserve needs of Fund members, particularly the industrial countries which account for the bulk of the movements in international reserves.

It is natural that the views of individual countries with respect to future arrangements should reflect their current positions and problems. Despite this divergence, there is probably general agreement that a system of reserve creation must avoid exposing surplus countries to inflationary pressures from an excess of liquidity in the hands of deficit countries. At the same time, procedures for reserve creation and international lending must be sufficiently flexible to permit payments imbalances to be corrected in a way that gives full recognition to the importance of economic growth and flourishing trade.

#### *Questions raised by more recent experience*

The defensive capabilities of the international monetary system were demonstrated late in 1964 by the decisive moves to counteract the sudden speculative attack on sterling. The ability and determination of the international financial authorities to mobilize needed resources on short notice provided impressive backing for the conclusions of the Group of Ten and IMF reports that existing arrangements are fully capable of coping with major speculative attacks.

Yet the events of 1964 underlined the fact that the international monetary system has further problems to solve. Foremost among these is the question of improving the balance of payments adjustment process through policies—pursued by both deficit and surplus countries—that are consistent with steady economic growth, reasonably stable prices, and freedom of international transactions. Some of the measures adopted in 1964 to deal with imbalances, though

justified by circumstances, would clearly be inconsistent with basic objectives if maintained for long. We must continue to work toward the proper mix of facilities to finance imbalances and policies to correct them.

## **Department Urges Enactment of Coffee Legislation**

### *Statement by Under Secretary Ball<sup>1</sup>*

On May 21, 1963, the Senate gave its advice and consent to the ratification of the International Coffee Agreement.<sup>2</sup> On December 27, 1963, the United States deposited its instrument of ratification. The United States thereby became a member of the International Coffee Organization. Full participation, however, depends upon enactment of legislation to enable the United States to establish procedures to meet its obligations under the agreement. The legislation before you<sup>3</sup> would provide that authority.

Virtually identical legislation, H.R. 8864, was considered by this committee in March of last year, after it had been passed by the House the previous November. After adding an amendment proposed by Senator [Everett M.] Dirksen, this committee approved the legislation, and it was passed by the Senate in July 1964. A conference committee approved the Senate's version in August, and the Senate again voted to adopt it shortly thereafter. It was defeated, however, in the House, and further consideration last year was not possible.

I do not think it necessary to set forth in any detail the reasons why this administration has urged support of the legislation, since this committee held full hearings on the matter last year. In brief, the legislation would bring a measure of stability to coffee prices throughout the world. Coffee is the single most important

<sup>1</sup> Made before the Senate Finance Committee on Jan. 27 (press release 15).

<sup>2</sup> Treaties and Other International Acts Series 5505. For text of a statement made by Under Secretary Hariman before the Senate Finance Committee on Feb. 25, 1964, see BULLETIN of Mar. 23, 1964, p. 459.

<sup>3</sup> S. 701.



agricultural commodity in the trade of most of the developing countries, particularly in Latin America. Coffee exports account for more than 50 percent of all exports in 6 Latin American countries and an average of 25 percent in all the 14 Latin American exporting nations. Seven new African countries receive from 30 percent to 50 percent of their foreign exchange earnings from coffee. About 20 million persons in the world depend on coffee for their livelihood; more than 60 percent of them are in Latin America. The overwhelming majority are small farmers cultivating less than five acres of land. In a very real sense, therefore, coffee is the lifeblood of the developing nations of the world.

It is clear that short-term cyclical trends in coffee prices are a very unsettling factor to the producing countries. Let me say frankly that there is no perfect way to deal with this problem. But an international agreement can at least moderate the wide swings in prices that seriously dislocate the economies of the producing nations.

With this background, the principal provisions of the legislation may be simply stated.

*First*, it would authorize the President to prohibit imports from members of the International Coffee Organization of coffee that is not accompanied by a certificate of origin. These certificates identify the source of the coffee and enable the Coffee Organization to maintain a statistical check on exports and to detect quota violations. Prohibiting imports of coffee that are not accompanied by certificates helps exporting countries police their quota systems. *Second*, it would require United States exports and reexports of coffee to be accompanied by certificates of origin or reexport. *Third*, it would authorize the President to impose quotas on nations not members of the Coffee Organization in certain circumstances. In short, it would put teeth into the agreement.

The bill revises in three respects the legislation adopted by this committee last year. *First*, it extends the expiration date of the authorization to October 1968 rather than October 1965. Since the agreement itself has a 5-year term and will be reconsidered in 1968, it seems reasonable to extend its authorization to that year. *Second*, the amendment to H.R.

8864 proposed by Senator Dirksen has been revised in section 4 to provide that it is the sense of Congress that the United States should continue to adhere to the agreement only so long as it does not operate to produce unwarranted increases in coffee prices and that if either the President or the Congress, by joint resolution, determines that such an increase has occurred, the President should apply to the organization for corrective action. The President is directed to report to the Congress if the organization fails to take corrective action within a reasonable period. *Third*, the legislation now makes clear, in both sections 5 and 6, that protection of United States consumer interests should be a primary consideration in our participation in the agreement.

As you know, the agreement has already helped to bring some stability to coffee prices.

Prices in 1962 and the first 9 months of 1963 were at their lowest point in 14 years because production was running 30 percent ahead of consumption. Then, in the summer of 1963, a severe frost and the worst drought of the century cut Brazil to one-quarter of its normal output. Prices rose. Responsible action under the coffee agreement helped to check this rise and to reverse it. Nothing could be done to produce coffee from trees that had been killed by frost and drought, but it was possible to insure that the coffee that was grown was made available. Under the agreement, just this was done—export quotas were increased and prices receded.

By contrast, in 1954—when the governments of the producing and consuming nations had not undertaken through an international agreement to moderate coffee-price fluctuations—these prices jumped from 58 cents to over 90 cents per pound after frost crippled the Brazilian crop. This year we had all the ingredients for a repetition of that spectacular price rise—with one critical difference. We had an international agreement. This meant that the problem became one for governmental responsibility. Because there was a forum in which this matter could be discussed, producers—who could depend on our cooperation when prices were declining—acted responsibly when prices were rising and voted overwhelmingly to increase quotas.

But the agreement is not completely effective. In part this is because the coffee-exporting countries are not doing all that they should to control their production, to honor their export quotas, and to sell their coffee in an orderly way. But it is also due to our failure to adopt this legislation. We must act now to remedy this failure.

In Africa, in Asia, and most particularly in Latin America, coffee-producing countries are looking to us. Speaking in New York last October, President Johnson pledged that he would "press for prompt execution of the worldwide coffee agreement."<sup>4</sup> I cannot emphasize too strongly the importance we attach to the carrying out of this pledge.

## **Department Asks for Flexibility on Surplus Food Sales to U.A.R.**

*Statement by Under Secretary Ball<sup>1</sup>*

### I

This committee has before it legislation [H.J. Res. 234] that would deny the use of the supplemental P.L. 480 appropriation to finance any further authorizations for the sale of surplus agricultural products to the United Arab Republic under title I of P.L. 480 during the present fiscal year.

This legislation raises issues of fundamental importance to our foreign relations. I propose this morning to suggest to the committee reasons why this prohibitory amendment should not be enacted.

### II

Ever since the dawn of history the Near East has been a critical crossroads in world affairs. It forms the land bridge between Europe and the Far East and between Europe and Africa. It contains more than two-thirds of the world's

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<sup>4</sup>For text of President Johnson's remarks at the annual dinner of the Alfred E. Smith Memorial Foundation, Inc., at New York, N.Y., on Oct. 14, see White House press release (New York, N.Y.) dated Oct. 14.

<sup>1</sup>Made before the Senate Appropriations Committee on Feb. 1 (press release 17).

proven resources of oil. Particularly since the creation of the State of Israel in 1948, the whole area has been in a state of constant tension.

These tensions have been aggravated and exploited by the Communists, who regard the Near East as a tempting target for penetration. They have long recognized its strategic significance. They see it not merely as a vast reservoir of resources but as a steppingstone to Africa and a promising terrain for operations to flank the NATO powers. They have, therefore, devoted great efforts to the extension of their influence into a number of Near Eastern states.

### III

In approaching the problems of the Near East, the United States deals individually with the various countries of the Arab world. The United Arab Republic is the largest and most influential of those countries. It contains one-third of the total Arab population. It controls the Suez Canal. It occupies a geographic position of great strategic significance.

Our relations with the Near East are inextricably bound up with our relations with Egypt. During the decade of the 1950's, those relations were the center of world concern. The Aswan Dam crisis triggered a swift chain reaction. Egypt nationalized the Suez Canal. Egypt was, itself, attacked. The Iraq Petroleum Company's pipeline was cut. Our aviation rights were disrupted. The Communist Party gained many adherents in the area, and Soviet influence was substantially expanded throughout the Near East.

We all remember the end of that sequence of events. In July 1958 we had to send troops into Lebanon to protect the security and integrity of a friendly nation threatened by the subversion of outside forces.

### IV

The events of the 1950's brought into focus the hard fact that what happens in the Near East is of critical interest to our strategic sea, land, and air routes; to our vast oil investments; to the security of Israel and other countries in the area. And closely related to these other interests is the prevention of expanded Communist penetration into the Arab world.

This lesson has served to shape United States policy during the past 5 years. We have sought to restore stability to the Near East. We have used all of the weapons of persuasion at our command. On some matters we have been able to make our influence felt, on others not. For a period there seemed to be a substantial lessening of tensions in the area. The underlying situation was, however, always precarious. Today the situation is volatile and dangerous, and the shape of events during the coming year is by no means clear.

## V

Faced with this situation, what should the United States Government do?

The fundamental answer, of course, is that we should not compromise with the protection of American vital interests.

We do not, therefore, advocate a policy of weakness.

At the same time, a strong nation must act coolly and carefully. In a situation of this kind it is essential that the President have the flexibility to do what a changing situation may require on a day-to-day basis.

We ask, therefore, that the Congress not limit the President's freedom of action in the conduct of our relations with this key country during the weeks ahead. I do not know whether it will be possible to bring about the kind of understanding between the United States and the U.A.R. that can contribute to peace and stability in the Near East and in Africa.

During the past few weeks, the relations between our two Governments have been anything but satisfactory. If an improved relationship is to be achieved, it will take a substantial effort by the U.A.R. and not merely by the United States.

I cannot predict to this committee how events may evolve, but I am sure this committee realizes that the stakes are high; that the task is not an easy one; and that if the President is to succeed, he will need all possible flexibility.

## VI

The specific question raised by the proposed amendment is a narrow one—whether the United States will be able to fulfill a 3-year

P.L. 480 sales agreement we entered into with the U.A.R. in October 1962. That agreement expires at the end of this fiscal year.

Under the present agreement, the United States committed itself to sell \$431.8 million of U.S. surplus commodities. Of this amount, all but \$37 million have either been actually delivered or are subject to purchase authorizations issued to the U.A.R. It seems to us that, at the very least, the President must be in a position—if he deems it wise—to complete deliveries under this agreement.

## VII

Meanwhile, we shall continue, as we have been doing, to work assiduously for peace and stability in the Near East through all of the diplomatic means at our command. In that process we can assure this committee that our prime objective will be the protection of U.S. vital interests in a critical area of the world—an area that at once contains vast resources for peace and the elements that could lead to an explosion endangering the whole free world.

## **President Sends Congress Report on Cultural Exchange Program**

### *President's Letter of Transmittal*

White House press release dated February 1

#### **TO THE CONGRESS OF THE UNITED STATES:**

Pursuant to the provisions of the Mutual Educational and Cultural Exchange Act of 1961 (Public Law 87-256, the Fulbright-Hays Act) I transmit herewith the annual report on the International Cultural Exchange Program for the Fiscal Year 1963.<sup>1</sup>

This report deals with the influence for peace and progress which exchange-of-persons activities have become in the world of the 1960's.

<sup>1</sup> *Educational and Cultural Diplomacy—1963*, Department of State publication 7765; for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402 (45 cents). Single copies are available upon request from the Public Information and Reports Staff, Bureau of Educational and Cultural Affairs, Room 4534, Department of State, Washington, D.C., 20520.

The varying stages of nationhood in the world today require a varying range of relationships on our part. I am convinced that exchanges of persons are uniquely appropriate and unusually effective activities for the needs and opportunities of these times. Such exchanges touch our societies at many points—involving students, teachers, professors, research scholars, athletes, government leaders, judges, economists, labor leaders, social workers, actors, authors, coaches, and many others—a broad panorama of professions and the arts.

In the single year covered by this report, some 10,000 people were overseas from this country, or here from other countries, in the friendly, constructive interchange the United States now sponsors. This exchange involved more than 130 countries and territories.

Congress can take particular and proper pride in this program. Since World War II—with full bipartisan support, as in P.L. 87-256—Congress has fathered and fostered this activity. Many members of both Houses have a special knowledge of the vital role which exchanges now play in our relations and understandings with other nations. All along the way, the articulate leadership of the Congress has been a major strength for the program's success.

The warm and strong support of the American people likewise deserves our praise. The volunteer services and family hospitality which our citizens and communities give to thousands of students and visitors from other countries is of incalculable value to the interest of international understanding.

I hope that our exchange activities, public and private, may grow. An enlarging investment means an enlarging return—not merely from the understanding others may acquire of us, but from the understanding we acquire of those with whom we share the hopes of these times and the destiny of this planet.

We in the United States have an abiding faith in the value of education to our own society's success, and we are affirming that faith with a new and strengthened commitment to education in America. But education as a force for freedom, justice and rationality knows no national boundaries—it is the great universal force for good. Our efforts in the exchange programs

give that force added strength and justified support. For when we help other peoples achieve their highest and best aspirations, we truly work for understanding, for progress, and for peace. In this work, let us continue with new enthusiasm and confidence, for out of the understandings among peoples will grow peace among nations.

LYNDON B. JOHNSON

THE WHITE HOUSE, *February 1, 1965.*

## Congressional Documents Relating to Foreign Policy

### 88th Congress, 1st Session

Documentation of Communist Penetration in Latin America. Hearing before the Senate Subcommittee To Investigate the Administration of the Internal Security Act. Part 1, Testimony of Jules DuBois, October 2, 1963, 102 pp.; Part 2, Appendix I, 148 pp.; Part 3, Appendix II, 142 pp.

### 88th Congress, 2d Session

International Travel in Relation to the Balance of Payments Deficit. Hearings before the Special Subcommittee on Tourism of the House Committee on Banking and Currency. November 30–December 2, 1964. 413 pp.

### 89th Congress, 1st Session

Study of Foreign Policy. Reports to accompany S. Res. 28. S. Rept. 4, January 15, 1965, 3 pp.; S. Rept. 16, February 1, 1965, 3 pp.

Proposed Legislation To Amend the Arms Control and Disarmament Act. Communication from the President transmitting a draft of proposed legislation. H. Doc. 55, January 18, 1965. 4 pp.

Report on Audit of the Financial Statements of the Saint Lawrence Seaway Development Corporation, Fiscal Year 1963. H. Doc. 56, January 18, 1965. 11 pp.

Coffee Agreement. Hearing before the Senate Committee on Finance on S. 701, a bill to carry out the obligations of the United States under the International Coffee Agreement, 1962. January 27, 1965. 42 pp.

Study of Foreign Aid Expenditures. Report to accompany S. Res. 58. S. Rept. 19, February 1, 1965. 8 pp.

Investigation of Immigration and Naturalization Matters. Report to accompany S. Res. 44. S. Rept. 26, February 1, 1965. 7 pp.

Study of Certain Aspects of National Security and International Operations. Report to accompany S. Res. 57. S. Rept. 46, February 1, 1965. 4 pp.

Supplemental Appropriations for Certain Activities of the Department of Agriculture, 1965. Report to accompany H.J. Res. 234, which includes committee recommendations on supplemental appropriations for Public Law 480 and for expenses of the International Wheat Agreement. S. Rept. 52, February 1, 1965. 3 pp.

## Unification of the Rules of Private International Law

### REPORT OF THE U.S. DELEGATION TO THE 10TH SESSION OF THE HAGUE CONFERENCE ON PRIVATE INTERNATIONAL LAW, OCTOBER 7-28, 1964<sup>1</sup>

#### Background and Preparatory Work

On the basis of Public Law 88-244, a joint resolution approved December 30, 1963 by the President of the United States, the United States of America became a member of the Hague Conference on Private International Law in October 1964. The Hague Conference, which met the first time in 1893 as a result of an initiative of the Government of the Netherlands, was transformed into a permanent institution through a Charter drawn up at the Seventh Session of the Conference in 1951. The Charter entered into force on July 15, 1955. In accordance with Article 2 thereof, admission to membership becomes definitive upon acceptance of the Charter by the State concerned. At present there are twenty-three members, of which the United States of America was the twenty-third.

The purpose of the Hague Conference on Private International Law, as set forth in Article 1 of the Charter, is "to work for the progressive unification of the rules of private international law (conflict of laws)." Article 3 of the Charter provides that the Hague Conference is to be directed between sessions by the Netherlands Commission of State (instituted by Royal Decree of February 20, 1897 to promote codification of private international law), operating through a Permanent Bureau, headed

by a Secretary General. The regular sessions of the Conference are, in principle, held every four years, pursuant to Article 3 of the Charter.

The United States of America participated in the Eighth and Ninth Sessions of the Conference, in 1956 and 1960, through the medium of an officially accredited observer delegation. As a Member State it was represented by an official delegation at the Tenth Session.

Special Commissions appointed by the Netherlands Commission of State had prepared drafts on the subjects to appear on the agenda of the Tenth Session of the Hague Conference. The United States had no representatives on these Special Commissions. However, the drafts were studied at several meetings of the Department of State Advisory Committee on Private International Law set up by the Secretary of State on February 14, 1964. Position papers reflecting Advisory Committee decisions on the Tenth Session agenda items were prepared for the benefit of the members of the Delegation.

#### Agenda

The agenda for the Tenth Session of the Hague Conference on Private International Law, October 7-28, 1964, was sent to the national organs of Member States on August 4, 1964. The agenda listed six major items, the first four of which concerned draft Conventions on the following subjects: recognition and

<sup>1</sup>Submitted to the Secretary of State on Jan. 15, 1965, by the chairman of the U.S. delegation.

enforcement of foreign judgments; international adoption of children; service abroad of judicial and extrajudicial documents; agreements on the choice of court. The fifth major item dealt with an exploratory questionnaire on status judgments involving divorce, legal separation and annulment of marriage. The sixth major item was a request for topics to comprise the agenda of future sessions of the Hague Conference.

## Participation

### *Delegations of Member States*

All twenty-three members of the Hague Conference on Private International Law were represented at the Tenth Session by official delegations consisting of from 1 to 7 individuals:

Austria . . . . .	4	Netherlands . . . . .	6
Belgium . . . . .	5	Norway . . . . .	2
Denmark . . . . .	3	Portugal . . . . .	1
Finland . . . . .	4	Spain . . . . .	4
France . . . . .	5	Sweden . . . . .	4
Germany (Federal Rep.) . . . . .	4	Switzerland . . . . .	3
Greece . . . . .	4	Turkey . . . . .	1
Ireland . . . . .	3	United Arab Repub- lic . . . . .	4
Israel . . . . .	1	United Kingdom . . .	6
Italy . . . . .	4	United States . . . . .	7
Japan . . . . .	5	Yugoslavia . . . . .	2
Luxembourg . . . . .	5		

### *Representatives and Observers of Organizations*

Six intergovernmental and non-governmental organizations had representatives and observers at the Tenth Session:

Council of Europe  
European Economic Community  
International Commission on Civil Status  
International (Rome) Institute for the Unification of Private Law  
International Social Service  
International Union of Process Servers and Judicial Officers

### *United States Delegation*

Richard D. Kearney (Chairman), Deputy Legal Adviser, Department of State.  
Philip W. Amram, Practicing Lawyer, Washington, D.C., Chairman of the Advisory Committee to the Commission on International Rules of Judicial Procedure.  
Joe C. Barrett, Practicing Lawyer, Jonesboro, Arkan-

sas, Former President of the National Conference of Commissioners on Uniform State Laws; Member of the Advisory Committee to the Commission on International Rules of Judicial Procedure.

James C. Dezendorf, Practicing Lawyer, Portland, Oregon, Former President of the National Conference of Commissioners on Uniform State Laws.

Kurt H. Nadelmann, Research Scholar, Harvard Law School, Adjunct Professor of Law, New York University.

Willis L. M. Reese, Director of the Parker School of Foreign and Comparative Law, Charles Evans Hughes Professor of Law of Columbia University; Reporter for the Conflict of Laws Restatement, Second, American Law Institute.

John N. Washburn, Attorney-Adviser, Office of the Legal Adviser, Department of State.

## Organization of the Conference

The Tenth Session of the Hague Conference on Private International Law was opened in the Court Room of the International Court of Justice on October 7, 1964 by the Minister of Foreign Affairs of the Netherlands, Mr. J. M. A. H. Luns. After the opening address by Mr. Luns, Professor Offerhaus of the Netherlands, who had been President of the Seventh, Eighth and Ninth Sessions, was elected President of the Tenth Session. Elected Vice-Presidents were the heads of the delegations of Denmark (Borum), France (Julliot de la Morandière), Germany (Bülow), Italy (Monaco) and Luxembourg (Hammes). Following an address of Professor Offerhaus, the five committees set up to conduct the business of the Tenth Session held their organizational meetings.

At these organizational meetings the following individuals were elected:

### *Committee I (Recognition and Enforcement of Foreign Judgments)*

Chairman—Mr. Huss of Luxembourg;  
Vice-Chairman—Judge Hakulinen of Finland;  
Reporter—Professor Fragistas of Greece;

### *Committee II (International Adoption of Children)*

Chairman—Professor Schwind of Austria;  
Vice-Chairman—Professor De Nova of Italy;  
Reporter—Judge Maul of Luxembourg;

### *Committee III (Service Abroad of Judicial and Extrajudicial Documents)*

Chairman—Judge Panchaud of Switzerland;  
Vice-Chairman—Mr. Amram of the United States of America;  
Reporter—Mr. Taborda Ferreira of Portugal;

*Committee IV (The Contractual Forum—Choice of Court)*

Chairman—Judge Helleaux of France, who was later replaced by Professor Batiffol of France;  
Vice-Chairman—Judge Dubbink of the Netherlands;  
Reporter—Professor Welamson of Sweden;

*Committee V (Matters for the Agenda of Future Sessions, including Personal Status Judgments—Divorce, Legal Separation and Annulment of Marriage)*

Chairman—Professor Graveson of the United Kingdom;  
Vice-Chairman—Judge Bahr of Norway;  
Reporter—Professor Ficker of Germany.

These five committees met for working sessions at scheduled intervals from October 8 to 27. Late in the afternoon of October 27 the plenary session began. It continued until after midnight. At this plenary session the texts of the three draft Conventions set forth in the Final Act were approved, and four decisions taken by the Hague Conference with respect to its future work were made. The final clauses of the three draft Conventions, which, *inter alia*, provide for French and English-language parity, were adopted at this time.

At 10:30 a.m. on October 28, 1964, the Tenth Session of the Hague Conference on Private International Law held its closing ceremony in the Court Room of the International Court of Justice. All individual delegates present at the ceremony signed the Final Act in accordance with the practice of the Hague Conference on Private International Law.

### **Formulation of Three Draft Conventions<sup>2</sup>**

#### INTERNATIONAL ADOPTION OF CHILDREN— COMMITTEE II

*United States Representative—Joe C. Barrett*

The first draft Convention set forth in the Final Act of the Tenth Session is entitled the Convention on Jurisdiction, Applicable Law and Recognition of Decrees Relating to Adoptions. The October 27 plenary session vote on the French and English texts of this Conven-

<sup>2</sup>The discussion of each of the Conventions has been prepared by the United States delegate who served on the committee responsible for the subject. [Footnote in original.]

tion was 14-0, with 5 countries, including the United States, abstaining.

The Convention, as worked out in meetings of Committee II, is applicable to adoption by one person, or by a married couple, of a child under 18 years of age who has not been married. Although both the child and the adopter, or adopting spouses, must be nationals and habitual residents of a Contracting State, they need not be, and indeed cannot be, nationals and habitual residents of the same Contracting State. Adopting spouses having different nationalities and different residences are excluded as well as persons (the adopter or adopters) having the same nationality as the child and who reside in the State of nationality of the child. Stateless persons are deemed to have nationality where they habitually reside.

Authorities having jurisdiction to grant adoptions under the Convention are limited to: (1) those of the State of nationality of the adopter or adopting spouses, and (2) those of the State of habitual residence of the adopter or adopting spouses. The conditions relating to habitual residence and nationality must be fulfilled both at the time when the application for adoption is made and at the time when the adoption is granted. The Convention does not prohibit other authorities from acting, but in such cases the Convention does not require recognition of the adoption.

Authorities having such jurisdiction are to apply their internal law to conditions governing an adoption, provided that the authorities having jurisdiction based upon habitual residence respect such national laws prohibiting adoption as may be specified in a declaration made by a Contracting State at the time of ratification or accession. On the question of whether adequate consent for the adoption has been given by the child, the adopting authorities shall apply the law of the State of nationality of the child. An appropriate investigation is mandatory, but adopting authorities are not obliged to follow recommendations made by the social welfare agency conducting the investigation.

Every adoption and every annulment or revocation of an adoption governed by the Convention and granted by an authority having jurisdiction thereunder is to be recognized in all Contracting States except in cases where recog-

dition would be manifestly contrary to public policy. Each Contracting State is to designate the authorities having power to grant an adoption and to annul or revoke an adoption.

The term "habitual residence" used in Articles 1, 2 and subsequent articles of the Convention lacks a precise meaning in American law and efforts of the United States Delegation to obtain a satisfactory definition of the term for inclusion in the Convention were unsuccessful. The general debate on the meaning of "habitual residence" was inconclusive.

The Committee II sessions demonstrated two weaknesses in the preparatory work of formulating the Convention: (1) the regular practice of circulating a questionnaire before undertaking to prepare a draft Convention for consideration by the Conference was not followed; and (2) the attempt was made to adapt the 1963 Strasbourg Convention on Adoption drawn up by the Council of Europe to the field of Conflict of Laws dealt with by the Hague Conference.

The first weakness left the draftsmen without adequate background information from participating countries and the second produced a draft Convention on Conflict of Laws permeated with provisions deemed desirable from a social welfare point of view but which do not fit well into a Convention on conflicts law. While both weaknesses were apparent, the United States representative in Committee II did not seek actively to revise the Convention as it was evident that it could not be recast in a pattern acceptable to the United States as a Convention and probably not as a model act.

It is believed that the final product is not likely to receive wide acceptance. It contains exceptions, reservations and restrictions to satisfy nationalistic viewpoints to such an extent that its usefulness is questionable. To illustrate the clash in existing national laws, no one under 50 years of age can adopt in Italy; only Rabbinical Courts have jurisdiction in Israel; in Belgium adoptions are more administrative in character than judicial; and in France there are several kinds of adoptions, each having varying effects.

The major clash in legal concept manifested at the Tenth Session with respect to the Con-

vention on international adoption of children was law of the forum on the one hand and law of nationality on the other. Fusing the two laws under an umbrella of social service so as to produce an obligation to recognize validity proved to be extremely difficult.

#### SERVICE OF DOCUMENTS—COMMITTEE III

*United States Representative—  
Philip W. Amram*

The proposed Convention on Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters was the only Convention unanimously adopted at the Tenth Session.

In its broadest aspects the Convention makes no basic changes in United States practices, while it makes substantial changes in the practices of many of the Civil Law countries, moving their practices in the direction of the United States approach to international judicial assistance and our concepts of due process in the service of process.

At the opening meeting of Committee III, which had been assigned responsibility for this topic, the United States representative was in the fortunate position of being able to read to the meeting the text of the new Act signed by President Johnson (Public Law 88-619), particularly Sections 1696 and 1781 of Title 28, U.S. Code. Furthermore, copies of the Senate Report on the bill,<sup>3</sup> which elaborated United States policy in this area of international judicial assistance, were circulated among the other delegations. The Act and the Senate Report had substantial impact on the members of Committee III and profoundly affected the ultimate text of the Convention.

In brief summary, the Convention provides initially for a Government-sponsored Central Authority, which will undertake responsibility for the service of papers emanating from States which are parties to the Convention. The State Department, under 28 U.S.C. 1781, will substantially fulfill this requirement without further amendment of Public Law 88-619. In order to be sure that United States requirements

<sup>3</sup> S. Rep. 1580, 88th Cong., 2d sess.



of due process are met with respect to service abroad of documents issuing from United States courts. Article 5 of the Convention permits the issuing authority to request service in a particular manner (Cf. Fed. R.C.P. No. 4(i)) and requires the State addressed to follow that manner unless it is incompatible with its internal law.

Provision is made for the translation of the documents into the language of the State addressed, if so requested by its Central Authority. This conforms to the present policy of the Department of State.

The Convention provides for a simple form of documentation, both of the request and of the certificate of performance.

Use of the Central Authority is purely optional with the requesting authority. Articles 9 to 11 permit wide use of alternative channels for the transmission of the documents for the purpose of service except to the extent that a particular State formally objects to a particular method. Most important for the United States is Article 19, inserted at our Delegation's request, which leaves unimpaired any internal legislation which may authorize channels over and above those provided in the Convention. This specifically avoids any contention that the Convention is in conflict with 28 U.S.C. 1696 or purports to restrict the free and open policy of the United States as enunciated in the Senate Report.

Article 12 contains provisions requested by the United States Delegation for the payment of the cost of service by judicial officers or other persons authorized by law to serve process.

From the point of view of the Continental countries, the most significant changes are in Articles 15 and 16. These make radical changes in the law of those countries (*e.g.*, France, Greece, United Arab Republic) which have heretofore used in actions pending in their courts the system of "*notification au parquet*" to serve process on parties abroad. This system has permitted the plaintiff to serve such process merely by delivery to a local court official. While diplomatic channels are used to give notice to the defendant abroad, failure to do this in no way invalidates the service. A default judgment with no notice whatever is therefore not

uncommon in personal actions under this system.

Under the Convention, judgment by default against non-resident defendants will be sharply restricted. Normally it cannot be entered unless the plaintiff proves actual service on the defendant, or at his residence, or service by a method normally employed by the State addressed in domestic actions against its own residents. In the light of the procedural standards of the Member States of the Conference, these limitations go far to ensure due process. The only exception permitted is the authority given to a party to the Convention to declare, in a formal document deposited with the Government of the Netherlands, that its courts will be allowed to enter judgment by default, without proof of service, if (1) the document was actually transmitted under the Convention, (2) a period considered adequate by the judge has passed (never less than six months) without any report on the attempted service, and (3) every effort has been made by the plaintiff to secure a report and certificate of performance through the competent authorities of the State addressed. These stringent limitations should minimize the possibility of abuses.

Furthermore, broad powers are given, in Article 16, to open a judgment entered by default, within reasonable maximum time limits, upon proof by the defendant of no actual knowledge of the proceedings and a showing of a *prima facie* defense on the merits, even though the time within which to do so has expired under the normal procedures of the forum. These provisions do not apply to judgments in divorce and other judgments involving status of persons.

In order to restrict the application of the Convention to States whose procedural standards meet those of the Member States of the Hague Conference, the Convention is not open-ended. It may be acceded to by States not Members of the Hague Conference only if no objection is interposed by any State then a party to the Convention.

To summarize, the Convention should not impose substantial additional burdens on the Department of State or the Justice Department, should not change the procedures under our new Act of October 3, 1964, and should mark-

edly improve procedures abroad for the benefit of United States courts and litigants.

#### THE CONTRACTUAL FORUM—COMMITTEE IV

*United States Representative—  
Willis L. M. Reese*

The United States did not vote in favor of this Convention concerning agreements on the choice of court, but abstained.

During the debate at the first session on October 9 most of the delegates, including the United States representative, spoke in opposition to Article 2 of the Convention, taking the position that the law of the forum should govern the validity of a choice of forum provision. The French delegation ardently supported the text as written of Article 2, which provides that the law of the chosen State shall govern. At the second working session on October 13 the Swedish delegation wished to strike Article 2, while the British delegation wished to substitute in its stead a provision that the choice of law rules of the forum should govern. The Chairman of Committee IV called for a vote on Article 2 as it appeared in the proposed draft Convention and by a closely divided vote it was approved. A final decision on this point was not reached until the October 26 session, when agreement was reached to delete this Article.

At the October 16 session of Committee IV another major problem, raised by Article 5 of the initial draft, was discussed: What law should be applied to determine whether the other party had "accepted" the choice of forum provision? The Swedish delegate argued that this question should be governed by Article 2, which provided that the law of the chosen forum should be applied. The United States representative supported this view. The French delegation opposed it, stating that this question should be resolved without regard to the internal law of any State, but in a manner best designed to achieve the objectives of the Convention. The French view was approved by the Committee. It was resolved that the text of Article 5 should stand, but that the Reporter, Professor Welamson of Sweden, should state in his report that Article 5 should not be interpreted in accordance with the internal law of any State.

In the discussion at the October 19 session the United States representative submitted a proposal under which the court would not have to give effect to a choice of forum provision if under its internal law the agreement had been obtained by fraud, mistake, abuse of economic power or other unfair means. This proposal was eventually approved, although revised. The word "fraud" was stricken from the formulation proposed by the United States representative as was the statement that the question of "abuse of economic power or other unfair means" should be decided by the internal law of the forum. Instead, as in the case of Article 5, the Reporter was instructed to state in his report that the question was not to be decided in accordance with the internal law of any State.

The British delegate proposed at the October 22 session that the forum should apply its own rule in deciding whether or not to recognize or enforce a foreign judgment. The British proposal was accepted at the October 24 session, at which it was agreed to delete the remaining articles dealing with recognition and enforcement of foreign judgments (Articles 16, 17 and 19). Accordingly, nothing remains in the Convention on the subject of recognition and enforcement of foreign judgments except new Article 8, which provides simply that questions of recognition and enforcement shall be determined by each Contracting State in accordance with its own internal law.

At the final session of Committee IV on October 26 a number of reservations were approved as was a revision proposed by the British and Danish delegations, which would permit a State to refuse to give effect to a choice of forum provision in a case where the chosen court would be seriously inconvenient for the trial of the action.

It should be added that both the French and English texts of the proposed Convention were read at the October 26 session, and that a separate opportunity was afforded to discuss each of these texts.

As stated above, the United States Delegation abstained in the plenary session vote taken on October 27 on the subject of this Convention. Nevertheless, in the view of the United States

Delegation, the Convention has many good points. It is particularly noteworthy because it authorizes a court to deny effect to a choice of forum provision which "has been obtained by an abuse of economic power or other unfair means" (Articles 4 and 6). In other words, a court can entertain a suit brought in violation of the terms of a choice of forum provision obtained under these circumstances. This clause takes care of at least one of the principal reasons that have actuated American courts in refusing to give effect to such provisions, namely, the fact that in the particular case the provision was the product of unequal bargaining power.

On the other hand, the Convention, formulated in the course of only seven working sessions, does have certain specific disadvantages from the American point of view:

1. It does not authorize a court to refuse to give effect to a choice of forum provision in a case where the chosen court would be an inconvenient forum for the trial of the particular issue. The fact that the chosen court was a convenient forum was one of the principal factors which led the court in *Wm. H. Muller & Co. v. Swedish American Lines, Ltd.*, 224 F. 2d 806 (2d Cir. 1954) to give effect to the choice of forum provision by refusing to hear the suit. Article 15 of the Convention permits a State to reserve the right to refuse effect to a choice of forum provision in a case where the chosen court would be "seriously inconvenient" for the trial of the action. This article was inserted at the insistence of the British.

2. The Convention provides in Article 5 that "Unless the parties have otherwise agreed, the chosen court shall have exclusive jurisdiction." In other words, a choice of forum provision will be interpreted to give the chosen court exclusive jurisdiction unless the court is convinced that the parties did not so intend. This seems to load the matter in the wrong way. Parties on occasion may wish to give a court jurisdiction without at the same time giving it exclusive jurisdiction. It would have been better if Article 5 had provided that the chosen court will have exclusive jurisdiction only if the parties have so agreed.

3. Article 6 provides an entirely too wide

escape hatch from the commands of the Convention. This Article permits the courts of an excluded State to hear the case if under their local law "the parties were unable, because of the subject matter, to agree to exclude the jurisdiction of the courts of that state." An escape hatch of this sort may be needed in the case of a State which has a close connection with the parties and transaction. It is entirely unnecessary for a State which has no such close contact.

It is believed that the United States should not ratify the Convention because of the defects mentioned above and, more importantly, because (1) the effect to be given choice of forum provisions is a matter that traditionally lies within the control of the States and there is no compelling reason why the national government should enter the area, and (2) the Convention in so far as it requires that effect be given to a choice of forum provision may be contrary to prevailing American opinion. At least in the majority of instances suit has been entertained by State courts in disregard of a choice of forum provision.

### Decisions Concerning Future Work

#### RECOGNITION AND ENFORCEMENT OF FOREIGN JUDGMENTS—COMMITTEE I

*United States Representative—  
Kurt H. Nadelmann*

Because of lack of time discussion in Committee I of the draft Convention on Recognition and Enforcement of Foreign Judgments did not proceed beyond consideration of the first six articles.

One session of Committee I was devoted to consideration of a report by a small working group on whether to prepare a typical multilateral Convention, a model Convention or a "bilateralized" multilateral Convention which would settle the principal questions in the Convention itself but leave it to governments (1) to make their own choice of treaty partners, and (2) to go beyond what is settled in the treaty itself in the individual agreements with the chosen partners. The typical multilateral Convention found no supporters. A majority seemed to be in favor of a bilateralized multi-

lateral Convention, but disagreement developed on whether and how far ratifying states should keep freedom of action for deviations from the Convention in the bilateral agreements. The necessity of future investigation of the merits of the various possibilities became clear. As approved at the plenary session and embodied in the Final Act, a small ad hoc Committee, to be appointed by the Netherlands State Commission, is to make a report on this subject before March 31, 1965.

Some questions involving the first six articles remain unsettled. For example, there is disagreement on whether the Convention should apply to judgments the main object of which is to determine the status or capacity of legal persons, as distinguished from natural persons (Article 1 (1)). A memorandum is to be prepared by the Permanent Bureau of the Hague Conference on this point. In Article 5 the third section, which is related to Article 13 (*lis pendens*), is to be harmonized with the latter. The language of Article 5 bis is ambiguous and is inferior to the provisions of Articles 15 (a) and 16 (a) of the Convention on Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters, adopted at the Tenth Session. While the Final Act states it is important that future discussion of Articles 1 to 6 of the draft Convention on Recognition and Enforcement of Foreign Judgments should as far as possible be avoided, the possibility of improvement remains. And if a "bilateralized" multilateral Convention is to be prepared, a re-drafting of some of the aforementioned articles will be necessary.

The second paragraph of Article 5, according to which States may reserve the right not to recognize judgments rendered in a proceeding in which the requirements of natural justice, or due process of law, were not satisfied, is of special interest. Norway proposed the inclusion of this provision. The Uniform Foreign Money-Judgments Recognition Act of 1962, enacted by Illinois and Maryland, includes a due process requirement. However, no such requirement has ever appeared in bilateral treaties. The text of the Uniform Act had been made available to the Conference.

The question of incorporation of a federal-

state clause allowing a federal system to ratify the Convention with the reservation that it will not apply to any of its component parts unless and until the federal government has given notice of extension to one or more of such parts was not discussed by the Committee but may yet be raised.

As indicated in the Final Act of the Tenth Session, an Extraordinary Session of the Hague Conference, to be held within a period of no more than two years, will be called to conclude the work on the draft Convention on Recognition and Enforcement of Foreign Judgments. Whatever form the Convention prepared by the Hague Conference may take, it will open the door to improvement in the conditions for recognition and enforcement of foreign judgments properly obtained.

#### MATTERS FOR THE AGENDA OF FUTURE SESSIONS— COMMITTEE V

*United States Representative—  
James C. Dezendorf*

##### 1. *Divorce, Judicial Separation and Annulment of Marriage*

The second of the four decisions on future work of the Hague Conference set forth in the Final Act singles out as becoming progressively more urgent the problem of international regulation of divorce, legal separation and, to a lesser extent, nullity of marriage. A Special Commission is to undertake drawing up a draft Convention "which shall include rules on the recognition of foreign decrees of divorce, separation and nullity, together with, as far as possible, rules of jurisdiction and applicable law directed to judges hearing proceedings in such cases". The work is to be done on the basis of the governmental replies to the questionnaire on status judgments of January 1964, and of the discussions of Committee V, as set forth in the summary records of the six working sessions of the Committee and in its report.

Of the major questions discussed in Committee V with respect to the preparation of such a draft Convention, particular attention was given to problems as to the nature of the convention. Should it be "*une convention simple*", limited to recognition of the judgment or decree

in the State a court of which has been requested to give such recognition? Should it be "*une convention double*", setting forth rules to govern both the court pronouncing the judgment or decree and the court in which recognition of the judgment or decree is sought? Considerable attention was paid to specific aspects of jurisdictional competence under such a draft Convention. The problems of whether common habitual residence, common nationality, or the habitual residence or nationality of one of the parties should be the proper bases of jurisdiction were discussed at length.

## 2. *Model Laws*

The third of the four decisions taken by the Hague Conference with respect to its future work was a request made of the Permanent Bureau of the Conference "to circulate to Members in due course texts of model laws on subjects dealt with in the Draft Conventions embodied in this Final Act". In making this decision the Conference recalled a similar decision of the Ninth Session, set forth in the Final Act of October 26, 1960, and referred to the fact that in the United States of America work in the field of conflict of laws paralleling that of the Hague Conference on the international plane was being done by the National Conference of Commissioners on Uniform State Laws.

## 3. *Other Matters for the Agenda of Future Sessions*

The fourth and last decision on future work of the Conference pertained to items and topics to be put on the agenda of the Hague Conference in its future sessions. The matters noted for possible inclusion were eight in number. They had been discussed at the fifth working session of Committee V on October 23. Among the eight items listed the one with the greatest potential from the standpoint of the United States of America was "the revision of Chapter II, relating to letters rogatory, of the 1954 Convention on Civil Procedure". Under Article 3 of the Charter of the Hague Conference, the agenda of the sessions is to be determined by the Netherlands Commission of State, after consultation with the Members of the Conference.

## Conclusions and Recommendations

While the United States Delegation at the Tenth Session of the Hague Conference on Private International Law was only partially successful in obtaining formulation of model laws acceptable for use in the United States of America, inasmuch as model laws on topics dealt with by the Conference will not be circulated until some time after the conclusion of the Tenth Session, it achieved some notable advances. First, the draft Conventions adopted by the Hague Conference now contain appropriate provisions for placing the English-language text on a par with the French text. This marks a new step in the history of the Conference, even though the equality achieved extends only to Conventions adopted at the Tenth Session. Second, it collaborated with other delegations to formulate one draft Convention which may very well be appropriate for Executive approval and submission to the Senate of the United States—the Convention on Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. Third, it achieved, in the Convention on the Choice of Court, provisions which, while not completely satisfactory, were far better from an American point of view than could have been anticipated in advance of the Tenth Session.

The United States Delegation recommends that the Convention on service of documents be submitted to the interested organizations of the Bench and Bar in the United States with a view to receiving their thoughts on ratification of the Convention by the United States. It proposes that the Secretary of State's Advisory Committee on Private International Law serve as the channel of communication for this purpose.

## World Bank Issues 6-Month Financial Statement

The International Bank for Reconstruction and Development on February 2 reported net income of \$67 million in the first 6 months of the current fiscal year. In addition, at the end of the period, at December 31, 1964, the Bank had reserves of \$894 million.

Gross income was \$129 million. Expenses totaled \$62 million and included \$51 million for interest, issuance, and other financial expenses connected with the Bank's funded debt.

During the period the Bank made 16 loans totaling \$421 million in the Republic of China, Finland, Gabon, Japan, Morocco, Nigeria, Paraguay, Philippines (2 loans), Rhodesia and Zambia, Sierra Leone, Spain, Thailand, Venezuela (2 loans), and Yugoslavia. This brought the total number of loans to 402 in 74 countries and territories and raised the gross total of commitments to \$8,352 million. By December 31, as a result of cancellations, exchange adjustments, repayments, and sales of loans, the portion of loans signed still retained by the Bank had been reduced to \$5,484 million.

Disbursements on loans were \$303 million, making total disbursements \$6,287 million on December 31.

The Bank sold or agreed to sell the equivalent of \$65 million principal amounts of loans. At December 31 the total amount of such sales was \$1,844 million, of which all except \$69 million was without the Bank's guarantee.

Repayments of principal received by the Bank amounted to \$63 million. Total principal repayments amounted to \$1,732 million on December 31, consisting of \$836 million repaid to the Bank, and \$896 million repaid to the purchasers of borrowers' obligations sold by the Bank.

On December 31 the outstanding funded debt of the Bank was \$2,484 million, reflecting a net decrease of \$7.5 million in the past 6 months. During the period the funded debt was increased through the private placement of bonds and notes totaling \$160 million and DM 160 million (U.S. equivalent \$40 million). The debt was decreased through the retirement of bonds and notes totaling \$175 million and DM 100 million (U.S. equivalent \$25 million) and by sinking fund transactions amounting to \$7.5 million.

During the 6 months three countries increased their capital subscriptions to the Bank: the Dominican Republic by \$5.3 million to \$13.3 million, the United Arab Republic by \$35.5 million to \$142.1 million, and Honduras by \$2 mil-

lion to \$8 million. Thus on December 31, 1964, the subscribed capital of the Bank amounted to \$21,228.8 million.

## TREATY INFORMATION

### U.S. and Korea Conclude Cotton Textile Agreement

Press release 14 dated January 26

#### DEPARTMENT ANNOUNCEMENT

The Governments of the United States of America and the Republic of Korea announced on January 26 the conclusion of a bilateral agreement covering trade in cotton textiles between the two countries for a 3-year period extending from January 1, 1965, to December 31, 1967. The agreement was concluded by an exchange of notes between Hyun Chul Kim, Korean Ambassador to the United States, and G. Griffith Johnson, Assistant Secretary of State for Economic Affairs.

The agreement is the result of bilateral talks held in Washington and Seoul between representatives of the Governments of the United States and the Republic of Korea. The United States was represented in these talks by representatives from the Departments of Commerce, Labor, and State. The talks led to an understanding between the two Governments on the orderly development of cotton textile trade between the Republic of Korea and the United States.

The agreement is similar to arrangements the United States has negotiated with other important cotton textile trading partners, and its principal features are as follows:

1. The agreement covers all exports of cotton textiles from the Republic of Korea to the United States.
2. During calendar year 1965, the Government of the Republic of Korea agrees to limit

cotton textile exports to the United States to an aggregate total of 26 million square yards equivalent, as follows:

	<i>Million Square Yards</i>
Group 1 (Fabrics, made-up goods, and yarn comprising categories 1-38 and 64)-----	18.5
Group 2 (Apparel, comprising categories 39-63)-----	7.5
Total-----	26.0

Within these total limits, the agreement sets specific export ceilings for 17 categories of cotton textiles.

3. Export items that are classified in categories 46, 50, 51, 53, 54, and 63, the chief value of which is corduroy, are not to exceed 1.9 million square yards equivalent.

4. The Government of the Republic of Korea agrees to consult with the United States in the event that Korea desires to export in excess of 350,000 square yards equivalent in any category for which the agreement provides no specific ceiling.

5. The above levels will be increased by 5 percent for calendar year 1966 over the calendar year 1965 levels and by 5 percent for calendar year 1967 over the calendar year 1966 levels.

6. The two Governments agree on procedures which would be applied during consultations in the event that an excessive concentration of imports of apparel items made from particular cotton fabrics should cause or threaten to cause market disruption in the United States.

7. The two Governments will exchange such statistical data on cotton textiles as are required for the effective implementation of the agreement. This will include the exchanges of monthly data on exports and imports of cotton textiles from the Republic of Korea into the United States.

8. The agreement also provides for reductions in shipments to the United States below the agreed ceilings as compensation for the release of goods from embargo under earlier restraints imposed by the Government of the United States.

9. The two Governments agree to consult on any question which may arise concerning the implementation of the agreement.

10. The export levels established by the bilat-

eral agreement supersede the restraint actions taken by the United States Government over the past year with respect to Korean cotton textile exports to the United States pursuant to articles 3 and 6(c) of the Long-Term Arrangement Regarding International Trade in Cotton Textiles, done at Geneva on February 9, 1962.<sup>1</sup> For the duration of the agreement, the United States agrees not to invoke article 3 of the Long-Term Arrangement to limit imports of cotton textiles from the Republic of Korea. All other relevant provisions of the Long-Term Arrangement will remain in effect between the two Governments.

## AGREEMENT AND RELATED LETTERS

### U.S. Note

JANUARY 26, 1965

EXCELLENCY: I have the honor to refer to recent discussions between representatives of the Government of the United States of America and the Government of the Republic of Korea concerning exports of cotton textiles from the Republic of Korea to the United States.

As a result of these discussions, I have the honor to propose the following agreement relating to trade in cotton textiles between the Republic of Korea and the United States:

1. The purpose of this agreement is to provide for orderly development of trade in cotton textiles between the Republic of Korea and the United States.

2. The Government of the Republic of Korea shall limit exports from the Republic of Korea to the United States in all categories of cotton textiles for the twelve-month period beginning January 1, 1965 to an aggregate limit of 26 million square yards equivalent.

3. Within the annual aggregate limit established in paragraph 2 above, the following group ceilings shall apply:

Group 1 (Categories 1-38 and 64)	18,500,000 square yards
Group 2 (Categories 39-63)	7,500,000 square yards

4. Within the group ceilings established in paragraph 3 above, the following specific ceilings shall apply:

<i>Group 1:</i>	
Category 9	2,000,000 square yards
Categories 18 and 19 combined.	1,500,000 square yards
Category 22	525,000 square yards
Category 26 (duck only)	9,750,000 square yards
Category 26 (other fabrics)	750,000 square yards
Category 31 (wiping cloth only).	862,100 pieces
Category 34	80,645 pieces

<sup>1</sup> For text, see BULLETIN of Mar. 12, 1962, p. 431.

Category 64 (tablecloths and napkins) <sup>2</sup>	365,000 pounds
Category 64 (zipper tapes) <sup>3</sup>	50,000 pounds
<i>Group 2:</i>	
Category 45	26,500 dozen
Category 46	21,000 dozen
Category 48	10,000 dozen
Category 49	15,000 dozen
Category 50	38,000 dozen
Category 51	51,000 dozen
Category 52	25,000 dozen
Category 54	30,000 dozen
Category 60	20,000 dozen

5. Within the group ceilings established in paragraph 3, the square yard equivalent of any shortfalls occurring in exports in the categories given a specific ceiling may be used in any category not given a specific ceiling. In the event the Government of the Republic of Korea desires to export in a calendar year more than 350,000 square yards equivalent in any category not given a specific ceiling, it shall request consultations with the Government of the United States on this question. The United States Government shall agree to enter into such consultations and, during the course thereof, shall provide the Government of the Republic of Korea with information on the condition of the United States market in the category in question. Until agreement is reached, the Government of the Republic of Korea shall maintain its exports in the category in question at a level for the calendar year not in excess of 350,000 square yards equivalent.

6. The Government of the Republic of Korea shall limit exports of items of chief value corduroy in categories 46, 50, 51, 53, 54, and 63 to a calendar year level of 1,900,000 square yards equivalent. In the event excessive concentration in exports from the Republic of Korea to the United States of items of apparel made of a particular fabric causes or threatens to cause market disruption in the United States, the Government of the United States may request in writing consultations with the Government of the Republic of Korea to determine an appropriate course of action. Such a request shall be accompanied by a detailed factual statement of the reasons and justification for the request, including relevant data on imports from third countries. During the course of such consultations the Government of the Republic of Korea shall maintain exports in the categories in question at an annual level not in excess of 105 percent of the exports in such categories during the first twelve months of the fifteen-month period immediately preceding the month in which consultations are requested or at an annual level not in excess of 90 percent of the exports in such categories during the twelve-month period immediately preceding the month in which consultations are requested, whichever is higher.

<sup>2</sup> T.S.U.S.A. numbers 366.4500; 366.4600; and 366.4700. [Footnote in original.]

<sup>3</sup> T.S.U.S.A. number 347.3340. [Footnote in original.]

7. The levels established in paragraphs 2, 3, 4, 5 and 6 of this agreement shall be increased by five percent for the calendar year 1966. For the calendar year 1967, each of these levels shall be increased by a further five percent over the levels for the calendar year 1966.

8. Exports in all categories of cotton textiles shall be spaced as evenly as possible, taking into account seasonal factors.

9. Each Government agrees to supply promptly any available statistical data requested by the other Government. In particular, the Governments agree to exchange monthly data on exports and imports of cotton textiles from the Republic of Korea into the United States. In the implementation of this agreement, the system of categories and factors for conversion into square yards equivalent set forth in the annex to this agreement shall apply.

10. For the duration of this agreement, the United States shall not invoke Article 3 of the Long-Term Arrangements Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, to limit imports of cotton textiles from the Republic of Korea into the United States. All other relevant provisions of the Long-Term Arrangements shall remain in effect between the two Governments.

11. The Governments agree to consult on any question arising in the implementation of this agreement. In particular, if, in the event of a return to normal market conditions in the United States, the Government of the United States relaxes measures it has taken under the Long-Term Arrangements for any of the categories, the Government of the Republic of Korea may request and the Government of the United States agrees to enter into consultations concerning the possible removal or modification of the ceilings established for such categories by the present agreement.

12. This agreement shall continue in force through December 31, 1967; provided that either Government may propose revisions in the terms of the agreement no later than ninety (90) days prior to the beginning of a calendar year; and provided further that either Government may terminate this agreement effective at the beginning of a new calendar year by written notice to the other Government given at least ninety (90) days prior to the beginning of such a new calendar year.

13. The Governments recognize that the entry into the United States of certain cotton textiles exported from the Republic of Korea, as proposed in letters dated September 23, October 14, and November 10, 1964, requires that deductions be made as follows:

Category	Units	First Year		Second Year	
		Chg. Against Specific Ceilings In Units	Chg. Against Group Ceilings In Syds. Equiv.	Chg. Against Specific Ceilings In Units	Chg. Against Group Ceilings In Syds. Equiv.
<i>Group 1:</i>					
22	syds	91,920	91,920	91,920	91,920



Group 2:				
42	syds	9,693		9,693
43	syds	58,002		58,002
46	dozens	481	11,770	481 11,770
50	dozens	3,099	55,144	3,099 55,144
51	dozens	5,464	97,247	5,464 97,247
54	dozens	350	8,750	350 8,750
60	dozens	4,925	255,877	4,925 255,877

If these proposals are acceptable to the Government of the Republic of Korea, this note and your note of acceptance<sup>4</sup> on behalf of the Government of the Republic of Korea shall constitute an agreement between our two Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:  
G. GRIFFITH JOHNSON

His Excellency  
HYUN CHUL KIM,  
Ambassador of Korea.

### ANNEX

#### COTTON TEXTILE CATEGORIES AND CONVERSION FACTORS

Category	Description	Unit	Conversion Factor
1	Yarn, carded, singles	Lb.	4.6
2	Yarn, carded, plied	Lb.	4.6
3	Yarn, combed, singles	Lb.	4.6
4	Yarn, combed, plied	Lb.	4.6
5	Gingham, carded	Syd.	1.0
6	Gingham, combed	Syd.	1.0
7	Velveteen	Syd.	1.0
8	Corduroy	Syd.	1.0
9	Sheeting, carded	Syd.	1.0
10	Sheeting, combed	Syd.	1.0
11	Lawn, carded	Syd.	1.0
12	Lawn, combed	Syd.	1.0
13	Voile, carded	Syd.	1.0
14	Voile, combed	Syd.	1.0
15	Poplin and broadcloth, carded	Syd.	1.0
16	Poplin and broadcloth, combed	Syd.	1.0
17	Typewriter ribbon cloth	Syd.	1.0
18	Print cloth, shirting type, 80 x 80 type, carded.	Syd.	1.0
19	Print cloth, shirting type, other than 80 x 80 type, carded.	Syd.	1.0
20	Shirting, Jacquard or dobby, carded.	Syd.	1.0
21	Shirting, Jacquard or dobby, combed.	Syd.	1.0
22	Twill and sateen, carded	Syd.	1.0
23	Twill and sateen, combed	Syd.	1.0
24	Woven fabric, n.e.s., yarn dyed, carded.	Syd.	1.0
25	Woven fabric, n.e.s., yarn dyed, combed.	Syd.	1.0
26	Woven fabric, other, carded	Syd.	1.0
27	Woven fabric, other, combed	Syd.	1.0
28	Pillowcases, carded	No.	1.084
29	Pillowcases, combed	No.	1.084
30	Dish towels	No.	.348
31	Other towels	No.	.348

<sup>4</sup>Not printed here.

32	Handkerchiefs, whether or not in the piece.	Doz.	1.66
33	Table damask and manufactures.	Lb.	3.17
34	Sheets, carded	No.	6.2
35	Sheets, combed	No.	6.2
36	Bedspreads and quilts	No.	6.9
37	Braided and woven elastics	Lb.	4.6
38	Fishing nets and fish netting	Lb.	4.6
39	Gloves and mittens	Doz.	3.527
		Prs.	
40	Hose and half hose	Doz.	4.6
		Prs.	
41	T-shirts, all white, knit, men's and boys'	Doz.	7.234
42	T-shirts, other, knit	Doz.	7.234
43	Shirts, knit, other than T-shirts and sweatshirts.	Doz.	7.234
44	Sweaters and cardigans	Doz.	36.8
45	Shirts, dress, not knit, men's and boys'	Doz.	22.186
46	Shirts, sport, not knit, men's and boys'	Doz.	24.457
47	Shirts, work, not knit, men's and boys'	Doz.	22.186
48	Raincoats, 3/4 length or longer, not knit.	Doz.	50.0
49	Other coats, not knit	Doz.	32.5
50	Trousers, slacks and shorts (outer), not knit, men's and boys'	Doz.	17.797
51	Trousers, slacks and shorts (outer), not knit, women's, girls' and infants'	Doz.	17.797
52	Blouses, not knit	Doz.	14.53
53	Dresses (including uniforms), not knit.	Doz.	45.3
54	Playsuits, washsuits, sunsuits, creepers, rompers, etc., not knit, n.e.s.	Doz.	25.0
55	Dressing gowns, including bathrobes, beach robes, lounge robes, housecoats, and dusters, not knit.	Doz.	51.0
56	Undershirts, knit, men's and boys'	Doz.	9.2
57	Briefs and undershorts, men's and boys'	Doz.	11.25
58	Drawers, shorts and briefs, knit, n.e.s.	Doz.	5.0
59	All other underwear, not knit	Doz.	16.0
60	Pajamas and other nightwear	Doz.	51.96
61	Brassieres and other body-supporting garments.	Doz.	4.75
62	Wearing apparel, knit, n.e.s.	Lb.	4.6
63	Wearing apparel, not knit, n.e.s.	Lb.	4.6
64	All other cotton textiles	Lb.	4.6

Apparel items exported in sets shall be recorded under separate categories of the component items.

#### First U.S. Letter

JANUARY 26, 1965

DEAR MR. AMBASSADOR: I refer to the agreement concerning trade in cotton textiles between the Republic of Korea and the United States signed today.

With regard to categories under restraint on December 31, 1964, it is understood that cotton textiles exported from Korea prior to January 1, 1965, which are

not covered by the terms of paragraph 13, have been or will be entered for consumption, or withdrawn from warehouse for consumption into the United States in 1965, and charged against the appropriate restraint levels which were established under Article 3 and were in effect on December 31, 1964 to the extent that these had not been filled. Any amounts in excess of such restraint levels will be charged against the specific ceilings of the appropriate categories during the first year of the agreement.

I should be grateful if you will confirm this understanding if it is acceptable to your Government.

Sincerely yours,

For the Secretary of State:  
G. GRIFFITH JOHNSON  
*Assistant Secretary*

His Excellency  
HYUN CHUL KIM,  
*Ambassador of Korea.*

## Second U.S. Letter

JANUARY 26, 1965

DEAR MR. AMBASSADOR: I refer to the agreement signed today between the Governments of the United States of America and the Republic of Korea relating to trade in cotton textiles.

Under this agreement the Government of the Republic of Korea undertakes to limit annual exports of cotton textiles from the Republic of Korea to the United States to stated levels. It is accordingly the understanding of the Government of the United States, subject to the separate understanding regarding shipments from Korea prior to January 1, 1965, that shipments are to be counted against the agreed levels applying as of the date of exportation from the Republic of Korea, and not as of the date of their importation into the United States.

However, since the Government of the United States will be cooperating with the Government of the Republic of Korea in administering the agreement through controlling imports of Korean cotton textiles into the United States, the Government of the United States proposes to facilitate the orderly movement of such textiles by counting shipments exported from Korea during one agreement year, but entering the United States during the succeeding year, against the agreed level for the second year if the level for the first year has been exhausted.

I should be grateful if you will confirm this understanding if it is acceptable to your Government.

Sincerely yours,

For the Secretary of State:  
G. GRIFFITH JOHNSON  
*Assistant Secretary*

His Excellency  
HYUN CHUL KIM,  
*Ambassador of Korea.*

# Current Actions

## MULTILATERAL

### Law of the Sea

Convention on the continental shelf. Done at Geneva April 29, 1958. Entered into force June 10, 1964. TIAS 5578.

*Ratification deposited:* New Zealand, January 18, 1965.

Convention on the territorial sea and the contiguous zone. Done at Geneva April 29, 1958. Entered into force September 10, 1964. TIAS 5639.

*Accession deposited:* Italy, December 17, 1964.

Convention on the high seas. Done at Geneva April 29, 1958. Entered into force September 30, 1962. TIAS 5200.

*Accession deposited:* Italy, December 17, 1964.

### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Ratifications deposited:* Ivory Coast, February 5, 1965; Luxembourg, February 10, 1965.

### Patents

Agreement for the mutual safeguarding of secrecy of inventions 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:* France, January 18, 1965.

### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Signature:* Brazil (subject to ratification), February 4, 1965.

Special agreement. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Signature:* National Telecommunications Council of Brazil, February 4, 1965.

## BILATERAL

### Brazil

Agreement extending the period of the loan of certain naval vessels to Brazil under the agreement of September 18 and October 19, 1959 (TIAS 4437). Effected by exchange of notes at Rio de Janeiro January 19 and 21, 1965. Entered into force January 21, 1965.

### Dahomey

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Cotonou December 31, 1964. Entered into force December 31, 1964.

### India

Agreement relating to military assistance to India, with annexes. Effected by exchange of notes at New Delhi January 13, 1965. Entered into force January 13, 1965.

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**Check List of Department of State Press Releases: February 1-7**

Press releases may be obtained from the Office of News, Department of State, Washington, D.C., 20520.

Releases issued prior to February 1 which appear in this issue of the BULLETIN are Nos. 14 of January 26 and 15 of January 27.

No.	Date	Subject
17	2 1	Ball; statement on P.L. 480 sales to U.A.R.
18	2 1	Foreign policy conference at Dallas, Tex.
19	2 1	Harriman; "The Economic Responsibilities of the United States."
20	2 6	King crab fishing agreement concluded with U.S.S.R.

‡Held for a later issue of the BULLETIN.

OFFICIAL BUSINESS

## Treaties in Force . . . January 1, 1965

The Department of State on January 28 released the publication *Treaties in Force: A List of Treaties and Other International Agreements of the United States in Force on January 1, 1965*. This is a collection showing the bilateral relations of the United States with 136 states or entities and the multilateral rights and obligations of the contracting parties to more than 360 treaties and agreements on 74 subjects.

The 1965 edition lists some 300 new treaties and agreements, such as the consular convention and king crab fishery agreement with Japan, the Columbia River treaty with Canada, the Chamizal convention with Mexico, the desalination agreement with the U.S.S.R. and the cultural exchanges agreements with that country and Rumania, the commercial communications satellite agreement, and two law-of-the-sea conventions (continental shelf and territorial sea), as well as NS *Savannah* agreements with eight European countries.

The bilateral treaties and other agreements are arranged by country or other political entity, and the multilateral treaties and other agreements are arranged by subject with names of countries which have become parties. Date of signature, date of entry into force for the United States, and citations to texts are furnished for each agreement.

Information on current treaty actions, supplementing the information contained in *Treaties in Force*, is published weekly in the *Department of State Bulletin*.

Copies of the 1965 edition of *Treaties in Force* (318 pp.: publication 7817) may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402, for \$1.50 each.

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THE  
DEPARTMENT  
OF  
STATE  
**BULLETIN**

*Vol. LII, No. 1340*



*March 1, 1965*

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# Review of International Balance of Payments and Our Gold Position

## MESSAGE OF THE PRESIDENT TO THE CONGRESS

*To the Congress of the United States:*

After a full review of our *international balance of payments and our gold position*, I can report to the Congress that—

The state of the dollar in the world today is strong—far stronger than 3 or 4 years ago.

To assure its continued and growing strength, however, we need to take new steps to speed our progress toward balance in our external payments.

The strength of our dollar is backed by—

the world's most productive and efficient economy, moving each year to new heights of output, employment, and income without inflation;

the world's largest supply of gold, fully pledged to honor this country's dollar obligations;

<sup>1</sup>H. Doc. 83, 89th Cong., 1st sess.; transmitted on Feb. 10.

the world's strongest creditor position, based on \$88 billion of public and private claims against foreigners, \$37 billion greater than their claims against us; counting our private assets only, the margin is about \$15 billion, and steadily growing;

the world's most favorable trade position, based on a rise in our exports by more than one-fourth in 4 years—a rise which has brought our commercial exports (excluding exports financed by the Government) to \$22.2 billion and our commercial trade surplus to \$3.6 billion.

*Clearly, those who fear for the dollar are needlessly afraid. Those who hope for its weakness, hope in vain:*

A country which exports far more than it imports and whose net asset position abroad is great and growing is not "living beyond its means."

*The dollar is, and will remain, as good as gold, freely convertible at \$35 an ounce.*

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### DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1340 PUBLICATION 7831 MARCH 1, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

The Bulletin is for sale by the Superintendent of Documents, U.S. Govern-

ment Printing Office, Washington, D.C., 20402. PRICE: 52 issues, domestic \$10, foreign \$15; single copy 30 cents.

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*That pledge is backed by our firm determination to bring an end to our balance-of-payments deficit.*

Last year, our flows of dollars abroad—to pay for our imports and foreign travel, to finance our loans and investments abroad, and to meet our defense and aid obligations—still exceeded our dollar credits from foreigners by \$3 billion. This represents steady improvement over the \$3.6 billion deficit in 1962 and the \$3.3 billion deficit in 1963. *But our progress is too slow.*

The world willingly uses our dollars as a safe and convenient medium of international exchange. The world's growing supply of dollars has played a vital role in the postwar growth of the free world's commerce and finance. *But we cannot—and do not—assume that the world's willingness to hold dollars is unlimited.*

On the basis of searching study of the major causes of our continued imbalance of payments, *I therefore propose the following program:*

*First, to maintain and strengthen our check-rein on foreign use of U.S. capital markets, I ask the Congress—*

*to extend the interest equalization tax for 2 years beyond December 31, 1965;*

*to broaden its coverage to nonbank credit of 1 to 3 year maturity;*

*Second, to stem and reverse the swelling tide of U.S. bank loans abroad, I have used the authority available to me under the Gore amendment to the act to apply the interest equalization tax to bank loans of 1 year or more.*

*Third, to stop any excessive flow of funds to Canada under its special exemption from the equalization tax, I have sought and received firm assurance that the policies of the Canadian Government are and will be directed toward limiting such outflows to the maintenance of a stable level of Canada's foreign exchange reserves.*

*Fourth, to limit further the outflow of bank loans, I am asking the Chairman of the Board of Governors of the Federal Reserve System in cooperation with the Secretary of the Treasury to enroll the banking community in a major effort to limit their lending abroad.*

*Fifth, to insure the effective cooperation of the banking community, I am requesting legislation to make voluntary cooperation by American bankers in support of our balance-of-payments efforts, under the Government's auspices, exempt from the antitrust laws wherever such cooperation is essential to the national interest.*

*Sixth, to reduce the outflow of business capital, I am directing the Secretary of Commerce and the Secretary of the Treasury to enlist the leaders of American business in a national campaign to limit their direct investments abroad, their deposits in foreign banks, and their holding of foreign financial assets until their efforts—and those of all Americans—have restored balance in the country's international accounts.*

*Seventh, to minimize the foreign exchange costs of our defense and aid programs, I am directing the Secretary of Defense, the Administrator of AID [Agency for International Development], and other officials immediately to step up their efforts to cut oversea dollar costs to the bone.*

*Eighth, to narrow our tourist gap, I encourage our friends from abroad, as well as our own citizens, to "See the U.S.A.;" and I request legislation further to limit the duty-free exemptions of American tourists returning to the United States.*

*Ninth, to earn more trade dollars, I am calling for a redoubling of our efforts to promote exports.*

*Finally, to draw more investment from abroad, I am requesting new tax legislation to increase the incentives for foreigners to invest in U.S. corporate securities.*

These measures will deal with our payments deficit and protect the dollar in ways fully consistent with our obligations—

to sustain prosperity at home;

to maintain our defenses abroad;

to supply private and public funds to less-developed countries to build both their strength and their freedom;

to avoid "beggar thy neighbor" restrictions on trade and work for a successful conclusion of the Kennedy round trade negotiations;

to work with our trading partners toward a more flexible world monetary system.

\* \* \*

These actions should achieve a substantial reduction in our international deficit during 1965, and secure still further improvement in 1966.

#### WHERE WE STAND TODAY

Our deficit in 1964 was too large. And over half of it occurred in the final quarter of the year—partly because of special and temporary factors.

Yet this disturbing reversal of our progress should not blind us to the solid and significant advances we have made in the past 4 years.

The broad-based attack we launched 4 years ago—and intensified 18 months ago—has in considerable part hit its mark:

Tax cuts and other measures to increase output, stimulate cost-cutting investment, and hold prices steady have made U.S. products far more competitive in world markets. Combined with special export promotion efforts, these policies have—

boosted our commercial exports by \$4.7 billion, or 27 percent;

pushed our commercial trade surplus to a new record of \$3.6 billion—\$800 million more than in 1960, and a gain of \$1.3 billion over 1963.

Unrelenting efforts to cut the dollar drain of defense and foreign aid expenditures have, since 1960—

reduced oversea dollar spending for aid by more than \$400 million;

reduced oversea military spending by more than \$200 million (despite rising prices in the countries where our forces are stationed);

increased military offset sales to foreign countries through the Department of Defense by \$450 million, and expanded sales of military equipment to foreign governments from commercial sources.

Successful policies for expansion both here and overseas have brought a rise by nearly \$2 billion in profits and interest on our past foreign investments.

But these impressive gains totaling well over

\$3.5 billion did not correspondingly narrow our balance-of-payments deficit. They were largely offset by a \$2.5 billion rise in the level of private capital outflow since 1960—and \$2 billion of this rise occurred from 1963 to 1964:

The interest equalization tax successfully diminished American purchases of foreign securities from the peak rate of 1963; but new issues exempt from the tax—especially by Canada—kept these purchases nearly \$500 million above the 1960 level.

Meanwhile, our banks met foreign demands for capital by adding almost \$1 billion to their long-term loans abroad in 1964—\$800 million above 1960 and \$400 million above 1963.

Short-term capital outflows in the form of bank credits and corporate funds rose to an estimated \$2 billion, well above the 1960 and 1963 outflows even though our money-market rates were kept generally in line with those abroad.

Direct investment abroad by U.S. companies—very largely in Canada and Europe—rose by more than \$400 million above 1960 levels, and \$200 million above 1963.

Moreover, travel and tourist spending abroad rose \$600 million from 1960 to 1964, while foreign travel outlays in the United States rose only \$200 million.

The net impact of all these changes was to reduce our overall deficit by only \$900 million—from \$3.9 billion in 1960 to \$3 billion last year.

To be sure, we have made more progress than these raw figures suggest. More than half of our 1964 deficit was financed by increased holdings of dollars by foreign citizens and by foreign private banks and businesses. Less than half of it had to be financed by the sale of gold or of dollars to foreign governments and central banks. It is only this “official” part that other countries count as the measure of their deficits. If we measured *our* deficit *their* way, it would show—

in 1962, a deficit of \$3.3 billion;  
in 1963, a deficit of \$2.3 billion; and  
in 1964, a deficit of only \$1.3 billion.

This way of measuring our deficit does not reduce our need for further action. But it gives another, and in many ways a better measure of our progress. It gives another and perhaps



more realistic measure of how far we still have to go to attain balance. And it reflects the firm confidence of private individuals the world over in the dollar.

This confidence rests on the full convertibility of our dollars into gold—at the fixed price of \$35 an ounce. Our gold reserve of \$15 billion represents 35 percent of the free world's official gold reserves. To eliminate any possible doubts about its full availability I have asked the Congress to remove the outmoded gold cover requirement against Federal Reserve deposits. I am glad that the Congress is acting promptly on this recommendation.

As we move ahead to further measures to cope with our balance-of-payments problem, it is clear that we lead from strength. But to safeguard that strength, we must reinforce our programs to bring our external payments into balance and maintain full confidence in the dollar.

#### MEASURES TO REINFORCE OUR PROGRAMS

##### *Capital*

I propose to take further steps to restrain our outflow of capital to the advanced industrial world. I do so reluctantly. The contribution of American capital to the world's growth and prosperity has been immense. But our balance-of-payments deficit leaves me no choice.

The interest equalization tax has effectively reduced the purchases of foreign securities by Americans since legislation was submitted to Congress in July 1963. At the same time, it has encouraged the broadening and deepening of capital markets in Europe—markets which can make a lasting contribution to the economic growth of the free world.

The tax is now scheduled to expire at the end of this year. But circumstances require that it remain in effect.

*Therefore, I request the Congress to extend for 2 years the interest equalization tax on purchases by Americans of foreign securities.*

Bank loans abroad with maturities over 1 year—not now covered by the tax—increased by more than one-third, or nearly \$1 billion, in 1964. The bulk of this money went to other industrialized countries. Of this, only 15 percent served to finance U.S. exports.

In my judgment this outflow has reflected

substitution for new security issues in an amount sufficient materially to impair the effectiveness of the interest equalization tax.

*Acting, therefore, under the authority granted me by the Interest Equalization Tax Act, I have today imposed the tax on bank loans abroad with maturities of 1 year or more, with appropriate exemption for borrowers in developing countries.<sup>2</sup>*

If the tax did not apply to foreign credits made by nonbank lenders, it would discriminate against banks and invite an outflow of untaxed funds through nonbanking channels.

*Therefore, I request the Congress to amend the interest equalization tax to impose it on extensions of nonbank credit of 1 year or more maturity, effective as of today.*

Finally, and as soon as proper authorizations are prepared, I intend to exempt from the interest equalization tax purchases by U.S. residents of new securities issued or guaranteed by the Government of Japan, up to an aggregate amount of \$100 million each year. Until now, an exemption for Japan under the interest equalization tax has not proved necessary. However, the application of the tax to bank loans of over 1 year will, in my judgment, create a sufficient threat to the international monetary system to justify a limited exemption.

\* \* \*

These measures are designed to serve our balance-of-payments objectives without imposing direct controls on American business abroad. *We seek to preserve the freedom of the marketplace.* But we cannot succeed without the full cooperation of the business and financial community.

*I hereby call on American businessmen and bankers to enter a constructive partnership with their Government to protect and strengthen the position of the dollar in the world today.* In doing so, they will perform a major service to their Nation. And they will help assure a setting of economic prosperity at home and economic stability abroad in which to conduct their own business and financial operations.

Let me make clear that the Government does not wish to impede the financing of exports, or

<sup>2</sup> For text of Executive Order 11198, see p. 288.

the day-to-day operation of American business abroad. But loans and investments which are not essential must be severely curtailed.

Specifically, I ask the bankers and businessmen of America to exercise voluntary restraint in lending money or making investments abroad in the developed countries. This request applies with special force to short-term loans and direct investments; that is, the capital outflows not covered by the interest equalization tax.

In connection with *bank loans*, I am asking the Chairman of the Board of Governors of the Federal Reserve System to work closely with the Secretary of the Treasury and the Nation's banks to develop a program that will sharply limit the flow of bank loans abroad. I have directed the Comptroller of the Currency, and the Chairman of the Federal Deposit Insurance Corporation to cooperate with the Federal Reserve and the Treasury in this undertaking.

To initiate this program, I am inviting a group of our leading bankers to meet with me, the Secretary of the Treasury, and the Chairman of the Federal Reserve Board in the near future.

Cooperation among competing banking interests could raise problems under the antitrust laws and, if extended beyond measures essential to our balance-of-payments objectives, would damage our competitive system.

*Therefore, I request the Congress to grant a statutory exemption from the antitrust laws to make possible the cooperation of American banks in support of our balance-of-payments objectives. I request, also, that the legislation require that this exemption be administered in ways which will not violate the principles of free competition.*

Pending enactment of this legislation, the Secretary of the Treasury and the Federal Reserve will guide this program of voluntary restraint along lines which raise no antitrust problems.

In connection with *short-term corporate lending* and *direct investment* in advanced countries abroad, I am asking a group of our leading businessmen to meet with me and the Secretary of Commerce for a full discussion of the voluntary methods by which we can achieve the necessary results. The Secretary of Commerce will re-

main in close contact with the responsible corporate officials. He will request periodic reports as the basis for appraising their contribution to our balance-of-payments targets.

I have no doubt that American bankers and businessmen will respond to the Nation's need. With their cooperation, we can block the leakage of funds abroad, without blocking the vital flow of credit to American business.

\* \* \*

I am confident that the Federal Reserve, in carrying out its responsibilities for monetary policy, will continue its efforts to maintain short-term rates of return in the American money market. The Treasury will fully cooperate. At the same time—and in view of the heavy flow of private savings into our capital markets—I expect the continuation of essential stability in interest rates.

#### *Government expenditures abroad*

Since 1960, we have steadily reduced the dollar drain of our foreign-aid program. We have steadily raised the percentage of AID dollars spent for U.S. goods and services—85 percent of new AID commitments are now spent within our borders. Until we master our balance-of-payments problem, AID officials will send no aid dollar abroad that can be sent instead in the form of U.S. goods and services.

The same rule will apply to our defense dollars. We have already made major progress in cutting the outflow of dollars for our defenses abroad—without impairing our strength or our defense commitment to the free world. I have directed the Secretary of Defense to intensify his program

to shift defense buying from sources abroad to sources in the United States;

to reduce the staffs in oversea headquarters;  
to streamline oversea support operations;

to work with our defense partners to increase their offset purchases of military equipment in the United States.

The Department of Defense has already conserved hundreds of millions of dollars of foreign exchange by such actions. But the Secretary assures me he can do more, while fully protecting our security interests and discharging our responsibilities.

## *Foreign travel*

The growing interest of our citizens in foreign lands, and the steady rise in their incomes, have greatly increased American vacation travel abroad. Foreign travel should be encouraged when we can afford it, but not while our payments position remains urgent. Today, our encouragement must be directed to travel in the United States, both by our own citizens and by our friends from abroad.

I ask the tourist industry to strengthen and broaden the appeal of American vacations to foreign and domestic travelers, and I will support its efforts through the "See the U.S.A." program.

In order to cut the dollar outflows associated with foreign travel, I recommend that the Congress—

pass legislation to *reduce* the duty exemption on foreign purchases by U.S. citizens returning from abroad to \$50, based on the price actually paid:

limit the exemption to goods which accompany the returning travelers.

## *Foreign investment in U.S. securities*

A truly worldwide market for capital among industrialized nations requires a two-way flow of investments. In order to stimulate a greater inflow of capital from advanced industrial countries, the Secretary of the Treasury will shortly request legislation, generally along the lines recommended by a Presidential task force, to remove tax deterrents to foreign investment in U.S. corporate securities. This action will encourage—and will be reinforced by—the efforts of American business and finance to market U.S. stocks and bonds to foreign investors.

## *Exports and competition*

Finally, and most important for the long pull, American business, labor, agriculture, and government must work together to maintain stable costs and prices and strengthen our trade position in the world.

Essential to a strong competitive position is an expanding economy operating at or near capacity, yet holding costs and prices in check. Sharp reductions in income taxes—with more

liberal depreciation allowances and special incentives for cost-cutting investment—have played a key role in creating such strength. Rising volume, rising productivity, and falling tax rates have enabled U.S. industry to hold the line on costs and prices while earning record profits and paying record wages.

As a result, U.S. prices and wage costs have remained more stable in recent years than those of any of our major competitors. The 27-percent rise in commercial exports since 1960—and especially the 15-percent rise in the past year—bear witness to our growing ability to compete in foreign markets. And the moderate rise in our imports demonstrates our growing ability to meet and beat foreign competition in our home markets.

But we must not take that ability for granted. Unwarranted price and wage increases could destroy it all too quickly. *Unless American business and labor heed to the Government's price-wage guideposts, we will run grave risks of losing our competitive advantage.*

Wage increases which exceed economywide productivity gains and price decisions which ignore falling unit costs—and there have been recent instances of both—do us all a disservice.

I call on all Americans to do their share in maintaining our generally excellent record of wage and price moderation. They will thereby strengthen their country both at home and abroad.

On a foundation of stable costs and prices, we will build an increasingly vigorous program of export expansion:

I urge the Congress to approve the \$13 million budget request for our export expansion program in the next fiscal year.

We will step up our efforts to assure American industry sound and fully competitive export financing.

We will strive to eliminate such artificial barriers to U.S. exports as discriminatory freight rates on ocean traffic.

Policies for an expanding economy coupled with responsible price and wage decisions and special measures to convert our competitive advantage into greater exports—this is the combination that holds the key to a lasting solution of our balance-of-payments problem.

## EVOLUTION OF THE INTERNATIONAL PAYMENTS SYSTEM

The measures I have proposed in this message will hasten our progress toward international balance without damage to our security abroad or our prosperity at home. But our international monetary responsibilities will not end with our deficit. Healthy growth of the free world economy requires orderly but continuing expansion of the world's monetary reserves.

During the past decade, our deficits have helped meet that need. The flow of deficit dollars into foreign central banks has made up about half of the increase in free world reserves. As we eliminate that flow, a shortage of reserves could emerge. We need to continue our work on the development of supplementary sources of reserves to head off that threat. And we need to perfect our mechanisms for making international credit available to countries suffering from balance-of-payments difficulties—on terms that will assure orderly correction of imbalances without forcing deflation on deficit countries or inflation on surplus countries.

To go back to a system based on gold alone—to the system which brought us all to disaster in the early 1930's—is not an answer the world will, or should, accept. Rather we must build on the system we now have, a system which has served the world well during the past 20 years.

We have already made an excellent start. Our short-term defenses against speculative crises have proved their strength and flexibility. The proposed increase in IMF [International Monetary Fund] quotas is a constructive forward step. Further, for some time we have been jointly exploring with our major trading partners how best to create new reserve assets that will be available if needed to supplement gold and dollars.

We must press forward with our studies and beyond, to action—evolving arrangements which will continue to meet the needs of a fast growing world economy. Unless we make timely progress, international monetary difficulties will exercise a stubborn and increasingly frustrating drag on our policies for prosperity and progress at home and throughout the world.

\* \* \*

Let no one doubt it—

*We will eliminate our international deficit.*

*We will maintain the dollar at full value.*

Our instruments and our actions must be as strong as our resolve. That is why I have taken the additional steps, and am asking the Congress for the new legislation. These measures will focus our great economic strength more sharply on our payments problem.

This is a problem that involves us all—as workers, as businessmen, as bankers, and as Government officials.

I know that the Congress and the American public will respond in full measure to the challenge.

LYNDON B. JOHNSON

THE WHITE HOUSE, *February 10, 1965.*

## Interest Equalization Tax Imposed on Certain Commercial Bank Loans

### AN EXECUTIVE ORDER<sup>1</sup>

#### IMPOSITION OF INTEREST EQUALIZATION TAX ON CERTAIN COMMERCIAL BANK LOANS

By virtue of the authority vested in me by chapter 41 (sections 4911 through 4931) of the Internal Revenue Code of 1954, as added by the Interest Equalization Tax Act, approved September 2, 1964 (Public Law 88-563, 78 Stat. 809), by section 301 of title 3 of the United States Code, and as President of the United States, it is hereby determined that the acquisition of debt obligations of foreign obligors by commercial banks in making loans in the ordinary course of the commercial banking business has materially impaired the effectiveness of the tax imposed by section 4911 of the Internal Revenue Code of 1954, as added by the Interest Equalization Tax Act, because such acquisitions have replaced acquisitions by United States persons, other than commercial banks, of debt obligations of foreign obligors which are subject to the tax imposed by section 4911, and it is hereby ordered that—

SECTION 1. The provisions of section 4931 shall apply to acquisitions by commercial banks of debt obligations of foreign obligors to the extent set forth herein.

SEC. 2. (a) Section 4914(j)(1)(A)(ii) and section 4915(e)(2)(A) shall continue to apply;

(b) Section 4914(b)(2)(A) shall continue to apply only to an acquisition of a debt obligation of a foreign obligor repayable exclusively in one or more currencies:

<sup>1</sup> No. 11198; 30 *Fed. Reg.* 1929.

other than United States currency which is made by a commercial bank at its branch located outside the United States; and

(c) The tax imposed by section 4931(e) shall apply to an acquisition of a debt obligation of a foreign obligor having a period remaining to maturity of one year or more and less than 3 years which is made by a commercial bank, other than the acquisition of a debt obligation of a foreign obligor—

(1) Arising out of a transaction described in section 4914(e) (1)(B), (2), (3), (4), or (5), or section 4914(d), which is transferred in accordance with section 4914(j) (1)(A) (ii) or (iii); or

(2) Repayable exclusively in one or more currencies other than United States currency if such acquisition is made by a commercial bank at its branch located outside the United States.

SEC. 3. An acquisition by a United States person which is a commercial bank of a debt obligation of a foreign obligor described in Executive Order No. 11175 dated September 2, 1964,<sup>2</sup> shall be subject to the tax imposed pursuant to this order without regard to the provisions of Executive Order No. 11175.

SEC. 4. The Secretary of the Treasury or his delegate is authorized to prescribe from time to time such regulations, rulings, directions, and instructions, and to require such reports of information, as he shall deem necessary to carry out the purposes of this order.

SEC. 5. This order shall be effective with respect to acquisitions made during the period beginning on the day after the date on which such order is issued and ending on the date set forth in section 4911(d).



THE WHITE HOUSE, February 10, 1965.

## **U.S. Calls Police Protection of Moscow Embassy Inadequate**

### *White House Statement*

White House press release dated February 10

The President takes a most serious view of the fact that police protection furnished the American Embassy in Moscow yesterday [February 9] was wholly inadequate despite prior notification to the Soviet Government of an impending demonstration. The United States Government must insist that its diplo-

<sup>2</sup> For text, see BULLETIN of Sept. 28, 1964, p. 442.

matic establishments and personnel be given the protection which is required by international law and custom and which is necessary for the conduct of diplomatic relations between states. Expressions of regret and compensation are no substitute for adequate protection.

## **Boy Scouts Visit White House on 55th Anniversary of Scouting**

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

I want to welcome you here this morning. It is a particular privilege to have you come and visit this house.

Yesterday—sometime Sunday afternoon—someone around here suggested that this meeting should be postponed, on the grounds that we might not have much time this morning. I vetoed that suggestion in a hurry. I said we might delay it but we wouldn't postpone it because, whatever comes to this house for decision and action, our first concern always is for the young men and young women of America. For every American President, the number-one priority and the number-one interest has been, and I think always will be, the young people of our land.

I am very glad this morning that we can be together on this 55th anniversary of the beginning of the Boy Scouts of America.

Over nearly the full span of this century, Scouting has served our nation well and served it faithfully. Today there are more than 5½ million members, from 4 million homes, that are dedicated to the goals of helping each boy to become a man of character, a responsible citizen, with a strong and vigorous body, physically strong, mentally awake, and morally straight.

I congratulate all of you Scouts and adult leaders alike. I am especially pleased by your plans for a breakthrough in 1965—to extend Scouting to all neighborhoods: rich and poor,

<sup>1</sup> Made before a group of 12 outstanding Boy Scouts at the White House on Feb. 8 (White House press release; as-delivered text).

educated or not, for all boys of all races and all religions.

Your new program will mean much for Scouting, but it is going to mean a lot more for your country—the beloved America that is ours.

You, and all your contemporaries, are members of a challenging generation. You shall be challenged as none before us to keep the flame of freedom burning, to keep the hope of peace from being extinguished. But you will be challenged even more to find for yourself—and to help others find with you—a new meaning for life on this earth. If the life you know has many comforts—as I hope it will—your life will also have many trials and tests. I believe and I hope that you will be ready for them.

Over the years of this century, men abroad—and some at home—have made great mistakes in miscalculating the character and the strength and the fortitude of the young people of America. I hope that none today, anywhere, will repeat that miscalculation about our youth or about our nation.

We love peace. We shall do all that we can in honor to preserve it—for ourselves and for all mankind. But we love liberty the more, and we shall take up any challenge, we shall answer any threat, we shall pay any price, to make certain that freedom shall not perish from this earth.

I know that this is the spirit in your hearts.

Last night I read the winning essays in your Nathan Hale contest. I was impressed by the papers, but there was one I especially liked.

I don't know Cub Scout Jim Karkheck of Durham, New York—but he is a young American and I would love to meet him. He wrote on "Why I Love America," and this is his paper, in full.

I have three turtles. They have a beautiful terrarium with rather low sides. They have everything they could want except one thing—freedom. Every chance they have, they climb out.

People in many countries in this world lack the same thing.

Not in America.

In America we have freedom of speech, freedom to go wherever we please, freedom of the press, freedom to worship God as we wish, freedom to choose people to govern us.

A boy like myself can grow up to be whatever he dreams of being.

That is why I love America.

So, my young friends the Boy Scouts, I can only add one thing this morning. I hope all we are doing now—at home and throughout the world—all the things we are doing I hope will some day make it possible for all young men and young women to grow up and, as Jim said, be whatever they dream of being.

I want to thank you for coming here, and I want to wish you well in the years ahead.

I will take great pride in watching your development as we go down the road together.

## **U.S. and South Viet-Nam Hit North Vietnamese Targets Again**

### **WHITE HOUSE STATEMENT**

White House press release dated February 11

On February 11, U.S. air elements joined with the South Vietnamese Air Force in attacks against military facilities in North Viet-Nam used by Hanoi for the training and infiltration of Viet Cong personnel into South Viet-Nam.

These actions by the South Vietnamese and United States Governments were in response to further direct provocations by the Hanoi regime.

Since February 8, a large number of South Vietnamese and U.S. personnel have been killed in an increased number of Viet Cong ambushes and attacks. A district town in Phuoc Long Province has been overrun, resulting in further Vietnamese and U.S. casualties. In Qui Nhon, Viet Cong terrorists in attack on an American military billet murdered Americans and Vietnamese. In addition, there have been a number of mining and other attacks on the railway in South Viet-Nam as well as assassinations and ambushes involving South Vietnamese civil and military officials.

The United States Government has been in consultation with the Government of South Viet-Nam on this continuation of aggressions and outrages. While maintaining their desire to avoid spreading the conflict, the two Governments felt compelled to take the action described above.

## JOINT U.S.-SOUTH VIET-NAM STATEMENT<sup>1</sup>

Since February 8, there have been continued acts of aggression by the Communist Viet Cong under the direction and with the support of the Hanoi regime against the Vietnamese people and installations in South Viet-Nam and against their American advisers. For example, these aggressive acts have included the following:

The mining of 13 bridges and 7 separate acts of sabotage against the railroads resulting in death and injury to 18 Vietnamese civilians and 2 escort soldiers in addition to the material damage:

Attacks on hamlets and convoys resulting in death or injury to many Vietnamese civilians and the kidnaping of others in addition to substantial military casualties;

The vicious attack and related actions involving the American enlisted men's quarters at Qui Nhon by Viet Cong terrorist demolition teams resulting in 12 known Vietnamese and American dead, and including more than 40 others wounded and missing. Many of the latter must be supposed dead.

In response to these continued attacks by the Communists, South Vietnamese and American air elements today carried out air operations against selected military installations in the southern part of North Viet-Nam which have been used by the Hanoi regime for training and support of the Viet Cong personnel carrying out these acts.

### Department Officers Discuss Viet-Nam Situation

*Following is the text of a discussion by William P. Bundy, Assistant Secretary for Far Eastern Affairs, and Joseph A. Mendenhall, Director of the Far Eastern Bureau's Office of Regional Affairs, recorded at the Department of State on February 5 and broadcast over WNEW-TV (New York) on February 7.*

*Mr. Bundy:* We in the Department of State are very glad to get this chance to share some

of our thinking with you, and that I suppose is what this program is about.

Joe Mendenhall, you served in South Viet-Nam and followed it for many, many years. Perhaps you could start by explaining a little about its geography, all the basic facts, and the nature of the struggle that's going on there.

*Mr. Mendenhall:* With pleasure. Viet-Nam is located along the coastal edge of mainland Southeast Asia. It is an area that was ruled for about a hundred years by the French until 1954, and that year by the Geneva accords, which ended the 8-year Indochina war, it was divided into the Communist northern half and the free southern half. Each of the states of Viet-Nam was forbidden at that time to interfere in the affairs of the other half.

Viet-Nam is an important country in this whole area of Southeast Asia. Southeast Asia itself sits astride important communications routes, including the passageways between two of the great oceans of the world—the Pacific Ocean and the Indian Ocean. The people in Viet-Nam are among the most intelligent and industrious of all of the peoples of Asia. They are a hearty and resilient people. They've shown this by their survival over 2,000 years of history. I think this is a useful fact to bear in mind in connection with the accounts which we've received today of their war weariness. They may be tired of fighting to some extent, to be sure, but they are not about to collapse or to surrender to the Communists.

I think perhaps that this is shown best by the increase in the size of the armed forces over the past 6 months. They have grown from about 210,000 to about 240,000 and are continuing to grow. These people are deeply anti-Communist on the basis of their direct, firsthand experience with it. They know what it is and are opposed to it. These are the people with whom we are working in Viet-Nam.

Now, who is the enemy? The Viet Cong, as the Vietnamese Communists are known, are controlled and directed from Hanoi, the capital of the Communist regime in North Viet-Nam. Hanoi originally thought that South Viet-Nam would fall into its hands by peaceable means after the Geneva accords were concluded in 1954. When this didn't happen, Hanoi began to resort, through its agents in South Viet-Nam,

<sup>1</sup> Released at Saigon on Feb. 11.

to violence, terror, and assassination in remote areas of the countryside.

Through this means, they built up a base for guerrilla activity and in 1960 launched a full-scale guerrilla war. Hanoi has sought to make this appear to the world as a civil war. But the hand at Hanoi has shown very clearly, through the infiltration of both directing personnel—most of the officers and NCO's—as well as the bulk of the rank and file in the northern provinces here in South Viet-Nam, all of whom are infiltrated from North Viet-Nam via sections of Laos under Communist control, down here into South Viet-Nam.

Turning to the American role in Viet-Nam, we are there at the request of the Government in Saigon here. We now have about 25,000 in Viet-Nam, 23,000 of whom are Americans and about 2,000 civilians. We are there to help the Vietnamese, not to take over. And I think, Mr. Bundy, you might like to explain why we are there.

*Mr. Bundy:* Let's start with just a word on the history to review a little. As you said, North Viet-Nam expected South Viet-Nam to collapse in '54 and after '54. And the reason it didn't, in large part, was because we came in to help, at a time when no other power could have done that job. And the Eisenhower administration made the decision that we would extend economic and military help to South Viet-Nam to help it maintain its independence.

Then, as you've said, the North Vietnamese went on the march in '57 with these infiltrators and guerrillas, and so on. And in 1961 the situation had reached a point where something more was required. At that time we had only about 600 military men serving purely to train people.

So President Kennedy made the decision to send very much larger numbers. It's now up to about 23,000, as you said—in the form of military advisers and to fly helicopters, air transport aircraft, combat air training, and so on—the full extent of the effort that we're there now, which means everything short of our own combat unit, because essentially this has got to be a South Vietnamese fight.

That's the history of how we have come progressively into the present position.

Now, the basic question that I'm sure all of

us ask is: Why are we there? What is our national interest? I think it was pretty well stated by Congress last August when it passed a resolution, following the Gulf of Tonkin affair, in which it stated that the United States "regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia."<sup>1</sup> And that's the basic reason right there—peace in the area, letting the nations of the area develop as they see fit and free from Communist external infiltration, subversion, and control.

Secondly, it's obvious on the map that if South Viet-Nam were to fall under Communist control it would become very much more difficult—I'm not using what's sometimes called "the domino theory," that anything happens automatically or quickly—but it would become very much more difficult to maintain the independence and freedom of Thailand, Cambodia, of Malaysia, and so on. And the confidence of other nations in the whole perimeter of Southeast Asia would necessarily be affected, and the Communists would think they had a winning game going for them. So that's a very important, strategic reason in addition to the fact that we're helping a nation under aggression.

And thirdly, this technique they're using—they call it "wars of national liberation"—is a technique that will be used elsewhere in the world if they get away with this one, and they'll be encouraged to do that.

So those are the three basic reasons why our national interest—and basically our national interest in peace in this whole wide Pacific area with which we have historically had great concern and for which we fought in World War II and in Korea—are deeply at stake in this conflict.

Now perhaps, Joe, you could talk a little about the way this fight is being conducted by the Vietnamese, with our help, and what some of the problems are.

*Mr. Mendenhall:* This has certainly been one of the major problems—how to fight a war against a guerrilla enemy which is so different

<sup>1</sup> For background and text of resolution, see BULLETIN of Aug. 24, 1964, p. 258.



from the kinds of wars in which we have been engaged in the past.

The Vietnamese, with our help, have been following a counterinsurgency approach, what is sometimes called "clear and hold," or a pacification effort. All of these are different terms for the same thing. There are two essential aspects of this approach. One is to restore security so that the people in the countryside will feel protected and not obliged out of terror to cooperate with the Viet Cong. And the second is to follow this up with an economic and social program which will develop positive reasons for their support of the government.

This kind of approach has to be carried out gradually and systematically out from the more secure areas, like the cities and towns, into the outlying villages and hamlets in a long, slow process. It is the kind of approach that was used successfully in Malaya and the Philippines. We are now giving top priority in the areas around Saigon and following this approach. And some progress has been made there. Not enough, however, because—basically because of the instability of the government in Saigon itself.

This is the other big problem which we have been confronted with in Viet-Nam in recent months. Why this political instability? Basically it is because the repression of a hundred years of French control and 9 years of the family dictatorship of Diem was lifted, and the political forces of Viet-Nam suddenly poured forth like an uncorked bottle which has been under pressure for a long time. This has concerned us a great deal, particularly under the wartime conditions in Viet-Nam, but perhaps we ought to show a bit of patience and forbearance in dealing with this problem.

The Prime Minister of Japan [Eisaku Sato], during his recent visit to Washington, recommended this kind of approach to the problems of Asia—use an Asian approach—when he was here visiting with us recently.<sup>2</sup>

The main political forces in South Viet-Nam are three—the military, the Buddhists, and the Catholics. Stability depends upon establishing a government which will reconcile the divergent

interests of all three of these non-Communist forces. This is a tough proposition, but I don't think it's an impossible one. The Vietnamese are working on it through trial and error. And perhaps it's useful for us as Americans to bear in mind that it took us 13 years, from 1776 to 1789, to set up our own permanent government.

Now a word about another question in Viet-Nam. Is there—is anti-Americanism really developing in this country at the present time? I don't think so in any real sense of the term. The Vietnamese recognize basically that we are there to help them in their fight against the Communists, and they welcome our presence there for that reason. I was glad, Mr. Bundy, to see that this view I've just expressed on whether there is anti-Americanism was confirmed by a report of a New York Times correspondent 3 or 4 days ago.

*Mr. Bundy:* Now, I suppose that shows the nature of the problem and the difficulties. Nobody thought this was going to be easy, and it is a tough, long struggle. It's almost inherent in the kind of war it is.

I suppose we're all bound to ask ourselves whether there's any alternative to our present policy of helping in every way possible, short of our own combat units. Withdrawal, as long as they're ready to carry on the fight—the South Vietnamese—I think, is out of the question. Negotiation will in the end certainly be an answer if it produces an independent and secure South Viet-Nam. But, on the other hand, there's no sign that Hanoi would really go for that at the present time. And negotiation that admitted communism to South Viet-Nam or legalized it, that didn't get Hanoi and the North Vietnamese out, or that set up some structure under nebulous, not very clear guarantees, simply would not provide the independent and secure South Viet-Nam that that nation is entitled to and that we're after.

Now, on the other side, there is the possibility of enlarging military action to persuade North Viet-Nam that the game they are playing is not working. We have never excluded that course, and we have shown in the Gulf of Tonkin that we can act.<sup>3</sup> The aggressors them-

<sup>2</sup> *Ibid.*, Feb. 1, 1965, p. 133.

<sup>3</sup> For statements regarding the U.S. retaliatory attacks of Feb. 7, see *ibid.*, Feb. 22, 1965, p. 238.

selves have a lot to do with whether any such action is taken, and they share the responsibility. We have made clear we seek no wider war, and we must not suppose that there are quick and easy answers in this direction.

So it comes down basically—the root of the matter is in South Viet-Nam—to pursuing the course we're pursuing, as patiently and strongly as we can toward what we hope will be a successful outcome.

## Europe, the United States, and World Trade

*by Christian A. Herter*

*Special Representative of the President for Trade Negotiations*<sup>1</sup>

You have asked me to speak today on the subject "Europe, the United States, and World Trade." That means, I think—and I shall so interpret it—that you wish me to think aloud with you on the theme of interdependence, and particularly economic interdependence.

We hear a good deal more today about independence than about interdependence. There are many new nations and many new flags. The new nations are energetically, sometimes stridently, asserting their independence—and some of the older nations are not far behind.

Yet the more I consider the world today, the more I think of these old and new nationalisms as eddies, sometimes reaching the intensity of whirlpools, roiling the surface but not reflecting the main current of our times. That current is bearing the peoples of the free world steadily toward interdependence. It arises from the overriding, the inescapable fact that the important problems today are wider than national and we must perforce seek greater than national means of dealing with them.

This indeed was the theme of the late President Kennedy's speech at the Paulskirche in Frankfurt, in which he said:<sup>2</sup>

. . . we live in an age of interdependence as well as independence—an age of internationalism as well as

<sup>1</sup>Address made before the Dutch Chapter of the European Movement at Amsterdam, the Netherlands, on Feb. 4.

<sup>2</sup>BULLETIN of July 22, 1963, p. 118.

nationalism. . . . Today there are no exclusively German problems, or American problems, or even European problems. There are world problems. . . .

As in Europe, so everywhere in the free world—and, I note, even in the once-frozen Communist world—thoughtful people are seeking new answers, new methods of dealing with problems with which no nation, however rich in tradition or great in power, is capable, in this crowded, jet-propelled nuclear world, of dealing alone.

It is in the nature of things that, as we grope for the answers, there is lively debate and sometimes sharp controversy. Indeed, President Johnson has said recently:<sup>3</sup>

Today's discussion and debate, the flow of ideas and proposals, is proof of coming change and a spur to continuing action.

### The Problems of Interdependence

Some of the recent controversies in the Common Market, in NATO, in our trade and other negotiations—both between and within nations—have been painful in their intensity, but I believe that they have served a useful purpose. They have prompted more people than ever before to think, and to think in greater depth, about the problems of interdependence.

In certain quarters of Europe one hears much nowadays about a so-called "European Eu-

<sup>3</sup>*Ibid.*, Dec. 21, 1964, p. 866.

rope," independent of the United States. Some people profess concern over the possible "domination" of Europe by the United States. Yet many of these same people advocate both a smaller Europe, excluding Britain, and a Europe of wholly sovereign states, unlikely ever to speak with a single voice.

In the United States as well, there are people who advocate in one way or another a new "Declaration of Independence" from Europe. There are those who would impose higher tariffs on European products. Others urge the withdrawal of our troops from Europe, either to save dollars or to curtail our commitments, or both. Few Americans, I think, actually want to dominate Europe, but some want us to loosen our close ties with it. We are beginning to see, here and there (although so far only faintly), a revival in new forms of an American isolationism which most of us thought had vanished during World War II. This has not, I assure you, affected the policy of the U.S. Government, nor is it anywhere near the mainstream of public opinion—but it is a development which requires careful watching.

The more Europeans say, "America, go home!" the more Americans are likely to be tempted to do just that. Whether they wish it or not, the isolationists and nationalists on both sides of the Atlantic reinforce one another. One might say that they are enrolled, willy-nilly, in a mutual assistance pact.

Fortunately there is a much stronger bond between Europeans and Americans who recognize the need for a closer partnership, even if they do not always see eye to eye about the next steps toward achieving it. And their strength is redoubled by the fact that they are moving along with the main current of our common history, whereas the nationalists and isolationists—old style and new style—on either side of the ocean are seeking to set themselves against it.

Those, whether in Europe or America, who urge us to declare independence from one another are at best ignorant and at worst malevolent. The obvious present and future truth is that the welfare and security of the Atlantic world are, and must be, indivisible. Henry Wriston, a distinguished American student of

international affairs, has said: "Unrestricted national sovereignty makes no sense today except as a political slogan." A wise Frenchman, François Fontaine, has said: "Nationalism has long bloodied the Rhine. Will it now poison the Atlantic?" I for one do not believe that it will—particularly if we are alert to the danger and speak and act to forestall it.

The dissenting views I have cited so far are extreme ones, held by small but highly vocal minorities. Most Americans have been watching with sympathetic interest as Europe seeks to fashion a closer political unity, a natural counterpart to your efforts to establish a closer economic union. The achievement of political unity would, of course, be an historic milestone. But I would be less than frank if I did not say that, among some of my fellow countrymen, searching questions of form, of substance, and of direction are being voiced. How "open" would a European political community be? Would it readily accommodate new members? Would it be outward-looking, or would it take the easier path of catering to parochial interests? What would be the nature of its commitment—a vital one, in our view—to Atlantic partnership?

These questions, raised by some Americans of undoubted good will, are for you to answer as you continue to build Europe. I am sure you will agree that they can best be answered by pressing forward pragmatically with closer links wherever they serve our common interests. By "common interests" I mean the basic interests shared by Europe and North America, but I do not mean only our common North Atlantic ones. We also share a deep interest in the welfare and security of all other free nations.

Our answer is clear. If we work steadfastly, methodically, and realistically to tighten our bonds, the unity that any of us achieve will be to the advantage of all. This is the view of President Johnson, who recently said:<sup>4</sup>

We will continue to work toward European unity and Atlantic partnership, knowing that progress will require initiative and sacrifice from us as well as

<sup>4</sup> For the as-delivered text of remarks made by President Johnson at the annual dinner of the Alfred E. Smith Memorial Foundation, Inc., at New York, N.Y., on Oct. 14, see White House press release dated Oct. 14, 1961.

from Europe, that success will come from years of patient effort and not a single dramatic move, that the steps ahead may be more difficult than the ones behind.

A second kind of doubt which deserves serious consideration is that held by some Europeans. They are inclined to fear that, because of its economic and military power, the United States will, in any partnership, "dominate" Europe. Here we need to be realistic. The size and power of the United States is a fact; it cannot be conjured away by any formula, nor does any responsible person in the free world seriously wish it to be. And the United States has no intention of dominating Europe, nor has it ever sought to do so. Our purpose is rather to build a meaningful Atlantic relationship in which American strength will be closely linked with Europe's.

### **Experience in International Cooperation**

In this matter of cooperative action across national lines on problems of greater than national consequence, we have already gone very far beyond theories, discussions, debates, and proposals. We have, in the two decades since the war, amassed a wealth of practical and successful experience in working together multilaterally in a variety of international organizations.

I think first of the great international undertakings which evolved from World War II and its aftermath. Of these, the United Nations is by far the most ambitious in its objectives, and the United States, like your Government, has given it vigorous and consistent support. Currently, its member nations are engaged in discussions whose outcome will determine the future effectiveness of that great organization, and I should like to say here and now we very much appreciate the staunch support your Government has given the principles of the charter in this matter.

I shall address myself, however, particularly to the postwar organizations in the economic field. It is, indeed, no accident that we have moved further and faster in economic than in political undertakings. While politicians are only beginning to realize that the modern world is and must be interdependent, businessmen, traders, and bankers recognized and acted upon that fact long ago. Your country, like mine,

exports its products to many nations; yours, like mine, imports necessities and luxuries from all quarters of the compass. Moreover, both trade and investment require stable and exchangeable currencies, and order rather than chaos in the international monetary system.

It was in recognition of these facts that forward-looking leaders of many of the free nations joined together to establish the World Bank, the International Monetary Fund, and the General Agreement on Tariffs and Trade (GATT). They built solidly and well. On this great tripod of international institutions, the economy of the free world has grown and flourished.

The World Bank, after having helped greatly with the reconstruction of the war-ravaged economies of Europe, has steadily expanded its role in the developing nations. It has performed with great distinction and has won universal respect and acceptance. Through the subsequent establishment, under its aegis, of the International Development Association and the International Finance Corporation, its field of operations and of usefulness, particularly to the less developed nations, has been further enlarged.

In the monetary field, the IMF and the Group of Ten have already established effective machinery on a free-world-wide basis for concerted policies and action. They combine full consideration of all national interests with the capacity for rapid and effective decisions in the common interest.

While the national circumstances and interests of the member nations of the IMF vary widely, they share a strong mutual interest in national and collective solvency and monetary stability. The Board of Directors is small (most members representing several nations) and composed of relatively permanent members devoting full time to their jobs and accustomed to working together. The reputation which it has earned for sound and impartial decisions has resulted in the development and acceptance of extensive powers of initiative and quasi-executive action in fields where national sovereignty has hitherto been held sacrosanct.

As you know, I myself am most directly concerned with the third leg of the tripod of postwar international economic institutions, the

General Agreement on Tariffs and Trade. GATT is both a system of rules for the orderly conduct of world trade—rules which have worked very well indeed—and a forum in which the trading nations negotiate from time to time the reduction or elimination of barriers to trade. All of us owe much to the skilled and selfless services of its Executive Secretary [Eric Wyndham White] and his small but able staff.

In recent years GATT has grown both in membership and in functions and has devoted increasing attention to the trade interests of the less developed countries. Its evolution will reach a significant milestone with the signature, 4 days from now, of the GATT chapter on trade and development, added to the General Agreement to take specific account of the trade interests of the developing countries.<sup>5</sup>

### **The Kennedy Round of Tariff Negotiations**

We are now engaged in the sixth round of international trade negotiations under the auspices of GATT, widely known as the Kennedy Round. This is neither the time nor the place for me to discuss these negotiations in detail, but I should like to make a few general observations.

First, these are the most important and comprehensive trade negotiations ever held. More countries are taking part in them than ever before, and the field they cover is extremely wide, including not only industrial but agricultural and primary products and not only tariffs but nontariff barriers as well.

Second, the significance of these negotiations transcends guilders and dollars, pounds, francs, or deutschmarks. If we succeed, we can lay a solid economic foundation for an enduring partnership for peace and progress, embracing not only the Atlantic nations but the developing countries of Asia, Africa, and Latin America. If by any chance we fail, I fear that we may leave the Atlantic nations dangerously divided into rival trade blocs and we may gravely and perilously disappoint the developing nations in their desire to earn, through expanded trade, more of the resources they urgently need for their development.

<sup>5</sup> For text of the draft articles on trade and development, see BULLETIN of Dec. 28, 1964, p. 922.

All of you recall how forcefully the developing nations expressed their feelings at the U.N. Conference on Trade and Development last spring in Geneva.<sup>6</sup> Since then, the United States Government has given redoubled attention to means for opening up new trade opportunities for these countries. Our Trade Expansion Act authorizes the President, on a basis of reciprocity with the European Economic Community, to reduce tariffs on tropical products to zero. We believe the developing countries will also greatly benefit from the 50 percent cut on most tariffs which is now the "working hypothesis" of the Kennedy Round—particularly if, so far as possible, the sort of manufactured items which they can produce or reasonably hope to produce can be kept off the various exceptions lists.

I conclude these general observations on the Kennedy Round by assuring you that President Johnson is as fully committed to their success as was his predecessor. In a recent message [November 15, 1964] to the National Foreign Trade Convention in New York City, he said:

I assure you that this administration will work with the utmost vigor and dedication for the success of the Kennedy Round. These are not the kind of negotiations in which some nations need lose because others gain—their success will be to the advantage of all, developed and developing nations alike.

We know that hard bargaining lies ahead and we are working hard with our trading partners to achieve a successful outcome. The depositing in Geneva on November 16 of lists of exceptions by the U.S., the European Economic Community, the EFTA [European Free Trade Association] countries, and Japan augurs well. We are hopeful that it points to the largest reduction of tariffs in history.

In agriculture, where passions sometimes run high, I would be less than honest if I did not state frankly that progress to date has been disappointing. I hope that it can be spurred and a fruitful negotiation conducted. Here, too, there can and should be meaningful reductions, not merely a perpetuation or increase of existing levels of support. We seek a negotiation in agriculture in which offers are placed on the

<sup>6</sup> For background, see *ibid.*, Apr. 29, 1964, p. 634, and Aug. 3, 1964, p. 150.

table and bargains struck. Let us hope that the coming weeks will be marked by speedy agreement among all participants to address themselves diligently and constructively to this task.

### International Economic Institutions

The first wave of postwar international economic institutions—the World Bank, IMF, and GATT—has been followed by a second, the development of economic blocs transcending national boundaries. The European Communities have given their member nations invaluable experience in working together. Here a creative new element has been the establishment of the Commissions and their staffs, representing the common interest and endowed with progressively increasing powers. Given the strength of national traditions and interests in each of the six member states, it has sometimes been difficult to arrive at decisions in the common interest. Nevertheless, great progress has been made during a few short years in complex and difficult fields, and I am sure that even greater achievements lie ahead. As you know, the United States under the leadership of four Presidents has consistently supported the European Communities' approach to integration and has welcomed progress toward European unity.

The European Free Trade Association has also proven to be a very useful experiment in the establishment and functioning, without political or economic integration, of a free trade area among some of the most vigorous exporting countries of the world. In our own Western Hemisphere, the Central American Common Market has been modeled after the European Economic Community and the Latin American Free Trade Association after EFTA.

Turning from the economic to the security field, I am pleased to say that we have come a long way in effective military integration—indeed, much further than anyone expected when the North Atlantic Treaty was signed in 1949.

Here I would like to refute most emphatically statements sometimes heard that the treaty will expire, or must be renewed, or must be modified, in 1969. Under the terms of the treaty, it runs indefinitely, although any party may with-

draw, upon 1 year's notice, after 1969. As a historical footnote, it is interesting to recall that, when the treaty was being negotiated, the French Government pressed hard for a duration of 50 years, whereas the United States was reluctant to go beyond 10. The ultimate agreement on a perpetual treaty with the right to withdraw after 20 years was, in fact, a compromise. The treaty may be modified at any time, by unanimous agreement in accordance with the constitutional processes of member states. I suspect that, as 1969 approaches, we shall hear threats of withdrawal unless changes are made—but changes can be made only with unanimous consent, and I very much doubt that any one party will really wish to withdraw from its protection.

One of the great advantages of the treaty is that it is simple and general, providing a framework for further development at any time in response to specific needs. Much can and should be done to make the organization more effective, but this can be accomplished without any change in the treaty. I am confident that whatever changes are made in the organization will be in the direction of even greater integration, as required by our common defense, rather than away from it.

It is with respect to NATO that the principal allegations of U.S. domination have been leveled. I do not believe that these allegations are based upon fact. As President Johnson has said:<sup>7</sup>

We do not seek to have our way but to find a common way.

I turn now to the newest of our common Atlantic institutions, the Organization for Economic Cooperation and Development (OECD). It has the advantage of the participation of all the Atlantic countries as well as Japan. These are the nations whose concerted policies and action are essential not only to their own prosperity but to that of the entire free world. I see every reason for all our governments' making steadily increasing use of the OECD to concert policy, and we can draw upon the experience and the patterns of the older multinational organizations in making it more effective.

<sup>7</sup> *Ibid.*, Dec. 21, 1964, p. 866.

## **The Goal, a Genuine Atlantic Partnership**

It may well be in the parliamentary field that the next major step toward a more effective Atlantic community will be taken. Ideally, I see a role for an Atlantic Assembly which would develop common policies and lay the groundwork for concerted action. Eventually, I hope, its members would be elected directly by our peoples.

In such a parliamentary organization, there would be no question of domination nor of monologs and dialogs. On the contrary, there would be free, open, and democratic debate in which a variety of views, some transcending national boundaries and preoccupations, would be expressed. However modest the beginnings of such bodies may be, they bear within them—as history has shown—the seeds of great future effectiveness and authority.

There are no magic formulas for solving today's great problems—problems with which none of our governments, alone, can any longer deal effectively. We live in a time of great flux, and we are all seeking new answers, new methods, and new institutions. Yet, despite our gropings, our occasional controversies, and even our frustrations, a great deal of valuable pioneering work has been done in the past two decades and we are gaining fresh experience daily.

What we need above all is the clear recognition of our interdependence and of our need to organize and exercise it effectively. Our common interests—far more fundamental than any divergent national interests—can be advanced only by the further development of common or harmonized policies and concerted action. Our goal is a genuine Atlantic partnership, adequately organized to meet the political, military, and economic challenges of this era. If our governments clearly proclaim that goal and show their determination to work toward it through specific steps in specific fields, the next few years can bring even greater progress than we have already made. I assure you that the American people and Government are eager to press on, together with our friends in other nations, toward new and wider horizons in international cooperation.

## **President Receives Message From German Chancellor**

*Statement by President Johnson*

White House press release dated February 9

Ambassador [Heinrich] Knappstein and I have had a good talk this morning. He delivered a message<sup>1</sup> from Chancellor [Ludwig] Erhard which reaffirmed the deep community of interest between the Federal Republic and the United States. I told the Ambassador of the full and continuing support of the United States for serious progress toward the reunification of Germany, and I expressed my clear agreement with Chancellor Erhard that the struggle for the reunification of Germany requires the interest and active participation of all of the responsible powers.

## **Admiral Moorer Appointed Supreme Allied Commander, Atlantic**

The White House announced on February 10 that Adm. Thomas H. Moorer, United States Navy, has been appointed as Supreme Allied Commander, Atlantic, to succeed Adm. Harold P. Smith, who is retiring. The North Atlantic Council appointed Admiral Moorer after his nomination for that post by President Johnson.

The appointment becomes effective May 1, 1965. Admiral Moorer is currently serving as Commander in Chief, U.S. Pacific Fleet.

The Council had been informed of the contents of a letter from the President of the United States to the Secretary General of the North Atlantic Treaty Organization and Chairman of the Permanent Council, in which the President asked the member governments to agree to release Admiral Smith, who will be placed on the retired list of the United States Navy on May 1, 1965. The Council agreed to release Admiral Smith from his assignment as Supreme Allied Commander, Atlantic, and asked the President to nominate an officer of the United States Navy for appointment by the Council

<sup>1</sup> Not printed.

to succeed Admiral Smith. On February 10 the President informed the Council of his nomination of Admiral Moorer.

Admiral Smith, in addition to being Supreme Allied Commander, Atlantic, also had two U.S. commands, Commander in Chief, Atlantic, and Commander in Chief, Atlantic Fleet. Admiral Moorer will succeed Admiral Smith in all three commands.

## **Protection of U.S. Naval Nuclear Propulsion Plant Information**

### *Department Statement*

Press release 21 dated February 9

The United States Government welcomes participation abroad by United States firms in the field of maritime (civil) nuclear propulsion projects, and hopes that the growing interest in this area of nuclear technology will result in fruitful cooperation in the future. Such cooperation does however involve problems because of the close relationship between maritime and naval nuclear propulsion technologies. As a supplement to measures previously in effect to protect United States naval nuclear propulsion plant information against unauthorized disclosure, it has therefore been decided to introduce a procedure for United States Government review and licensing control over proposed participation abroad by United States firms in the field of maritime nuclear propulsion. The purpose of this review will be to insure prior to licensing that United States naval nuclear propulsion plant information shall not be divulged in the course of the proposed participation in maritime propulsion projects.

The following statement sets forth the overall policy and procedures which will be followed:

1. It is the policy of the United States Government not to participate and not to authorize

private United States firms or individuals to participate in

(a) a foreign naval nuclear propulsion plant project, or

(b) a foreign maritime nuclear propulsion plant project which would involve the provision of any United States naval nuclear propulsion plant technology (classified or unclassified) including designs, or involve the provision of any portion of a United States naval nuclear propulsion plant, its land prototypes, or special facilities for their construction, support, or maintenance, including any machinery, device, component, or equipment specifically developed or designed for use in such plants or facilities (other than an item which is identical to that in use in an unclassified civil nuclear power plant and could be furnished in a way which did not disclose its relationship to naval nuclear propulsion)

except under an Agreement for Cooperation on naval nuclear propulsion (in either case (a) or case (b)) executed in accordance with Section 123(d) of the Atomic Energy Act of 1954, as amended. This policy applies to transactions, including assignment or exchange of personnel, between United States firms and foreign firms regardless of the legal relationship between the firms.

2. Because of the risk of directly or indirectly providing United States naval nuclear propulsion plant technology through arrangements between United States firms and foreign governments or firms in the area of maritime nuclear propulsion plant technology, any such arrangement may be entered into only after consideration and approval by the United States Government, evidenced by issuance of a specific license authorizing participation in such arrangements.

3. Detailed regulations and implementing instructions as may be necessary will be issued in the near future.



## The United States and Latin America: "Special Ties of Interest and Affection"

*by Ellsworth Bunker*

*U.S. Representative on the Council of the Organization of American States*<sup>1</sup>

The interest and concern of the United States in Latin America is not a new thing. It did not begin with the stoning of Mr. Nixon a few years back, or with the arrival on the scene of Fidel Castro, or with the launching of that bold and historic program, the Alliance for Progress.

In his state of the Union address just a few weeks ago, President Johnson made this statement:<sup>2</sup>

With the free Republics of Latin America I have always felt—and our country has always felt—very special ties of interest and affection. It will be the purpose of my administration to strengthen these ties. Together we share and shape the destiny of the new world.

These special ties of interest and affection the President spoke of began developing long before our own Revolution and the wars of independence in Latin America. Not only did the scattered communities in the New World share the same hemisphere; they also suffered the same indignity of distant rule—a rule by European powers that was frequently oppressive. Above all, however, the people of the New World began to sense a new feeling of freedom and opportunity which could only be secured and expanded through political independence.

As the years passed and foreign rule declined, the statesmen of the New World saw that threats

from without and trouble from within the hemisphere could best be confronted by common efforts of all the new Republics.

While the official effort to establish an inter-American system received its initial impetus from the ideas and principles advocated by a great South American, Simón Bolívar, at Panamá in 1826, the call for action had also come from a host of leading political figures in the United States. Thomas Jefferson, Henry Clay, and John Quincy Adams—to name a few—had all favored the establishment of some sort of "human freedom league in America" to unite "all the nations from Hudson's Bay to Cape Horn."

Many of the newly independent Republics were weak, if not entirely defenseless. They were wide open to attack by their former masters. And, of course, there also was a good deal of internal dissension within the hemisphere because of imprecise national boundaries and conflicting territorial claims.

For a host of reasons the inter-American organization or league envisioned at the Congress of Panamá did not come into being. But this first official inter-American gathering did succeed in firmly planting the idea of hemispheric cooperation.

During our Civil War the dangers of an exposed and divided hemisphere were made vividly clear. Spain had retaken Santo Domingo. A European monarchy was imposed on Mexico by Napoleon III. Spain and Peru went to war over the Chincha Islands. In

<sup>1</sup> Address made before the Pan American Liaison Committee of Women's Organizations at Washington, D.C., on Jan. 30.

<sup>2</sup> BULLETIN of Jan. 25, 1965, p. 94.

economic affairs Europe grew increasingly aggressive.

At the same time the business community in the United States became aware of the great potentialities offered by stronger trade ties with the Latin American nations. Thus the movement toward inter-American cooperation gained an important economic incentive.

#### **First International Conference of American States**

In the 1880's a number of proposals were introduced in the United States Congress to authorize the President to convoke a congress of the American Republics in the interests of "peace, commerce and mutual prosperity." But these proposals would have gotten nowhere had it not been for the single-minded determination of James G. Blaine, then Secretary of State, who had a prophetic vision of the future importance of a strong and effective inter-American organization. So in 1889 and 1890 Secretary Blaine presided over the First International Conference of American States here in Washington.

Out of this conference came a deeper sense of continental solidarity. In practical terms the conference produced the plan for arbitration of international disputes—the forerunner of today's inter-American mechanisms for peaceful settlement of hemispheric disputes.

On the heels of this important juridical step came, on April 14, 1890, the establishment of a permanent economic agency, the Commercial Bureau of the American Republics (later, in 1910, to be renamed the Pan American Union).

Pan American conferences followed every 5 or 10 years, and although the inter-American system developed in a somewhat leisurely manner, it laid a sound foundation of increased continental solidarity and peaceful collaboration which served as a pattern for handling hemispheric problems.

On the eve of World War II, utilizing the inter-American mechanisms that had been gradually put together over the years, the United States sought and achieved at the Eighth International Conference of American States a united front against possible future interven-

tion in the American hemisphere on the part of the powerful Fascist states of Europe. The Declaration of Lima in 1938 served notice to the world of the determination of the American Republics to maintain their solidarity against all foreign intervention or aggression.

And again at the Meeting of Foreign Ministers in Habana in 1940 the American states declared that an act of aggression by a country outside the hemisphere against one American Republic was an act of aggression against all.

The solidarity of the system became clear when, after the United States entered the war, all the American Republics joined forces against the Axis Powers.

The Declaration of Habana was broadened in 1945, at a special conference in Mexico City, to include collective action against an aggressor whether the aggressor was an American or non-American nation (the Act of Chapultepec).

The strength that our regional system had gained and the confidence placed in it by the American nations was demonstrated during the founding of the United Nations in 1945. The 20 Latin American delegations insisted on recognition of the role of regional systems in the maintenance of peace and security. As a result, the United Nations Charter makes provision for the establishment of such regional defense arrangements.

In Rio de Janeiro in 1947 the principles of hemispheric defense were formalized in the Inter-American Treaty of Reciprocal Assistance. The Rio Treaty, as it is popularly known, established our present-day system of collective hemispheric security.

Another giant step in inter-American teamwork was taken in 1948 at the Conference of Bogotá, when the 21 American Republics signed the Charter of the Organization of American States (OAS). This, along with the Rio Treaty, gave a political structure to the principles and policies gradually developed over more than a century.

The realization had grown stronger in the minds of our policymakers that through collective, multilateral efforts the hemispheric policy objectives of the United States could best be achieved and best maintained.

## The Record of Collective Action

The record of the OAS in dealing with peace and security problems has been largely successful—so successful, in fact, that only in a few dramatic instances has it gained wide public attention. Collective action in recent years not only has strengthened the hemisphere's defenses against both external and internal threats but also has reduced tensions and troublemaking within the American community.

A few years ago, for example, the late General Raphael Trujillo, an oppressive dictator of the Dominican Republic for more than 30 years, launched a campaign of terrorism in Venezuela against the democratic regime of President Rómulo Betancourt. OAS collective action slapped stiff sanctions on Trujillo's government and effectively curbed the dictator's paramilitary adventures beyond his country's borders. Next, the OAS excluded the Cuban government of Fidel Castro from participation in the organization, then later, in October 1962, unanimously adopted a resolution condemning the Soviet establishment of nuclear weapons bases in the Western Hemisphere and backed United States efforts to remove those weapons. Once again, perhaps at the most crucial time in world history, the United States was enabled to move swiftly and decisively—with the full legal power of the OAS behind it—to remove the most powerful and most fearsome military threat ever posed against the free societies of the Western Hemisphere.

In July of last year the foreign ministers of the OAS countries met here in Washington to adopt further measures to isolate the Cuban regime politically and economically from Latin America. Some far-reaching decisions were taken.<sup>3</sup> These included the decision not to maintain diplomatic relations with Castro Cuba, and to suspend all sea transportation and trade with Cuba except shipments of foodstuffs, medicines, and medical supplies for humanitarian purposes.

The foreign ministers established the principle that *subversion*, as carried out by Castro's

agents in Latin America, is *aggression*—and they warned Castro Cuba that if it persists in acts that possess characteristics of aggression and intervention they are prepared to exercise their right of individual or collective self-defense, which could go so far as the use of armed force.

Today, 19 of the 20 OAS countries—including the United States, of course—no longer maintain diplomatic relations with Cuba. Cubana Airline flights to Madrid and Mexico City, and the Spanish airline flights between Habana and Madrid, represent the only scheduled passenger airlines between Cuba and the entire free world. And there is only one flight a week by the Spanish airline in contrast to 20 flights a week for four airlines before the October 1962 missile crisis. Many other steps have been taken, within and without the hemisphere, to contain and weaken Castroism.

Through imposing severe limitations on communications between Cuba and the hemisphere countries Castro's efforts to recruit, indoctrinate, and train selected Latin Americans in the techniques of subversion and guerrilla warfare have been made increasingly difficult. Many Latin American countries have been taking steps to limit the travel of their citizens to Cuba or to maintain close surveillance over those who do go there. Trade of Western Hemisphere countries with Cuba is dwindling to insignificance, and our allies elsewhere in the free world are cooperating in depriving Castro of the tools and strength he needs to pursue his aggressive policies throughout Latin America. The number of calls by free-world ships to Cuban ports in both 1963 and 1964 was approximately 60 percent lower than in 1962.

But the point I wish to stress here is that this most recent and decisive action on the part of the OAS member states is a vital element in our efforts to oust the new imperialists from the New World. Clearly, without the existence of the OAS the countries of the hemisphere would have been faced with far greater difficulties in countering the dangers of Castro communism. That is one major reason why we in the United States vigorously support the OAS, and that is why we shall continue to work

<sup>3</sup> For a statement by Secretary Rusk and the text of the final act, see *ibid.*, Aug. 10, 1964, p. 174.

within its framework to carry out our hemispheric defense and development policies.

### **The Alliance for Progress**

And now let me make the further point that United States support for the OAS and the entire inter-American system is firmly fixed also in the area of economic and social development. While the OAS is essentially a political organization, it has taken important steps contributing to the solution of complex and often staggering social and economic problems of the hemisphere. For while it is true that political stability is an important condition for economic growth and social betterment, the reverse is also true. Without economic growth and social development there can be no political stability nor hope for the growth of democracy.

From the establishment of the Inter-American Development Bank in 1959 to the Act of Bogotá in 1960 and finally the launching of the Alliance for Progress in 1961, the United States has played a leading role in cooperative development efforts. During the past 3 fiscal years—from mid-1961 to mid-1964—the United States contribution toward the alliance development goals has amounted to approximately \$3.4 billion in loans, grants, foodstuffs, and technical assistance. But let me suggest what this means in physical rather than financial terms.

United States assistance alone, both direct and through the institutions which Latin America now has, will have helped build over 300,000 homes; construct over 26,000 classrooms; print over 11 million textbooks; extend 280,000 agricultural credit loans; build 850 health centers, hospitals, or mobile health units; drill or install more than 1,500 wells and water systems; and provide food for 22 million people.

Our continuing effort to strengthen multi-lateral approaches to common problems is per-

haps best shown by our vigorous support of the 1-year-old Inter-American Committee on the Alliance for Progress. It is called, as you know, CIAP, from its initials in Spanish, and its task is to coordinate and direct for the OAS all the numerous and diverse development activities going ahead under the alliance. CIAP's chairman is the dedicated and able Carlos Sanz de Santamaria of Colombia, and of the seven other members of this steering group only one represents the United States. The United States fully supports this arrangement because we believe the alliance, as with political and defense actions of the OAS, should be multinational.

Finally, let me be the first to admit that the OAS is by no means a perfect regional organization. The OAS has, however, proved clearly over the years that it can be effective and forceful. But it can become even more effective, stronger, and more flexible. Indeed, the next conference, in the spring of this year in Rio, will focus on just that subject—how to improve the effectiveness of the OAS.

All these measures taken within the framework of the inter-American system—whether they be steps in the political field or in the area of economic and social development—are carefully and clearly designed to achieve the same objective, that objective being, of course, to strengthen and extend representative democracy—for it is only under the democratic form of government that strong and viable and free societies can exist and flourish.

And on the subject of democratic government, I would like to conclude my remarks by passing on to you a wise observation by that great man who gave so many arduous hours and countless contributions to the cause of democracy—and who this very afternoon is being laid to rest. Winston Churchill once said that democracy is the worst form of government ever devised by man—*except for all the others.*

## India Dedicates Sharavathy Hydroelectric Project

by *Chester Bowles*  
*Ambassador to India*<sup>1</sup>

The American people are proud and pleased to contribute capital and equipment for the building of this great hydroelectric plant. And I am personally grateful for the invitation of your Chief Minister [S. Nijalingappa, Minister of Mysore] to join with you in this impressive ceremony.

But precisely why should an American Ambassador be taking part in this dedication of an Indian dam, on an Indian river, running entirely through Indian soil into the Arabian Sea?

I cannot add significantly to the praise which the Indian planners, engineers, and workers have earned by their great achievement. Nor can I say anything fresh or new about the momentous contribution the dam will make to the people of Mysore and South India—the thousands of newly lighted villages, the hundreds of new small industrial plants, and the scores of larger factories. But what I can do is help answer a basic question on which there is much confusion, both in your country and my own: Why have the American people, who live on the other side of the world, been loaning or giving India each year Rs.225 crores in dollars plus an equal sum in wheat, rice, and other commodities to speed India's ambitious development plans?

In our annual congressional and public debates over what we call foreign economic assist-

ance a variety of claims are put forward to justify these expenditures to our American taxpayers. Some advocates, for instance, argue that our contribution to overseas development will win us friends in India and elsewhere in Asia, Africa, and Latin America. I sincerely hope that this dam and the other assistance we are giving India will contribute to this end, and I can assure you that there is a deep and genuine spirit of friendship in the United States toward India, her leaders and her people.

Yet if our friendship continues to grow I do not believe it will be the result of the capital loans, wheat, and rice which we send each year to India. In this context I am reminded of Mark Twain's remark to a contentious neighbor: "Why is it that you criticize me so? I cannot for the life of me remember ever having loaned you any money."

Indeed, our own American history should be enough to persuade us that recipient nations are not always grateful for foreign assistance. In the 19th century, for example, the United Kingdom invested literally billions of pounds in the building of American railroads and industry. Yet even today only a minority of Americans are conscious of the massive British contribution to our early economic development.

So it would be a mistake for us Americans to have any illusions on this score. We earnestly seek the friendship of India, but we know that your friendship is no more for sale now than was our own in the critical early years of our development.

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<sup>1</sup> Address made at the dedication ceremonies at Jog, Mysore, India, on Jan. 24.

A second answer to the much discussed question of "why American aid?" is related to the first: By helping India's economic development it is suggested that we may bring you into closer agreement with America's approach to current international questions.

In my opinion this answer is no more valid than the first. Indeed, some nations which we have assisted seem to go out of their way to criticize various aspects of American foreign policy in order to demonstrate to their own people and the world that United States aid money has not undermined their independence. I confess that on more than one occasion in the last 10 years this thought has passed through my mind here in India.

We will, of course, continue to seek common ground with India on international questions. But we know that such agreement carries no price tag. So, again, we shall have to seek an answer elsewhere.

#### **America's Sense of Moral Commitment**

A third response to the question of "why American aid?" is that our American economic assistance program is a moral obligation which we, as the richest nation in history, are duty bound to assume. Four years ago, President Kennedy emphasized this point in his inaugural address:<sup>2</sup>

To those people [he said] in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the Communists may be doing it, not because we seek their votes, but because it is right.

Those of you who have visited my country will testify that America's sense of moral commitment runs deep. A recent dramatic demonstration of it is the Peace Corps, under which some 75,000 dedicated young Americans apply each year for opportunities to work almost without pay in the urban slums and rural areas of Asia, Africa, and Latin America. Twelve thousand are now abroad; several hundred of them are here in India, with a contingent in Mysore State itself.

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

#### **Mutual Interest in More Rational World**

Yet the American tradition of overseas service provides only part of the answer to our question. The rest of the answer grows out of a concept which a hundred years ago or even 30 years ago would have been hard for either you or us to understand, but which in our modern era is overriding. After two World Wars, most Americans have come to see that our own security and prosperity cannot be isolated from that of the rest of the globe.

Whether we all like it or not, whether we always agree with each other or not, we are all members of the human race. Consequently, our common future depends on our ability to live together rationally on our increasingly crowded and turbulent planet.

As our world grows smaller, each nation, large or small, has a growing stake in the behavior of everyone else. In the postwar years Stalin's intransigence concerned us all. More recently, when an irresponsible China threatened India with a conflict which might have extended throughout Asia, the security of every man, woman, and child in America was involved in some degree.

Nor does our mutual interest in a more rational world stop with matters of aggression and military defense.

If we Americans should flounder and fail in our efforts to provide an increasing measure of prosperity, opportunity, and dignity for all of our citizens under a free government, the impact would be ultimately felt in every Asian, African, and Latin American village. Similarly, until the poverty, malnutrition, and illiteracy of countries such as India are met and mastered, there can be no hope for security and prosperity in the more privileged countries of the world. Furthermore, because of new technologies the economic interdependence of all nations is rapidly increasing. In today's world the continuing dynamism and growth of the American economy would be impossible without expanding foreign trade. And for India and other developing countries increasing trade with the more highly developed nations is equally essential if an adequate rate of growth is to be achieved and maintained.

In this sense, every living American—indeed, everyone everywhere who believes in peace and human freedom—has a deep personal stake in the success of the unprecedented development effort which has been undertaken by free India.

### **Economic Growth and Social Justice**

The Industrial Revolution which in the 19th century laid the basis for the present prosperity of Western Europe and America involved a heavy cost in human suffering which was vividly described by Charles Dickens. Under different circumstances and through different methods the Soviet Union under Stalin concentrated Russia's energies and resources in building industrial and military capacity regardless of the consequences to the Russian people. Today democratic India seeks what would have been beyond the reach of any developing country not so many years ago: a rapid rate of national economic growth side by side with increasing direct social and material benefits for the individual.

Your success or failure as a nation rests not only on your ability to construct great dams, new factories, and more miles of railroad tracks; equally important is your capacity to build a society which offers a steadily increasing measure of dignity, opportunity, and social justice to each individual. This calls for higher real incomes and improved living conditions for your urban people, and the right to land ownership and fair crop prices for your cultivators.

This twin objective requires bold pragmatic national planning, the wise use of all available domestic resources, a keen sensitivity to human suffering, and enlightened political and economic leadership. It also requires a substantial amount of capital and technical assistance from the more privileged nations so that the present generation need not be sacrificed for the sake of its grandchildren.

Not only the amount of foreign assistance which you receive but also its nature and the manner in which it is provided are of crucial significance.

In this regard, we Americans have come to see from hard experience that not all developing nations have the will or the ability to do what India is striving to do, and when these qualities are lacking, the effectiveness of our aid is blunted. For these reasons, we are concentrating our assistance in those countries which are prepared to use their own resources to pursue realistic development practices and where there is a certain degree of mutual respect and understanding.

We consider Sharavathy a prime example of the proper and constructive use of American assistance. It is part of a carefully conceived and well-integrated program for the development of South India. Its planning and engineering were completely Indian. Sharavathy will promote massive employment; it will encourage rural electrification; and it will permit the establishment of dynamic new industries which will earn foreign exchange to pay for similar projects in the future.

You could have built this great project without American assistance. But with such assistance you were able to build it sooner and without sacrificing other important projects or unnecessarily suppressing the day-to-day needs of your people.

Thus, the primary purpose of American economic assistance may be summed up in the following terms: to enable competent, socially conscious nations such as India to respond quickly, constructively, and responsibly to the forces which are shaping tomorrow's world. More specifically, it represents an effort by the American Government and citizens to help new nations which are prepared to help themselves to generate increasing national incomes and to insure political and social stability.

Only on such a foundation can any nation contribute effectively to our common objective, which is a more peaceful and rational world. If free India succeeds in reaching her democratic goals, the benefits will be felt in every community in my own country and, indeed, throughout the world. That in a nutshell is why I am here today.

## United States Arms Control and Disarmament Agency

FOURTH ANNUAL REPORT TO CONGRESS, JANUARY 1, 1964-DECEMBER 31, 1964 (EXCERPTS)<sup>1</sup>

### INTRODUCTION

The year 1964 brought dramatic evidence of the urgency of arms control in the nuclear age. While Ranger 7 photographs of the moon's surface heralded a future of great astronomical achievement, an explosion at Lop Nor on the mainland of China warned of the danger of nuclear spread and reminded the world of the unrelenting threat posed by these awesome weapons.

Four American Presidents since World War II have been preoccupied with arms control. They have understood that an increasing stockpile of thermonuclear weapons cannot in itself insure national security. There is a measure of progress to be recorded in the fact that this long-held American conviction is shared increasingly by the nations of the world, and particularly by the great nuclear powers.

It is this fact, along with the realization that "war is senseless" in the nuclear age, that is the basis for our belief that prudent agreements to avoid catastrophe are possible.

A major goal of U.S. policy, then, is to bring the arms race to a halt. It is the task of the Arms Control and Disarmament Agency to translate this goal into specific and realistic proposals.

<sup>1</sup> H. Doc. 66, 89th Cong., 1st sess.; transmitted on Feb. 1. Single copies of the report are available upon request from the Arms Control and Disarmament Agency, Washington, D.C., 20451.

The most urgent and immediate of ACDA's objectives are to keep the arms race from expanding and to find ways to reduce the risk of war which is inherent in the very existence of mighty nuclear arsenals. The list of arms control achievements in 1963 has contributed to easing the intensity of the arms race, and has underlined the importance of continuing the search for new agreements.

The Arms Control and Disarmament Act of 1961 stipulates that policy in this area "must be consistent with national security policy as a whole." It is and must be interwoven with defense policy. It touches vital political and economic chords as well. The problem of bringing the arms race under control is, therefore, one of extreme delicacy and complexity, both at the domestic and the international level.

The impact of events on possibilities for arms control is difficult to overestimate. Early in 1964 the two great superpowers began to give public expression to concern over the costs of their respective military establishments. Both the United States and the Soviet Union announced cuts in their military budgets. In his state of the Union message in January of 1964<sup>2</sup> the President told the Congress that production of uranium would be cut back by 25 percent and that four plutonium reactors would be shut down. When this action was followed 3 months later by a still further U.S. cut in fissionable

<sup>2</sup> BULLETIN of Jan. 27, 1964, p. 110.



materials production,<sup>3</sup> it was accompanied by simultaneous announcements in the Soviet Union and the United Kingdom of an intention to cut back their planned production for use in weapons. These actions were taken unilaterally and not by any formal agreement. The United States explained it was cutting back production because there was no reason to manufacture weapons material beyond its needs. It is fair to assume this consideration influenced the Soviet Union and the United Kingdom as well. Nevertheless, in a world grown accustomed to the continuing pileup of weapons on an almost unimaginable scale, this commonsense action was a heartening sign.

At Geneva, when the Eighteen Nation Disarmament Committee reconvened January 21, President Johnson presented the Conference with the most far-reaching arms control measures yet to come before that body.<sup>4</sup> His five-point program aimed directly at stopping the spread of nuclear weapons and at preventing any further East-West buildup of stockpiles of strategic delivery vehicles—both missiles and bombers. The weight and seriousness of intent embodied in these proposals, combined with the improved atmosphere brought about by the agreements of 1963, was reflected in the Conference for the remainder of its 1964 sessions.

While no formal agreements emerged, the accomplishments of 1963 helped the Conference come of age. Even the deepest areas of disagreement were for the most part approached with more rational exposition and less polemic than at any time in the past. As always, external political events impinged on the Geneva deliberations. Among these were such questions as the relationship of the proposed NATO multilateral force to proposals on the nondissemination of nuclear weapons. The Soviet Union extended its drive against the MLF to the Geneva forum, and refused to enter negotiations on an agreement to halt nuclear spread unless MLF was abandoned. In Washington and New York, as well as in Geneva, the U.S. con-

tinued its two-year effort to convince the Russians that the multilateral force idea was put forward as a "viable alternative" to proliferation.

The orientation of U.S. defenses to the concept of "flexible response" and the constantly evolving technology in weapons systems have had an impact on arms control concepts and made tremendous demands on the ingenuity of our technical experts. In addition, changes in the level and pattern of defense spending during 1964 brought about the closing of defense plants and installations and the possibility of resulting economic disturbances in various parts of the Nation. The Arms Control and Disarmament Agency is required by its statute to assess the effects of arms control measures on the economy; and while the closing of bases has not been the result of arms control, the economic impact is the same. The President has pointed out the importance of improving our knowledge of the effects of such action in our communities, and ACDA is involved at both the study and action level.

The year 1964 also brought new governments to the three great nuclear powers—the United States, the United Kingdom, and the Soviet Union. And during that dramatic period of a few weeks, Communist China made its bid for entry into the nuclear club. Renewed emphasis on disarmament problems was immediately evident in Britain's new Labor government. A Ministry of State for Disarmament was established, and the new Minister, Lord Chalfont, came to Washington to acquaint himself with the staff and organization of the Arms Control and Disarmament Agency. Subsequent to this, an expert group to perform functions similar to ACDA's was organized within the British Foreign Office.

In the Soviet Union, the new rulers hastened to reassure the West that the course of Soviet foreign policy would remain essentially unchanged, which—for the time being at least—served to keep open possibilities for further arms control agreements. The East-West dialog continued at several levels. Late in the year, Secretary of State Dean Rusk met in New York with Soviet Foreign Minister Gromyko. Mr. Gromyko also met with President Johnson in Washington. Meetings between the Co-Chair-

<sup>3</sup> For an address by President Johnson before the Associated Press at New York City on Apr. 20, 1964, see *ibid.*, May 11, 1964, p. 726.

<sup>4</sup> For text of the President's message, see *ibid.*, Feb. 10, 1964, p. 221.

men of the Eighteen Nation Disarmament Committee, ACDA Director William C. Foster and Semyon K. Tsarapkin of the U.S.S.R., were held in New York and Washington. Among other disarmament questions on the agenda of these talks was the priority item of how to stop further nuclear spread.

The detonation at Lop Nor, while not unexpected, brought into the public spotlight vexing questions about the relationship of the Communist Chinese to disarmament. The President called attention to one of the most immediate of these when he told the Nation: <sup>5</sup> "The lesson of Lop Nor is that we are right to recognize the danger of nuclear spread; that we must continue to work against it, and we will."

A few weeks later the White House announced the appointment of a special Presidential Committee, under the chairmanship of former Deputy Secretary of Defense Roswell Gilpatric, to make an exhaustive examination of the problem of nuclear proliferation.

Existing U.S. proposals along these lines were highlighted at the Atoms for Peace Conference in Geneva early last fall. Dramatic advances in nuclear reactor technology, and the rapid worldwide spread of peaceful uses activity, underlined the importance of international safeguards against diversion of reactor products to military use. The Chairman of the U.S. Atomic Energy Commission, Glenn T. Seaborg, warned the Conference that neither the United States nor any other nation alone could provide assurance against nuclear proliferation. The need for agreement to the President's January proposal that all nations supplying nuclear technology and materials apply uniform and credible international safeguards became clearer than ever as a result of recent technical advances.

In the year's last important political development, the American people returned President Johnson to the White House in time of "great danger [but] also the excitement of great expectations."<sup>6</sup> The Arms Control and

<sup>5</sup> *Ibid.*, Nov. 2, 1964, p. 610.

<sup>6</sup> For President Johnson's state of the Union address, see *ibid.*, Jan. 25, 1965, p. 94.

Disarmament Agency is sharing in the search for a way out of that great danger. During 1964, as in the years that preceded it, the Agency has charted its course in response both to existing realities and to new developments, whether political or technological. And when the imponderables of science and history have demanded it, the course has been recharted. The theory of the flexible response applies in peace as well as war.

On December 30, the President sent a New Year's message to the new Soviet leaders.<sup>7</sup> In that message he pledged the American people and their Government to work for practical agreements in arms control. He urged limitations on the spread of nuclear weapons; a verified worldwide comprehensive test ban; a cutoff of fissionable material production for weapons; measures to safeguard the peaceful uses of nuclear power; and a verified freeze in existing offensive and defensive strategic nuclear delivery systems. "The most urgent business for all of us," he said, "remains strengthening the foundation of world peace."

WILLIAM C. FOSTER, *Director.*

## THE INTERNATIONAL NEGOTIATIONS

There is only one item on the agenda of this Conference—it is the leading item on the agenda of mankind—and that one item is peace.<sup>8</sup>

The U.S. Arms Control and Disarmament Agency is responsible for the preparation and management of international negotiations in the disarmament field, under the direction of the Secretary of State. In 1964 the principal negotiations were conducted at the Eighteen Nation Disarmament Committee at Geneva. The Agency, as in the past, furnished technical support and policy guidance in its area of competence for talks at the Foreign Ministers level between the United States and the Soviet Union, with the nations of the North Atlantic Alliance and various other countries.

<sup>7</sup> For text, see *ibid.*, Jan. 18, 1965, p. 74.

<sup>8</sup> For text of President Johnson's message to the Conference of the 18-Nation Committee on Disarmament see *ibid.*, Feb. 10, 1964, p. 224.

## A. The Eighteen Nation Disarmament Committee<sup>9</sup>

The Eighteen Nation Committee on Disarmament (ENDC) will celebrate its third birthday on March 14, 1965. It conducts its negotiations under a joint U.S.-U.S.S.R. "Statement of Agreed Principles"<sup>10</sup> which sets the guidelines for negotiations towards an ultimate goal of general and complete disarmament. From the outset of the Committee's deliberations, the United States has pressed for inclusion of a more immediate and practical objective—agreement on limited measures to be implemented at the earliest possible date. In consequence, the emphasis at the Conference has tended to be on such limited, or "collateral" agreements. In the 1964 sessions, the Soviet Union indicated more willingness to go along with this approach than in the past. This year particular attention was directed to measures designed to contain the nuclear threat.

On January 21, 1964, after its usual recess during the General Assembly, the Committee resumed its discussions. In a message to the Conference, President Johnson presented five proposals for potential agreement and reaffirmed United States support of arms control and disarmament goals.

The five proposals ranged from far-reaching measures involving complex negotiations to more modest items, easy to implement and not too difficult to police.

### *The "freeze"*

The most substantial and dramatic of the proposals was a U.S. offer to explore the possibilities of a freeze of strategic nuclear delivery vehicles. The proposal was designed to tackle the arms race in a critical area and prevent the development and accumulation of new and even more powerful strategic delivery vehicles—the missiles and aircraft capable of long-range de-

<sup>9</sup> Brazil, Burma, Bulgaria, Canada, Czechoslovakia, Ethiopia, India, Italy, Mexico, Nigeria, Poland, Rumania, Sweden, United Arab Republic, United Kingdom, United States, and Union of Soviet Socialist Republics. France, while a member of the Eighteen Nation Committee, has not taken her seat at the Conference table. [Footnote in original.]

<sup>10</sup> For text, see BULLETIN of Oct. 9, 1961, p. 589.

livery of nuclear payloads. In his exposition of the proposal, the U.S. delegate pointed out that unless production were frozen at present levels, the more than 750 operational long-range missiles then in American arsenals would "rise, under present plans, to more than 1,700 during the next few years."<sup>11</sup>

Under a freeze agreement, production of all such types of armaments would be halted, except as specifically agreed to provide for maintenance, loss by accident, or for training and "confidence" firings, and outer space programs. New development would be restricted. All production and testing facilities would be declared at the outset, but not the actual missile and aircraft inventory. Also, installations for space launchings and sites to be used for allowed firings would have to be declared and kept up to date.

The verification system was designed to provide for maximum effective verification with minimum intrusion into the normal activities of states. The system would include continuing inspection of declared manufacturing plants and testing sites, spot checks each year to look for undeclared locations, observers at space launchings and allowed missile firings, and observation of destruction of missiles or launchers, or confirmation of their loss by accident.

The Soviet reaction to date has been negative. The proposal was characterized, in the now-familiar way, as "control without disarmament." It was aimed, the Russians maintained, at the "very arms which form the basis of the defensive might of the Soviet Union," and was motivated by a U.S. desire to concentrate on production of short-range missiles and new military aircraft, such as the A-11. The freeze was, on the other hand, well received by the non-Communist ENDC delegations, who recognized the serious intent and work behind this proposal, and hoped it could be accepted by the Soviet Union as a basis for exploration.

### *The "cutoff"*

Another U.S. proposal directed—as was the freeze—towards curbing the arms race was the

<sup>11</sup> *Ibid.*, May 11, 1961, p. 756. For other U.S. statements dealing with the "freeze," see *ibid.*, Mar. 2, 1964, p. 350, and Sept. 21, 1964, p. 413.

renewal of the offer for a verified agreement to halt all production of fissionable materials for weapons use.<sup>12</sup> Just as the freeze could halt the production of delivery vehicles, so the cutoff would affect the amount of fissionable material available for the nuclear warheads in missiles. Such an agreement would also tend to inhibit nonnuclear countries from developing weapons.

The President suggested in his message to the Conference that—pending agreement on a complete cutoff—reductions begin by closing down production of fissionable material on a reciprocal plant-by-plant basis with mutual inspection.

In addition, the United States maintained its offer in connection with this proposal to transfer an agreed amount of fissionable material to nonweapons uses if the Soviet Union would do likewise.

A verification scheme to give confidence of compliance had been worked out for the cutoff proposal, again involving only as much invasion of national privacy as necessary to protect national security. A working paper on its technical aspects was tabled.

Again the initial Soviet reaction was negative. More often than not, the Soviet Union rejects the need for verification, charging that this requirement is actually an excuse for “legalized espionage.” But specific Soviet criticisms revealed a lack of understanding of the proposals which may be eliminated by future discussions.

Both the freeze and the cutoff would affect the focal point of the arms race—nuclear weapons and their delivery systems. While no cutoff agreement was in sight, a step in this area was taken in the spring. On April 21, the United States and Soviet delegates turned the attention of the ENDC to the parallel announcements [on April 20] by President Johnson and the Soviet Premier dealing with their intentions concerning the planned production of fissionable material in the United States and the Soviet Union, respectively. On the same day, the British Prime Minister made a similar statement on behalf of the United Kingdom.

<sup>12</sup> For U.S. statements made on June 18 and 25, see *ibid.*, July 27, 1964, p. 123.

These announcements highlighted the value of the U.S. proposals for a verified agreement on a complete production cutoff and gave added impetus to them. The ENDC recognized the relation of these developments to its work by noting the announcements “with great satisfaction” in its communique of April 21 and in the Committee’s report to the United Nations Disarmament Commission and the 19th General Assembly.

### *Nonproliferation*

On October 18, President Johnson spoke to the Nation about the Chinese Communist explosion, and warned of the dangers implicit in an increase of the number of countries controlling nuclear weapons. In doing so, he lent new urgency to the proposals he had made to the Disarmament Conference in January. Three of the measures in his five-point program were proposed “to stop the spread of nuclear weapons to nations not now controlling them.”

The first proposal was for an agreement that nuclear weapons not be transferred to the national control of states not now controlling them. The Director of the Arms Control and Disarmament Agency, William C. Foster, announced at Geneva the U.S. intention to take no action inconsistent with the “Irish Resolution,”<sup>13</sup> adopted by the General Assembly in 1961, which calls for a nonproliferation agreement.

Later in the year an important step along this line was taken at the ENDC when on August 27, R. K. Nehru, the Indian representa-

<sup>13</sup> The first operative paragraph of that resolution [U.N. doc. A/RES/1665(XVI)] calls upon “all States, and in particular upon the States at present possessing nuclear weapons, to use their best endeavours to secure the conclusion of an international agreement containing provisions under which the nuclear States would undertake to refrain from relinquishing control of nuclear weapons and from transmitting the information necessary for their manufacture to States not possessing such weapons, and provisions under which States not possessing nuclear weapons would undertake not to manufacture or otherwise acquire control of such weapons.” [Footnote in original.] For text of Mr. Foster’s statement of Feb. 6, 1964, see BULLETIN of Mar. 9, 1964, p. 376.

tive, announced the decision of his Government not to produce or acquire nuclear weapons, but to employ India's nuclear capability solely for peaceful purposes. The United States welcomed and commended this step, and urged other governments to follow India's example.

The President's second proposal was to seek agreements providing for international inspection of peaceful nuclear activities and the application of effective international safeguards to any transfers of nuclear equipment and materials for peaceful purposes. The rapid spread, on a worldwide scale, of nuclear reactors for power has complicated the problem of controlling nuclear spread. Because power reactors produce plutonium which can be used in weapons, uniform international controls "to keep the peaceful atom peaceful" are essential.

A positive step in this direction encouraged negotiators during the spring session. On March 5, the U.S. representative announced that the 600,000 thermal kilowatt nonmilitary Yankee reactor in Rowe, Mass., would be placed under International Atomic Energy Agency safeguards.<sup>14</sup> This represented by far the largest U.S. power reactor to be opened to international inspection, and the delegation urged the Soviet Union and other states to follow the U.S. example. The first international inspection of the Yankee reactor took place in November 1964.

The third proposal in the President's message was for a verified agreement to ban underground testing. Just as the limited test ban treaty acts as a restraint on the nonnuclear nations against weapons development, a total ban would further inhibit proliferation. It would mark even more clearly the voluntary determination of non-nuclear signatories not to develop a nuclear capability.

Productive discussion of nondissemination in the ENDC was frustrated, however, by violent Soviet attacks against the proposed NATO multilateral force, which the Soviet Union alleged to be a means of putting nuclear weapons in the hands of the German Federal Republic. U.S. delegates explained that containment of the nu-

clear spread was an important objective of the MLF and outlined the elaborate system of safeguards the force would incorporate to prevent national use by any one of its members.

The President's message also stated U.S. willingness to discuss means of prohibiting the threat or use of force, directly or indirectly, to change boundaries or demarcation lines, and it proposed discussion of a system of observation posts to further reduce the danger of war by accident or surprise attack.

In addition, the United States presented a proposal for a "bomber bonfire" of U.S. B-47's and Russian TU-16's, to be taken from operational inventories and destroyed at the rate of 20 a month over a 2-year period.<sup>15</sup> It was suggested that additional aircraft might be added from "mothball" stocks. The United States did not deny that the measure involved planes which were being phased out of the active inventory. Nevertheless, they were bombers capable of delivering nuclear weapons, and their destruction would prevent their sale or transfer to third parties, thereby contributing to regional arms races. Another attraction in the proposal lay in the fact that it would represent the first actual physical destruction of armaments, and as such would provide valuable experience in arms control.

These measures were the core of the U.S. position at the ENDC in 1964. They represent a wide variety of potential agreements, and will be on the agenda when the Conference returns to Geneva from its winter recess.

## **B. International Atomic Energy Agency**

Another essential arms control objective is to prevent diversion of nuclear materials, particularly the plutonium byproduct of power reactors, to military purposes. The need for safeguards against such a possibility becomes increasingly important as peaceful atomic energy programs mushroom on a worldwide scale.

The vital role of an international control system was reflected in President Johnson's pro-

<sup>14</sup> *Ibid.*, Apr. 20, 1964, p. 641.

<sup>15</sup> *Ibid.*, p. 642.

posals to the ENDC in 1964. He urged an agreement to provide that all transfers from one country to another of nuclear materials and equipment for peaceful purposes take place only under effective international safeguards.

The International Atomic Energy Agency has already made a significant effort in this direction. Since 1961 it has operated an international safeguards system of control and inspection to assure that certain civil research and power reactors are used for peaceful purposes only.

The United States has been in the vanguard of the effort to control the peaceful atom. Electric energy from nuclear power, and the exciting prospects of converting sea water to fresh for irrigation, promise revolutionary benefits to the world. The United States has assisted many countries to develop their peaceful nuclear potential. But because of the military potential in the operation of power reactors, U.S. help has been extended only under a strict system of bilateral safeguards agreements.

The United States, however, is not the only country assisting in the development of the peaceful atom. The only genuinely effective assurance against diversion of fissionable materials to military uses lies in a uniform international safeguards system in which all countries supplying nuclear technology and materials participate. The United States is therefore giving full support to the IAEA and has urged expansion of its safeguards system.

In support of this policy the United States is transferring to the IAEA responsibility for administration of the American bilateral safeguards program. One-third of some 35 U.S. agreements have already been brought under IAEA safeguards. Negotiations are currently underway which will eventually result in the transfer of the remainder.

Meanwhile, the IAEA has made significant progress in developing its safeguards system. In February 1964 it expanded its procedures to cover large power reactors of 100,000 thermal kilowatts or more. Last March at the Disarmament Conference in Geneva, the United States announced that it would accept IAEA safeguards and inspection of the giant privately owned Yankee power reactor at Rowe, Mass. The U.S. representative urged other major nu-

clear powers to follow this example with some of their large civil reactors.

### C. Antarctic Treaty

In the austral summer of 1963-64 two groups of U.S. observers conducted the first U.S. inspection of Antarctic stations under the Antarctic Treaty. The treaty, signed by 12 countries on December 1, 1959,<sup>16</sup> is in part an arms control agreement. It was the first major step toward preventing expansion of the arms race into new environments, for it insures that Antarctica will be used for peaceful purposes only. Its provisions include prohibition of all nuclear explosions and of any dumping of radioactive waste, but allow the peaceful use of nuclear energy.

One article of the treaty establishes for each signatory the right of unilateral inspection to satisfy itself that no military activities are taking place in the area. ACDA was an active member of an interagency committee which planned the U.S. inspection. ACDA's role represented another example of its activities in the arms control field.

The U.S. inspection of stations of six of the signatory powers, including the Soviet Union, took place in January 1964.<sup>17</sup> An ACDA officer was a member of one of the groups of observers. In addition to examining ground installations and equipment at five stations, the observers conducted aerial observation by overflight of the sixth. They were careful at the same time not to interfere with the scientific programs underway. The observers' report stated that "observations revealed a variety of scientific and other peaceful activities; no evidence of measures of a military nature was found."

### THE RESEARCH PROGRAM

Studies must be continuing and current, not only because they are related to our disarmament proposals, but also because of the way in which the pressures of changing technology and the realignment of strategic concepts affect the possibilities for arms control.<sup>18</sup>

<sup>16</sup> For text, see *ibid.*, Dec. 21, 1959, p. 914.

<sup>17</sup> For background, see *ibid.*, Sept. 30, 1963, p. 513; Dec. 16, 1963, p. 932; and Sept. 21, 1964, p. 402.

<sup>18</sup> William C. Foster, in ACDA's third annual report to Congress, January 1964.

## **ACDA's Responsibilities**

At the end of 3 full years of activity, ACDA is now sustaining an organized and broadly based research effort. The Arms Control and Disarmament Act of 1961 gave the Agency primary responsibility for the conduct and support of research "upon which realistic arms control and disarmament policy must be based," and for coordinating Government-wide research in the field.

In 1964 the research program began to pay off, in the sense that answers to many of the questions put out in the early stages of ACDA's broad, initial inquiry began to come in. The normal, steady flow of maturing contracts that characterizes a full-fledged research program came as a reward to the Agency's first efforts. Answers to general questions about possibilities led in turn to new contracts to carry an examination deeper when those possibilities revealed promise. This has often meant that when an early theoretical study revealed, for example, that missile production could be controlled, following contracts went after the specific, technical answer to how it could be done.

In addition to this direct Agency-contractor relationship, ACDA is involved—either through its coordinating responsibility, or in contract support—with other agencies of the Government working on projects which intersect arms control questions. Most directly concerned are the Department of Defense, the Atomic Energy Commission, and the National Aeronautical and Space Administration. ACDA's experts maintain contact with their counterparts in all these agencies, sharing in research activity at both the information and operating level. Reports on Government activity related to the arms control mission are made to the Arms Control and Disarmament Agency, which in turn reports twice a year to the Bureau of the Budget on all Government activity in the field.

In some cases the programs undertaken by other agencies provide technical information needed to develop arms control measures. A well-known example is the Defense Department's Project Vela which is working to improve the capability to detect and identify

nuclear explosions. In the past, its results have affected the on-site inspection requirements of the U.S. test ban proposals. Another agency, the Atomic Energy Commission, is studying the technical means of estimating past and current U-235 production at a gaseous diffusion plant. Such highly specialized information is also needed for arms control measures involving nuclear weapons or limiting the production of fissionable materials.

Often, of course, Defense Department research focuses on the impact of arms control measures on the strength of U.S. military forces or on specific weapons systems. One such study concentrates on the impact of arms control proposals on the Army. The results of such studies are indispensable to ACDA in determining the feasibility of particular arms control measures, particularly their effect on national security. Finally, this background knowledge of programs initiated by other agencies enables ACDA efficiently to plan its own research program, to fill the gaps in information and embark upon new projects without risk of needless duplication.

## **Research Needs**

ACDA's research needs fall roughly into four classifications. There is first the need to understand the political, military, economic, and social factors comprising the environment in which arms control measures can be initiated or will be implemented. This includes analyses of the policies of the other side, such as studies sponsored by ACDA to analyze Soviet policies towards disarmament which are helping to develop an understanding of where agreements are possible.

Beyond such basic knowledge, the risks of war engendered by different environments must also receive careful scrutiny. These risks, whether attributable to political or technological factors—problems of escalation, limited warfare, war by accident or surprise attack—must be identified if they are to be effectively minimized.

Armed with an awareness of existing situations and the risks they contain, ACDA's experts can turn their efforts to designing arms control measures. These can involve reductions of armaments or limitations on their further

production; or they can be directed toward easing the tensions and risks of war. Developing arms control proposals also includes elaboration of verification systems. Field testing of verification or inspection techniques is another step in their development.

Finally, ACDA must conduct research into the impact of arms control measures. Their economic consequences are a well-publicized problem. In addition, military, political, and other conditions may be changed in consequence of agreements, and it is important to anticipate their impact in order to prepare for possible destabilizing effects.

Work progresses simultaneously in all these areas, but there is some shifting in the intensity of effort in response to immediate needs. This year, for example, special attention was devoted to verification related to the freeze concept, and to the problems of nuclear proliferation.

#### **How Research Is Planned and Executed**

Arms control research is either undertaken within Government agencies or by private institutes, universities, individuals, or corporations on a contract basis. Many problems can best be given to an external researcher who is an expert in a particular subject. Other research must be done in ACDA by officers or by inter-governmental working groups directly involved in policy formulation. Papers connected with the final preparation of proposals are often highly classified and must be held within the Government. Moreover, there is always a final stage in the work, even when several external research studies have been used to form a proposal, when only Agency officers can mold the final product.

ACDA's research projects usually originate within one of its specialized bureaus<sup>19</sup> which then assumes responsibility for the particular piece of work. The Agency's Research Council, made up of representatives from each bureau, meets regularly to coordinate the overall research effort. In this way overlap is avoided and deficiencies are spotted.

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<sup>19</sup> International Relations, Weapons Evaluation and Control, Science and Technology, and Economics. [Footnote in original.]

#### **How Research Is Used**

In 1964 ACDA's research was extensively used in the elaboration of President Johnson's five proposals to the Eighteen Nation Disarmament Committee.

For example, past studies contributed to the U.S. offer to explore a verified freeze on the numbers and types of nuclear delivery vehicles. Over 15 separate studies were undertaken in connection with this proposal and research is continuing as increasingly sophisticated problems arise.

The beginnings can be traced to 1962 when two contracts were let to examine general questions about nuclear delivery vehicles: how missiles and strategic bombers were produced; how such production could be controlled if it were restricted by international agreement; what inspection techniques and instruments could be used to monitor allowed production and to spot possible clandestine production. These early contracts contributed importantly to ACDA's fund of knowledge about nuclear delivery vehicles. They were completed in early 1963.

Other studies followed. One contract investigated controls on missile testing, essential to the development of new weapons types. Another contract sought to determine how early in the development process of missiles and space programs controls could be imposed.

These contracts were supplemented by highly technical studies made by ACDA's scientific staff to seek negotiable verification procedures fully adequate to protect U.S. security interests. Alternative methods of limiting missile production were analyzed. These efforts led to the idea that limitations on strategic nuclear vehicles might be possible as a separate measure, not linked to agreement on a complete disarmament program. The next step was to examine the feasibility of such a separable production freeze.

Intensive work in ACDA transformed the idea of the freeze into an exploratory proposal. Its provisions were developed; a verification system which could preempt possibilities for cheating was conceived; the implications of the measure for U.S. security and weapons development were analyzed. In the process, a long list of increasingly complicated research needs also emerged.



By the beginning of 1964, the Committee of Principals had considered the proposal and recommended it to the President, who in turn approved it for exploration at Geneva. During the summer the U.S. delegation was able to describe the verification concept for the freeze. This material as outlined to the Conference was illustrative only. Specific procedures would have to be worked out in further discussion and negotiation.

Work related to the freeze is continuing. A contractor is studying controls on testing new developments in military missiles and space vehicles in order to design effective verification. In-house research is analyzing and refining problems of control over the characteristics of nuclear delivery vehicles. In addition, a 6-month series of field tests was initiated to prove out and perfect inspection methods on Titan and Polaris missile plants.

Because of the urgent need to halt the spread of nuclear weapons, much ACDA research effort—particularly in the past few months—has been devoted to this problem. Major emphasis has been placed on possible international agreements to prevent proliferation and on expansion of the use of international safeguards against diversion of fissionable materials to weapons use. Because space vehicles for peaceful uses will continue to develop, the possibility of such space programs being used for military purposes in violation of an agreement is under the scrutiny of a research contract.

A major U.S. goal in the attempt to halt nuclear dissemination continues to be a verified agreement to end nuclear testing underground. Research activity in this area is proceeding on a priority basis.

Agreement to the U.S. proposal that nuclear powers shut off all production of fissionable materials for weapons use would also have an effect on the ability of additional countries to develop nuclear weapons. This year a system for verifying such an agreement was elaborated by ACDA and the AEC and presented to the Eighteen Nation Conference in Geneva.

#### **Control and Reduction of Arms**

Even while attention was focused on the President's proposals, the search for means to con-

trol and reduce armaments continued. In addition, it is important to study the arms control implications of new developments in weapons technology in order to plan intelligently for future measures.

Potential arms control measures must be studied for their effect on the military environment, the balance of seapower, for example. ACDA is continuing a joint venture with the Office of Naval Research to study this relationship.

This dual approach to future, as well as present conditions, is illustrated by two contracts underway for a thorough examination of how arms control concepts would affect the present forces of NATO and the Warsaw Pact as well as how they could affect the situation projected for this area through 1970.

The United States proposed measures in 1962 and 1963 to guard against the possibility of war through accident, miscalculation, or misunderstanding. These included a proposal for a system of observation posts and for a direct communications link between the Soviet Union and the United States, the latter successfully negotiated in 1963. A better understanding of the factors contributing to the escalation of conflict is another essential in a world where limited warfare can potentially lead to nuclear holocaust. In 1964, ACDA contracted the first thorough study of escalation processes and control of conflicts. The investigation will attempt to develop models predicting statistically the behavior of participants in a conflict.

#### **Inspection and Verification**

The problem of verification has become synonymous with disarmament proposals. However, "verification" and "inspection" are not necessarily the same thing. Some "first step" agreements reached in 1963 did not require inspection arrangements because verification was possible by national means. Many arms control measures must include inspection provisions for checking on compliance with an agreement. The greater the effect of a measure on military strength, the more essential is the assurance that the other side is adhering to an agreement.

The built-in obstacle to extensive verification schemes is the reluctance of states to throw open

their borders to foreign inspectors. The Soviet Union's obsession with secrecy is well known. Other countries, however, including the United States, also have sensitive facilities and areas where visitors are not welcome. The dilemma for the arms controller is to devise a system satisfying parties as to compliance without unnecessary intrusion at home or abroad.

Research in the verification category involves an examination of how much and what kind of verification is needed, and then the development and design of verification and inspection techniques. Requirements differ from measure to measure, since they must be related to the environment of the agreement, the objects and activities being restricted, or the possibilities of evasion. Agency experts have been analyzing the present state of knowledge about these requirements as a guide to further in-house and contract research.

Because of the important role of nuclear delivery vehicles in any arms control scheme, much attention has been devoted to control of their production or deployment. This has been balanced, however, by studies of how to police agreements involving deployed tactical ground and air forces.

The development of verification concepts is a continuing Agency project. International inspection is a classic means of policing arms control; but there are some situations in which it is not the ideal approach. For example, the original provisions for on-site inspection in the U.S. proposals for a comprehensive test ban called for complicated international verification and large inspection teams. Research made it possible to modify these requirements significantly. Study produced a new concept termed "adversary inspection"—"you inspect me and I inspect you." It is based on the principle that if inspectors are nationals of one party to the agreement, they are better prepared to distinguish violations likely to threaten the security interests of their own country. The most recent U.S. test ban proposals incorporated such a system.

But these studies continue and it is possible that new instruments and methods will be discovered. Major emphasis in 1964-65 was placed on the development of new instruments for use in inspection of arms control agreements.

The current stage in this effort is focused on feasibility studies to determine what principles can be developed into inspection "hardware." A testing stage will follow to select those instruments worth putting into production.

There are innumerable ways of checking on whether agreements are being violated. The problem is to find the combination which is the surest, the most efficient and economical, and the least intrusive. The use of plant and manufacturer's records for monitoring production limitations is being considered, as is the use of details about military budgets. Several ACDA research studies are now in process to broaden U.S. understanding of Soviet budgetary practices. This will help shed light on whether budget reductions can ever be verified. The feasibility of using fiscal information to supplement verification of other arms control measures may also be determined through these studies. A research study by the Department of Commerce will provide ACDA with a comprehensive report on the Soviet fiscal system and assist in the evaluation of this potential verification instrument.

The regular programming of field tests under the joint ACDA-Defense Department Project Cloud Gap has increased experience and insight into the problems of inspection. One experiment helped evaluate how accurately an inspection team could count and identify Army vehicles at an Army installation under given conditions. A similar test determined the effectiveness of aerial inspections for retained levels of ground armaments.

Activity at military installations and on routes in an area of military maneuvers were monitored in another field test. Results should greatly increase the basis for understanding of indicators of military threat and the use of observation posts to reduce the danger of surprise attack.

#### **Environmental Factors**

Once the military and technical aspects of an arms control concept are examined, political and sociological factors will determine its potential as a negotiable proposal. For example, analyses of past Soviet and Chinese Communist policies toward disarmament have been made. The

problem has also been approached through research by selecting significant areas of confrontation and projecting the likely technical, military, and political developments in that area for the next 10-year period.

One increasingly important problem is the search for solutions to local disputes and the inhibition of regional arms races.

ACDA has been studying the role of small powers in arms control since mid-1963. The first phase of a long-range project has focused on the prospects of arms control in Latin America, the Middle East and Africa. The problems of each area have been described and analyzed and tentative conclusions reached about possible arms control measures. A similar study is underway for the Far East.

In the range of topics associated with the reduction of international tension, the peaceful settlement of disputes stands high. An aspect of this question is one of the role of peace observation under present conditions or in a disarming world. In this connection, a pioneer analysis of peace observation experiences under the League of Nations, the Inter-American system and the United Nations was completed late in the year under an ACDA contract.

By 1964, initial research had revealed so many social and psychological factors bearing on arms control that ACDA established a Social Science Advisory Board. Eminent scholars from leading U.S. universities representing a variety of social science disciplines are to advise the Agency on relevant social science developments and keep the Director apprised of professional research in the field pertinent to arms control. The Board is under the chairmanship of Erwin N. Griswold, dean of the Harvard Law School.

### **Economic Impact**

The Arms Control and Disarmament Agency is required by statute to assess the effects of various arms control and disarmament measures on the American economy. Current changes in the pattern and location of defense spending have highlighted the concern expressed in 1961 by the drafters of the Agency's legislation. The need to be prepared with information, analyses, and policy criteria which can facilitate economic adjustment when the need occurs is becoming increasingly evident.

The magnitude of this undertaking requires close cooperation among interested Federal agencies who are working at the State and regional level with local officials and representatives of industry and labor on the economic impact problem.

How defense production facilities might be converted more rapidly to civilian production is the subject of three ACDA contracts. One contractor is considering the conversion problems of the electronics industry. Another is concerned with problems of small firms specializing in research and development. A third is making management-type case studies of conversion experience.

Changes in the defense program may have important effects on individual communities in the United States. ACDA has awarded two contracts to study the results of altered defense spending on specific area situations.

Studying the possibilities of providing defense workers with new jobs is essential to economic impact planning. Actual experience of terminated workers in finding new employment can help identify factors affecting labor mobility, and ACDA has joined the Department of Defense in a study of reemployment experience of defense workers at the Boeing plant in Seattle and in a corresponding study at the Republic Aviation and other defense plants on Long Island. The U.S. Department of Labor also is participating in the Long Island study. A third study deals with the reemployment experience of defense workers at the Martin plant in Denver.

ACDA continues to join in contracts with the Department of Defense to measure how defense programs distribute production and employment among industries and regions.

During 1964 the effectiveness in coordination by the ACDA Director of research on economic consequences increased materially. ACDA's prospective economic studies have been regularly checked out with other interested agencies. Coordination of related economic research between ACDA and other departments and agencies has been improved, due in part to collaboration between the Agency and the President's Committee on the Economic Impact of Defense and Disarmament.

## TREATY INFORMATION

### United States and U.S.S.R. Sign King Crab Fishing Agreement

#### DEPARTMENT ANNOUNCEMENT

Press release 20 dated February 6

The United States and the Soviet Union concluded at Washington on February 5 an agreement relating to fishing for king crab on the continental shelf in the North Pacific. Signing of the agreement came at the end of several weeks of consultations which had been requested by the Soviet Union following enactment by the United States last spring of Public Law 88-308 (the so-called Bartlett Act). William C. Herrington, Special Assistant to the Under Secretary of State, signed the agreement for the United States, and M. N. Sukhoruchenko, Deputy Chairman, State Committee on Fisheries, for the Soviet Union.

The two countries agreed that in accordance with the provisions of the United Nations Convention on the Continental Shelf, the king crab is a resource of the continental shelf over which the coastal nation has sovereign rights for the purposes of exploration and exploitation. The consultations took into account that the Soviet Union has maintained a crab fishery for several years on the United States continental shelf in the eastern Bering Sea and in other areas of the northeastern Pacific and that American fishermen have at present only a small fishery for king crab in the eastern Bering Sea. In view of these factors, the United States agreed that Soviet fishermen may continue to fish in the eastern Bering Sea for 2 years at a reduced level of catch. Soviet fishermen will not fish for king crab in other areas of the United States continental shelf.

The agreement also provides for conservation measures to be applied to the crab fishermen of both countries in the eastern Bering Sea, for continued and intensified scientific study of the

king crab resource there, and for enforcement of the terms of the agreement. The agreement specifies a substantial subarea in which only crab pots, the type of gear used by American fishermen, will be used for commercial crab fishing. The two Governments will hold further consultations prior to the end of the 2-year period.

The desirability of consultation with other countries prior to implementation of the continental shelf provisions of Public Law 88-308 was pointed out by President Johnson in his statement May 20, 1964,<sup>1</sup> when he signed the law. Successful consultations were held between the United States and Japan last fall regarding the Japanese crab fishery in the eastern Bering Sea.<sup>2</sup>

#### TEXT OF AGREEMENT

##### **Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Relating to Fishing for King Crab**

The Government of the United States of America and the Government of the Union of Soviet Socialist Republics having considered in a spirit of mutual understanding their problems relating to the king crab fishery on the continental shelf in the light of their ratifications of the Convention on the Continental Shelf adopted at Geneva, 1958,<sup>3</sup> and having taken into account the existing fishery of the Soviet Union for king crab in the eastern Bering Sea, have agreed as follows:

1. The king crab is a natural resource of the continental shelf over which the coastal state has sovereign rights for the purposes of exploration and exploitation in accordance with the provisions of Article 2 of the Convention on the Continental Shelf.

2. Nationals and vessels of the Soviet Union may carry out commercial fishing for king crab on the continental shelf of the United States for a period of two years in that area of the eastern Bering Sea described in the Appendix to this Agreement, provided that the annual commercial catch by Soviet nationals and vessels in such area shall not exceed 118,600 cases of 4½ half-pound cans each in 1965 and 1966.

3. Each Government will apply the measures specified in paragraphs 2 and 3 of the Appendix to this Agreement to its nationals and vessels engaged in the king crab fishery in the eastern Bering Sea. These

<sup>1</sup> For text, see BULLETIN of June 15, 1964, p. 936.

<sup>2</sup> For background, see *ibid.*, Dec. 7, 1964, p. 829, and Dec. 21, 1964, p. 892.

<sup>3</sup> Treaties and Other International Acts Series 5578

measures may be modified by agreement between the two Governments. Either Government shall, if requested by the other Government, provide opportunity for observation of the conduct of enforcement of the provisions of this Agreement and for that purpose shall permit duly authorized officers of the other Government to board its vessels engaged in the king crab fishery in the eastern Bering Sea. These officers will make a report on the results of their observations; the report will be forwarded to the flag government for appropriate action if such should be necessary.

4. The two Governments will continue and intensify their study of the king crab resource in the eastern Bering Sea and will exchange annually by November 30 the data resulting from such study including also, to the extent possible, an estimate of the maximum sustainable yield of the resource. The data to be furnished by each Government may be prepared in accordance with its own methodology and shall include, but not be limited to, the categories of data described in the Appendix to this Agreement. The two Governments will also provide for the exchange of scientific personnel engaged in the study of the king crab resources.

5. The two Governments will meet at some mutually convenient time prior to the expiration of this Agreement to review the operation of the Agreement and to decide on future arrangements.

IN WITNESS WHEREOF, the undersigned, duly authorized, have signed the present Agreement and have affixed their seals thereto.

DONE in duplicate, in the English and Russian languages, both equally authentic, at Washington this 5th day of February, 1965.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

WM. C. HERRINGTON

FOR THE GOVERNMENT OF THE UNION OF SOVIET SOCIALIST REPUBLICS:

M. SUKHORUCHENKO

## Appendix

1. The area referred to in paragraph 2 of the Agreement is that portion of the southeastern Bering Sea lying seaward of the United States territorial sea west of 160° W. longitude.

2. (a) Female king crabs, king crabs less than 11.5 cms. in maximum carapace width and soft-shelled king crabs shall not be retained and used. Any such crabs taken incidentally shall be returned immediately to the sea with a minimum of injury.

(b) King crabs shall not be taken by means of fishing gear other than pot and tangle net. The stretched diagonal measure of tangle net mesh shall be no less than 50 cms.

3. Unless otherwise agreed by the two Governments, only pots may be used to capture king crabs for commercial purposes in that area lying seaward of the United States territorial sea and within the following

described boundaries: a line running due west through Sea Lion Rock light and along 55°28' N. latitude to 165°34' W. longitude, thence southwesterly to an intersection of a line passing between Cape Navarin and Cape Sarichef at 55°16' N. latitude and 166°10' W. longitude, thence southeasterly along the Cape Navarin-Sarichef line to Cape Sarichef.

4. The data referred to in paragraph 4 of the Agreement are:

### a. Biological Data.

(1) Tag returns: tag number and/or tag; date and location of capture (latitude and longitude); sex, length, width and weight of crab; condition of shell.

(2) Life History Data: length, width, weight and age of crab by sex; moult data; breeding habits, feeding habits, migration habits.

(3) Publications dealing with king crabs in Bering Sea and North Pacific.

### b. Catch Statistics.

Total annual catch and weekly or daily catch by area, sub-area or precise location.

### c. Effort Statistics.

(1) Number of nets and pots set; location of nets and pots set (sub-area, latitude and longitude, or boundaries of net field); duration of set for nets and pots and number of crabs caught; description of nets and pots—length, depth, mesh size, twine.

(2) Number of fleets operated by dates of operations; number of setting boats, picker boats, pot boats; number of fishermen.

### d. Production Statistics.

(1) Canned crab: number of cases, number of crabs per case, quantity of meat per case.

(2) Frozen crab: number of units; number of crabs.

## Current Actions

### MULTILATERAL

#### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Notification that it considers itself bound:* Zambia, January 11, 1965.

#### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1961. Entered into force August 20, 1961. TIAS 5446.

*Signatures:* South Africa, February 8, 1965; Jordan, Kuwait, Lebanon, Libya, New Zealand, Sudan, Syrian Arab Republic, February 12, 1965.

*Notification of provisional application:* Belgium, February 10, 1965.

Special agreement. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Signatures:* Department of Posts and Telegraphs for South Africa, February 8, 1965; Ministry of Communications for Jordan; Ministry of Post, Telegraphs, and Telephones for Kuwait; Lebanon; Libya; Postmaster-General of New Zealand; Ministry of Communications for the Syrian Arab Republic, February 12, 1965.

### **Sugar**

Protocol for the prolongation of the international sugar agreement of December 1, 1958 (TIAS 4389). Done at London August 1, 1963. Entered into force for the United States February 27, 1964. TIAS 5744. *Ratifications deposited:* Poland, December 9, 1964; Colombia, December 31, 1964.

## **BILATERAL**

### **Brazil**

Agreement relating to investment guaranties. Signed at Washington February 6, 1965. Enters into force upon receipt of notification from Brazil that the agreement has been approved in conformity with Brazil's constitutional procedures.

### **Sierra Leone**

Agricultural commodities agreement under title IV of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1731-1736), with exchange of notes. Signed at Freetown January 29, 1965. Entered into force January 29, 1965.

### **Spain**

Agreement extending the period of the loan of certain naval vessels to Spain under the agreement of June 23, 1959, as supplemented (TIAS 4262, 4582). Effected by exchange of notes at Madrid January 11, 1965. Entered into force January 11, 1965.

Agreement amending the agreement of October 30, 1964 (TIAS 5680), concerning cotton textile exports from Spain to the United States. Effected by exchange of notes at Washington January 22 and February 3, 1965. Entered into force February 3, 1965.

### **Union of Soviet Socialist Republics**

Agreement relating to fishing for king crab. Signed at Washington February 5, 1965. Entered into force February 5, 1965.

## **DEPARTMENT AND FOREIGN SERVICE**

### **Confirmations**

The Senate on February 3 confirmed the following nominations:

Maurice M. Bernbaum to be Ambassador to Venezuela. (For biographic details, see White House press release (Austin, Tex.) dated January 1.)

Wymberley DeR. Coerr to be Ambassador to Ecuador. (For biographic details, see Department of State press release 24 dated February 15.)

The Senate on February 10 confirmed the nomination of Donald W. Hoagland to be Assistant Administrator for Development Finance and Private Enterprise, Agency for International Development.

### **Check List of Department of State Press Releases: February 8-14**

Press releases may be obtained from the Office of News, Department of State, Washington, D.C., 20520.

Release issued prior to February 8 which appears in this issue of the BULLETIN is No. 20 of February 6.

No.	Date	Subject
21	2/9	Participation of U.S. firms in maritime nuclear projects abroad.
†22	2/11	10th anniversary of CENTO (rewrite).
†23	2/12	Seven nations sign satellite communications agreements.

†Held for a later issue of the BULLETIN.

**American Principles.** Boy Scouts Visit White House on 55th Anniversary of Scouting (Johnson) . . . . . 289

**American Republics.** The United States and Latin America: "Special Ties of Interest and Affection" (Bunker) . . . . . 301

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OFFICIAL BUSINESS

## Treaties in Force . . . January 1, 1965

The Department of State on January 28 released the publication *Treaties in Force: A List of Treaties and Other International Agreements of the United States in Force on January 1, 1965*. This is a collection showing the bilateral relations of the United States with 136 states or entities and the multilateral rights and obligations of the contracting parties to more than 360 treaties and agreements on 74 subjects.

The 1965 edition lists some 300 new treaties and agreements, such as the consular convention and king crab fishery agreement with Japan, the Columbia River treaty with Canada, the Chamizal convention with Mexico, the desalination agreement with the U.S.S.R. and the cultural exchanges agreements with that country and Rumania, the commercial communications satellite agreement, and the law-of-the-sea conventions (continental shelf and territorial sea), as well as NS *Savannah* agreements with eight European countries.

The bilateral treaties and other agreements are arranged by country or other political entity, and the multilateral treaties and other agreements are arranged by subject with names of countries which have become parties. Date of signature, date of entry into force for the United States, and citations to texts are furnished for each agreement.

Information on current treaty actions, supplementing the information contained in *Treaties in Force*, is published weekly in the *Department of State Bulletin*.

Copies of the 1965 edition of *Treaties in Force* (318 pp.; publication 7817) may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402, for \$1.50 each.

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THE  
DEPARTMENT  
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STATE

**BULLETIN**

*Vol. LII, No. 1341*



*March 8, 1965*

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# Peace on Earth

*Address by Vice President Humphrey*<sup>1</sup>

The Scripture tells us to “pursue peace”—and mankind has since the beginning of time condemned the horrors of war. If discord and strife, wars and the threat of wars have persisted throughout history, it is perhaps as St. Augustine says: that men make war not because they love peace the less, but rather because they love their own kind of peace the more. Yet men of peace of every kind and every land remember well the year 1963. For in that fateful year a venerable apostle of peace left our world, leaving behind a legacy which will endure for years to come. Generations of men— young and old alike—will remember the final testament of that gentle peasant Pope, Pope John XXIII, the encyclical *Pacem in Terris*, in which he left to men of all faiths, to men holding many concepts of peace, an outline for peace in our world which can be accepted by all men of good will.

<sup>1</sup> Made at the opening ceremony of the Convocation on *Pacem in Terris* at the U.N. General Assembly Hall, New York, on Feb. 17 (U.S. /U.N. press release 4500).

And if our generation can heed the parting plea of the man whose work we honor at this conference, generations yet to come may hope to live in a world where, in the words of the late President Kennedy, “the strong are just and the weak secure and the peace preserved.”<sup>2</sup>

It is a privilege and an honor to participate in this conference dedicated to exploring the meaning and the message of *Pacem in Terris*. It is particularly fitting that this convocation meet at the beginning of International Cooperation Year. I am confident that your deliberations here will advance our world along the road to “peace on earth” as described by Pope John.

The encyclical of John XXIII presented to the world a public philosophy for a nuclear era. Comprehensive in scope, his message expounded a political philosophy governing relations between the individual and the state, relations

<sup>2</sup> For text of President Kennedy's inaugural address, see BULLETIN of Feb. 6, 1961, p. 175.

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## DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1341 PUBLICATION 7837 MARCH 8, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

The Bulletin is for sale by the Superintendent of Documents, U.S. Govern-

ment Printing Office, Washington, D.C. 20402. Price: 52 issues, domestic \$10 foreign \$15; single copy 30 cents.

Use of funds for printing of this publication approved by the Director of the Bureau of the Budget (January 19 1961).

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between states, and relations between an individual state and the world organizations.

*Pacem in Terris* continues and completes the social philosophy which the Pope had begun a year earlier in his encyclical *Mater et Magistra*, in which he elaborated the principles of social justice which should guide the social order. In *Pacem in Terris* he extended this philosophy to the world, concentrating now on relations between states and the role of the world community.

This encyclical represents not a utopian blueprint for world peace, presupposing a sudden change in the nature of man. Rather, it represents a call to action to leaders of nations, presupposing only a gradual change in human institutions. It is not confined to elaborating the abstract virtues of peace but looks to the building of a world community governed by institutions capable of preserving peace.

The Pope outlined principles which can guide the actions of men—all men regardless of color, creed, or political affiliation—but it is up to statesmen to decide how these principles are to be applied. The challenge to this conference is to provide statesmen with further guidelines for applying the philosophy of *Pacem in Terris* to the problems confronting our world in 1965.

I would like to direct my remarks principally to the questions of relations between states and to that of a world community. Pope John's preoccupation—and our preoccupation today—is with an amelioration of international relations in the light of the dangers to mankind posed by the existence of modern nuclear weapons. The leaders of the world must understand, as he understood, that since that day at Alamogordo when man acquired the power to obliterate himself from the face of the earth, war has worn a new face. And the vision of it has sobered all men and demanded of them a keener perception of mutual interests and a higher order of responsibility. Under these conditions mankind must concentrate on the problems that unite us rather than on those which divide us.

Pope John proclaimed that the issues of war and peace are the concern of all. Statesmen—who bear a heavier responsibility than others—cannot ignore the implications for the survival of mankind of new discoveries in technology,

biology, nuclear physics, and space. In this nuclear age the deliberate initiation of full-scale war as an instrument of national policy has become folly.

Originally a means to protect national interests, war today can assure the death of a nation, the decimation of a continent.

### **Nuclear Rivalry, an Obstacle to Peace**

Nuclear power has placed into the hands of men the power to destroy all that man has created. Only responsible statesmen—who perceive that perseverance in the pursuit of peace is not cowardice, but courage, that restraint in the use of force is not weakness, but wisdom—can prevent present international rivalries from leading to an incinerated world.

The confrontation between the United States and the Soviet Union over Cuba in the autumn of 1962 undoubtedly weighed heavily in the Pope's thinking and lent urgency to his concern to halt the nuclear arms race. Addressing the leaders of the world, he stated:

Justice, right, reason, and humanity urgently demand that the arms race should cease; that the stockpiles which exist in various countries should be reduced equally and simultaneously by the parties concerned; that nuclear weapons should be banned; and that a general agreement should eventually be reached about progressive disarmament and an effective method of control.

This plea had special pertinence for the leaders of the United States and the Soviet Union, the principal nuclear powers.

A few months later, President Kennedy demonstrated the United States commitment to the goal of peace. In a speech at American University in June of 1963,<sup>3</sup> he called for renewed efforts toward a

... more practical, more attainable peace, based not on a sudden revolution in human nature but on a gradual evolution in human institutions—on a series of concrete actions and effective agreements which are in the interest of all concerned.

The leaders of the Soviet Union responded favorably. In August 1963, the United States and Soviet Governments signed a treaty banning nuclear tests in the atmosphere, in outer space, and under water. This treaty won respect

<sup>3</sup> *Ibid.*, July 1, 1963, p. 2.

throughout the world for the United States and the Soviet Union—indeed for all nations who signed it. It has inspired hope for the future of mankind on this planet. And members of this audience will recall that the man who first proposed a test ban treaty way back in 1956—and who shares in the credit for its accomplishment—is the United States Representative to the United Nations, Ambassador Adlai E. Stevenson.

The nuclear test ban was the first step in the path toward a more enduring peace. “The longest journey begins with a single step,” President Johnson has said<sup>4</sup>—and that single step has been taken.

Other steps have followed.

We have resolved not to station weapons of mass destruction in space. A United Nations resolution, jointly sponsored by the United States and the Soviet Union, called on all countries to refrain from such action. It was adopted by acclamation—without a single dissenting vote.

This was a vital step toward preventing the extension of the arms race into outer space.

This year the United States is cutting back on the production of fissionable materials.<sup>5</sup> Great Britain and the Soviet Union have announced cutbacks in their planned production of fissionable materials for use in weapons. As President Johnson has stated, the race for large nuclear stockpiles can be provocative as well as wasteful.

The need for instant communication between the United States and the Soviet Union—to avoid the miscalculation which might lead to nuclear war—was proven during the Cuban missile crisis. Since that time, we have established a “hot line” between Washington and Moscow to avoid such miscalculation.

The agenda for the future remains long. Among the measures needed to limit the dangers of the nuclear age are measures designed to prevent war by miscalculation or accident.

We must seek agreements to obtain safeguards against surprise attacks, including a network of selected observation points. We must seek to

restrict the nuclear arms race by preventing the transfer of nuclear weapons to the control of nonnuclear nations, by transferring fissionable materials from military to peaceful purposes, and by outlawing underground tests, with adequate inspection and enforcement.

The United States has offered a “freeze” on the production of aircraft and missiles used for delivering nuclear weapons. Such a freeze might open the door to reductions in nuclear strategic delivery vehicles.

It is the intention of the United States Government to pursue every reasonable avenue toward agreement with the Soviet Union in limiting the nuclear arms race. And the President has made it clear that he will leave no thing undone, no mile untraveled, to further the pursuit of peace.

Today in the year 1965 we must recognize that the next major step in controlling the nuclear arms race may require us to look beyond the narrow United States-Soviet competition in the past. For the explosion of a nuclear device by Communist China in 1964 has impressed upon us once again that the world of today is no longer the bipolar world of an earlier decade. Nuclear competition is no longer limited to two superpowers.

The efforts of the United States and Europe to enable the nations of Europe to have a greater share in nuclear defense policy—without encouraging the development of independent national nuclear deterrents—constitute a recognition of this.

In addition to Europe, we now have the problem of finding ways of preventing the further proliferation of nuclear weapons in Asia, Latin America, Africa, and the Middle East.

With the explosion of the Chinese nuclear device several months ago—and the prospect of others to follow<sup>6</sup>—it may be that the most immediate “next step” in controlling the nuclear arms race is the prevention of further proliferation of nuclear weapons in Asia.

In view of the evident determination of the present Communist government of mainland China to use the limited nuclear capability it hopes to develop for maximum political an

<sup>4</sup> *Ibid.*, Feb. 22, 1965, p. 242.

<sup>5</sup> See p. 339.

<sup>6</sup> See p. 333.

propaganda benefit, it is not surprising that other modern Asian nations are tempted to build their own nuclear deterrent. But the nations on the perimeter of Communist China are not alone. As President Johnson has stated:<sup>7</sup>

The nations that do not seek national nuclear weapons can be sure that, if they need our strong support against some threat of nuclear blackmail, then they will have it.

If the need for preventing the proliferation of nuclear weapons is more immediate in Asia today, it is no less important in Latin America, Africa, and the Near East. All of these areas are ripe for regional arms pacts which would prevent these countries from developing nuclear weapons. Nuclear weapons would serve no useful purpose in preserving their security. The introduction of these weapons would provoke a rivalry that would imperil the peace of Latin America and Africa and intensify the present rivalries in the Near East. It would endanger the precarious economies of countries which already possess military forces too large for their security needs and too expensive to be maintained without outside assistance.

Such nuclear arms control agreements should naturally be initiated by the nations of the area. In Latin America, such an agreement has already been proposed. Should the nations of Latin America, of Africa, and the Near East, through their own institutions or through the United Nations, take the initiative in establishing nuclear-free zones, they will earn the appreciation of all nations of the world. Containment in these areas would represent a major step toward world peace.

### **The Gap Between Rich and Poor**

If nuclear rivalry is an obstacle to peace today, it is not the only one.

In *Pacem in Terris* John XXIII returned to a theme he had discussed in *Mater et Magistra* when he stated: "Given the growing interdependence among peoples of the earth, it is not possible to preserve lasting peace if glaring economic inequality among them persists." If control of nuclear weapons is a central issue in

improving relations between East and West, accelerating the economic development of new nations is essential to harmony between North and South.

In Latin America, in Asia and Africa, another threat to peace lies in the shocking inequality between privileged and impoverished, between glittering capitals and festering slums, between booming industrial regions and primitive rural areas. A real threat to peace in these areas is the revolutionary challenge of an unjust social order in which true peace—peace based on justice—is impossible.

Those who have been "more blessed with this world's goods" must heed the Pope's plea to assist "those political communities whose citizens suffer from poverty, misery and hunger and who lack even the elementary rights of the human person."

We must do this out of compassion—for we are our brother's keeper. And we also do it out of self-interest as well—for our lot is their lot, our future their future, our peace their peace. This planet is simply too small for the insulation of the rich against turbulence bred of injustice in any part of the world.

The flow of foreign aid, both capital and technical assistance, is indispensable to the narrowing of the gap between rich nations and poor. Much has been done by individual nations and by international organizations. But more must be done, both through foreign aid and by enlarging their opportunities for trade, to assist those developing nations which are striving to bring to their people the economic and social benefits of modern civilization. The exact dimensions of the task and the most effective way of fulfilling it are questions which deserve further attention by the United Nations.

If the arms race is a strain on the economy of rich nations, it is an intolerable burden on that of poor nations. For developing nations with a rapidly expanding population, primitive economic institutions, and little capital development, participation in a nuclear arms race is indefensible.

A pioneer statesman of the nuclear era, the late Senator Brien McMahon, proposed almost two decades ago that resources diverted from

<sup>7</sup> BULLETIN of Nov. 2, 1964, p. 610.

the arms race could be set aside to meet the unmet social and economic needs of mankind. His counsel remains valid today.

### **The Need To Build a World Community**

The man whom we honor today, like his predecessors, recognized that a secure peace depends on a stable world community. And a stable world community requires a viable international organization.

The strengthening of the existing world organization—the United Nations—is one of our most urgent tasks.

Today we hear voices advocating abandonment of the United Nations, withdrawal from the United Nations. They are misguided. They would abandon an imperfect instrument for preserving world peace because they dislike our imperfect world. To abandon the United Nations—or to immobilize it through crippling restrictions or failure to support it—would only prove that our generation has forgotten the lessons of half a century of nationalism and isolationism. Let those who would destroy the United Nations recall the international anarchy that followed the demise of the League of Nations. In a nuclear era when anarchy can lead to annihilation, the United Nations deserves the support of all nations—large and small, rich and poor. The heroes of the world community are not those who withdraw when difficulties ensue—not those who can envision neither the prospect of success or the consequence of failure—but those who stand the heat of the battle, the fight for world peace through the United Nations.

As everyone knows, the General Assembly is facing a recess while negotiations proceed in search of a solution to the present constitutional impasse. This is not a happy situation and it raises some political and legal problems for the United Nations' largest contributor, as I am sure it does for other members. There are several things to be noted about this crisis.

First, the United Nations will continue even though the General Assembly has been deadlocked by a refusal of certain members to meet their obligations. The Security Council is not affected, nor are the operations of that diversi-

fied family of affiliated agencies in the United Nations system.

Second, the membership includes nations with radically different ideas about the proper role of international organizations in world affairs; yet none denies they have a role. The argument is not whether the General Assembly should continue to function but under what ground rules it should carry on.

Third, the United Nations has expanded rapidly and almost continuously for two decades now, and in the course of it the membership has more than doubled. In the meantime, the world environment in which it operates has undergone pervasive change. Under the circumstances, it would be surprising if the organization did not face some awkward adjustments to new realities.

It may take time and patience and a high capacity to absorb frustration before the General Assembly gets back on the track or selects a somewhat different road ahead. But I am confident we meet in the hall of an institution which is in the throes of growing pains—not in the grip of a fatal disease.

Another aspect of the world organization that requires immediate strengthening is the peacekeeping machinery of the United Nations. Given the scope and the scale of major power interests and commitments around the world we are required to assume that any armed conflict may bear within it the seeds of a nuclear disaster. So a workable peace system must be able to resolve by nonviolent means the kinds of disputes which in the past have led to wars—and to keep disruptive change in nonviolent channels.

Here we can begin to see just how operational a peace system must be—to visualize peacekeeping machinery in being and in action.

In its most operational and visible form peacekeeping in action is an armed patrol of soldiers of peace in blue berets—standing between warring ethnic groups in Cyprus, men who patrol the Gaza Strip 24 hours a day for the 8th year running, those who jump in to repair breaches of the peace along the other frontier of Israel, others who still stand watch along the 15-year-old truce line in Kashmir, and still

others who keep tabs on the armistice line along the 38th parallel in Korea.

These units of operational peacekeeping machinery were in place and in action when we arose this morning and they will be there when we go to bed tonight because there was an international organization to deal with threats to the peace; because there were established rules and procedures for conducting the business of peacekeeping; because there was a way to finance peacekeeping missions; and because members made available personnel and equipment and transport and other goods and services.

But the machinery of peace is much, much more than keeping an uneasy truce: It is the Security Council and the General Assembly and the Secretariat; it is conference machinery and voting procedures and resolutions and assessments; it is a mission of inquiry or observation—and a single civilian moving anonymously from private meeting to private meeting on a conciliation assignment.

Peacekeeping machinery is organization—plus people and resources—designed and operated to sustain a secure world order.

What we have so far is rudimentary, even primitive, machinery. It is not as extensive as it should be. It is not as versatile as it should be. It is not as reliable as it should be. But it is machinery. It has proved to be workable in practice when enough members in practice wanted it to work.

Clearly one of the requirements of a workable peace system is to supplement and complement and improve the operational peacekeeping machinery of the United Nations.

Eventually we would hope that this machinery would be in a position to seek the peaceful resolution of disputes and incipient conflicts—ideally by quiet conciliation, if need be by verbal confrontation before the bar of world opinion, and *in extremis* by placing whatever kind of peacekeeping force is needed in a position between antagonists—so that no sovereignty is without potential international protection and no nation need call upon other nations to help protect them from predatory neighbors. Today we recognize that this is not possible.

The case of Viet-Nam is an example.

In 1954 the Geneva accords were ratified, guaranteeing the independent status of South Viet-Nam. Today in Viet-Nam that freedom is endangered by the systematic attempt of foreign-backed subversives to win control of the country. Today peace in Southeast Asia can be obtained if the violators will cease their aggression.

Our policy is clear. We will continue to seek a return to the essentials of the Geneva accords of 1954. We will resist aggression. We will be faithful to a friend.

We seek no wider war. We seek no domination. Our goal in Southeast Asia is today what it was in 1954—what it was in 1962. Our goal is peace and freedom for the people of Viet-Nam.

An essential step for the strengthening of peacekeeping is the establishment of a flexible troop call-up system for future emergencies. The United Nations cannot do its peacekeeping job if there are long delays in getting its forces to world trouble spots.

The Secretary-General's request that members maintain special United Nations peacekeeping contingents deserves the support of all, and I rejoice that some members have already responded—Canada, the Scandinavian countries, the Netherlands, and Iran.

The United States will assist in this strengthening of the peacekeeping capacity by helping to train and equip contingents of other nations earmarked for United Nations use, by transporting these units when necessary, and by paying our fair share of the cost of peacekeeping operations. We hope others will do the same.

It is, of course, the smaller countries which stand in the greatest need of international protection. But the great powers have an equal interest in effective peacekeeping machinery.

For a nation like the United States, the investment in United Nations peacekeeping is one of the best we can make. We do not aspire to any *Pax Americana*. We have no desire to play the role of global gendarme. Although we shall honor our commitments to assist friendly nations in preserving their freedom, we have no desire to interject American troops into explosive local disputes.

But disputes do occur; and if hostilities are to be ended and the peace preserved, there must be some outside force available to intervene. In many cases—though not in all—a stable, professional United Nations force can play that role.

Therefore both the large powers and the small powers have a common interest—if for different reasons—in effective international peacekeeping machinery.

This is why the current impasse in the General Assembly—and the consequent paralysis in its ability to rise to an emergency if need be—is to be so deeply regretted.

### **The Vision of Peace**

I have dwelt briefly this evening on but three of the foremost problems of peace—nuclear competition, the gap between rich nations and poor, and the need for building a world community through the United Nations. In this conference you will explore others.

A year ago in addressing the United Nations, President Johnson stated:<sup>8</sup>

All that we have built in the wealth of nations, and all that we plan to do toward a better life for all, will be in vain if our feet should slip, or our vision falter, and our hopes ended in another worldwide war. If there is one commitment more than any other that I would like to leave with you today, it is my unswerving commitment to the keeping and to the strengthening of the peace.

Our commitment to strengthening the peace has not weakened. We seek a just and lasting peace—a peace that is more than a pause between wars. But our knowledge of ourselves tells us that we can expect no sudden epidemic of peace, that we have far to go before the “greatness of our institutions” matches the “grandeur of our intentions.”<sup>9</sup> The pursuit of peace is a gradual process.

Peace is too important to be the exclusive concern of the great powers. It requires the attention of all—small nations and large, old nations and new.

<sup>8</sup> *Ibid.*, Jan. 6, 1964, p. 2.

<sup>9</sup> For the as-delivered text of remarks made by President Johnson at the Alfred E. Smith memorial dinner at New York, N.Y., on Oct. 14, 1964, see White House press release dated Oct. 14.

The pursuit of peace resembles the building of a great cathedral. It is the work of generations. In concept it requires a master architect; in execution, the labors of many.

The pursuit of peace requires time, but we must use time as a tool and not as a couch. We must be prepared to profit from the vision of peace left by great men who came our way.

We honor Pope John XXIII on this occasion not because he demonstrated that perfect peace can be achieved in a short time. We honor him because he raised our hopes and exalted our vision.

He realized that the hopes and expectations aroused could not all be satisfied in the immediate future. What can be accomplished in a limited time will always fall short of expectations.

This should not discourage us. What is important is that we be prepared to give some evidence that progress toward peace is being made, that some of the unsolved problems of peace can be met in the future.

This is the vision which Pope John left us in his encyclical *Pacem in Terris*. “Without vision the people perish,” says the Scripture.

It is the duty of our generation to convert this vision of peace into reality.

### **U.S. Objective in Viet-Nam**

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

I have been talking to you about our social and our economic achievements and hopes here at home. I should like to end this visit with you with a word on the very serious situation in Viet-Nam, which I know must be on the mind of each of you.

As I have said so many, many times, and other Presidents ahead of me have said, our purpose our objective there is clear. That purpose and that objective is to join in the defense and protection of freedom of a brave people who are

<sup>1</sup> Made at the close of an address before the National Industrial Conference Board at Washington, D. C., on Feb. 17 (White House press release; as delivered text).



under attack that is controlled and that is directed from outside their country.

We have no ambition there for ourselves. We seek no dominion. We seek no conquest. We seek no wider war. But we must all understand that we will persist in the defense of freedom and our continuing actions will be those which are justified and those that are made necessary by the continuing aggression of others.

These actions will be measured and fitting and adequate. Our stamina and the stamina of the American people is equal to the task.

## **J.S. Deplores Communist China's Nuclear Test Preparations**

*Department Statement*<sup>1</sup>

Ever since Communist China exploded its first nuclear device last October,<sup>2</sup> the question has been raised as to when the next test is likely to occur. The United States Government has reason to believe that Communist China is preparing for another nuclear test. The United States Government deplores this indication that the leaders of Communist China are, in the face of worldwide condemnation of atmospheric nuclear testing, continuing such tests.

## **Assistant Secretary Williams Visits Six African Areas**

The Department of State announced on February 15 (press release 25) that Assistant Secretary for African Affairs G. Mennen Williams would depart Washington on February 16 to visit six African areas. It was his 11th trip to the African Continent.

The Assistant Secretary represented President Johnson as his Personal Representative with the rank of Special Ambassador to head the U.S. delegation to the ceremonies marking the independence of Gambia, which took place

at the capital, Bathurst, February 16-19. The American Ambassador to Senegal, Mercer Cook, was the other member of the delegation.

Mr. Williams' itinerary was as follows: Dakar, Senegal, February 17; Bathurst, Gambia, February 17-20; Dakar, February 20-21; Nouakchott, Mauritania, February 21-23; El Aaiun, Spanish Sahara, February 23; Canary Islands, February 23; Rabat, Morocco, February 23-26; return Washington February 26.

## **Working Together for Peace**

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

I appreciate this opportunity to be with you at this lovely occasion and to thank you for the valued contribution you are making to understanding and accord between the American people and your people.

All Americans are complimented by the quality and caliber of the diplomatic representation sent to us by each of your governments. While I do not want to appear boastful, in any narrow nationalistic way, I believe we must have here in Washington the most outstanding diplomatic community in the world. I am quite certain, as I look over this audience, that never have so many intelligent men married so many beautiful ladies as the diplomatic corps in Washington.

All else aside, your work and ours is the most serious and most important work of history, for we are privileged to work together in the high and noble cause of peace.

The people of my country have given much to that cause at home and throughout the world, and I assure you that they are willing to give much more. Our commitment to a world of peace and justice and decency is a commitment of America's soul and heart—and we shall not turn from it, in fear or futility, in impatience or indifference.

Trials may be many—tests may come often—for all of us. But the long movement of man-

<sup>1</sup> Read to news correspondents by Robert J. McCloskey, Director, Office of News, on Feb. 16.

<sup>2</sup> For background, see BULLETIN of Oct. 19, 1964, p. 62, and Nov. 2, 1964, p. 610.

<sup>1</sup> Made at a reception for the diplomatic corps at the Department of State on Feb. 11 (White House press release dated Feb. 12).

kind is much too clearly upward toward a better world for us to be governed by the moment when we have an eternity to win—or to lose.

The United States welcomes the privilege of working with your governments, and your people, in friendship and peace. We harbor the hope and faith that we are moving into a new and creative time in which much that has eluded man's quest before will be ours to reach together.

## Lincoln's Birthday, 1965

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

The greatness of a country can be measured by the qualities of the men they honor. It is a tribute to the American nation that Abraham Lincoln still towers among the objects of our reverence.

History and nature, events and character, combined perfectly in his life to give us not just a leader but an ideal worthy to command the allegiance of a great and a free society.

It is the work of historians to try and separate fact from myth, the real man from the legend. But nothing we learn can diminish Lincoln. For his importance to us is not in the facts of his life but in what he has come to mean and the way along which he commands us.

Almost alone among the figures of history we honor him not so much for what he did but for what he stood for, not so much for the acts he performed but the spirit of that ideal America he embodies. Each generation of Americans stands charged, before the court of history, to answer the challenge of Lincoln to the American will and to the American heart.

The answer to that charge is our measure, not his.

He asks, first, for the Union, whose preservation was sealed with his life. Today, more than ever, I believe that we are a house united. But let no one think that the forces of division, so vocal a few months ago, are forever silenced or crushed. Those who would sacrifice union to their own will are always alert to new oppor-

tunity. We must be equally alert to danger in the unending battle to preserve the Union.

Second, he challenges us to enlarge the liberties of our people. In the century since he ended slavery, the American Negro has struggled to awaken the conscience of this land to continuing injustice. Most of the legal barriers to equality are gone, and the rest are going. We must now move on to admit more than 20 million Negro Americans as complete and equal members of American society. It must be true in fact, as well as in aspiration, that we judge and that we reward every citizen, in every aspect of life, only on his merits as a person. That is my goal as the leader of this nation, and I believe it should be the goal of Lincoln's America.

Third, he would ask if we were true to the Declaration which gave liberty, as he said, "not alone to the people of this country, but hope to all the world, for all future time."

The Civil War was a test, not of North or South, but of the idea of democracy. Freedom was not a "domestic" policy. The rights of man did not stop at the high-water mark. He would prove democracy worked. Others would come along and follow.

Today, we are still the city on the hill, an example for the world. But history and our own achievements have also thrust upon us the principal responsibility for the protection of freedom on earth. We did not ask for this task. But we welcome it. For no other people, in no other time, has had so great an opportunity to work and risk for the peace and the freedom of all mankind.

It is not a burden. It is a privilege to be able to give so much for what you really believe in, and for what he really died for. And we are convinced that in our time—not by force but by the power of our idea—as Lincoln said, the weights shall be lifted from the shoulders of all men, and all shall have an equal chance.

The man Abraham Lincoln—the clever politician, the country lawyer, the skillful executive—is forever shrouded in legend and hope. But his challenge to us sounds clearly across the years: love justice, extend liberty, remember you may be wrong, but act when you believe you're right.

Many of you, perhaps most of you, in this

<sup>1</sup> Made at a Lincoln's Birthday luncheon at the White House on Feb. 12 (White House press release; as-delivered text).

room know much more about Abraham Lincoln than I. Yet I do know something of the soil from which he came and the people he lived among. And sometimes at night, as I struggle with terrifying problems, his presence in the dark corridors seems to be almost real.

It is then that I remember his greatest lesson. He loved the people, and he drew his greatest strength from them. Though he is gone, the people are here and there. And they will give me strength, as they have to all those who have lived in this great house.

Who is Abraham Lincoln?

He said: "The mystic chords of memory . . . will yet swell the chorus of the Union when again touched, as surely they will be, by the better angels of our nature."

He is the "better angel" of our nature. And as long as his spirit lives in our hearts, the future holds few terrors for these United States, to which we have pledged our lives, our love, all that we hold dear—our sacred honor.

## **Government-Business Partnership on Balance-of-Payments Problem**

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

Gentlemen, I want to welcome you to the White House today, and I want to personally thank each of you for taking your time and your money to come here to visit with us about problems that concern your country.

I asked you here today because you are America's leaders in the world of international business and banking. Your country needs your help. I think you all know the tough problems the balance of payments brings us to face.<sup>2</sup> So I hope that you will feel that you can join your Government in a new and, I believe, a bold attack on this problem.

I want no one to mistake my message. I believe America leads from strength. Today, as

<sup>1</sup>Made before a group of business and banking leaders at the White House on Feb. 18 (White House press release; as-delivered text).

<sup>2</sup>For text of the President's message to Congress on balance of payments and the gold position, see BULLETIN of Mar. 1, 1965, p. 282.

you know so well, our economy is more productive and is more efficient than any economy in the world.

America holds the world's strongest creditor position. America has the world's most favorable trade position. America has the world's largest supply of gold.

Along with 4 years of steady expansion, we can take great pride in more stable costs and more stable prices than can any other country. We take pride in the striking advances in America's ability to meet and beat competition in world markets. We can take pride in renewed confidence in the dollar, as we have again proved our ability and our resolve to keep it good as gold, at \$35 an ounce.

So our economy is strong and our dollar is sound. Yet we face a problem that we must not ignore. Our cash position has been impaired by 7 straight years of balance-of-payments deficits. Our wealth abroad, however, has grown steadily, and this year our balance-of-payments position actually improved although the last quarter did not permit it to improve to the extent that we had anticipated.

You bankers might put it this way: We are highly solvent but not liquid enough. Or some of you business executives might say our balance sheet is strong but our current ratio could be better.

This problem is a very stubborn one, but it is not staggering and it can be solved. It means wiping out a deficit that is less than one-half of 1 percent of our gross national product.

Problems do not have to be big in order to be serious. President John Adams once wrote his wife that "those who attend to small expenses are always rich." In terms of our payments deficit, let me recast his advice to read: "Those who ignore small deficits will not remain rich."

Like any good company, our nation must correct this drain on its cash reserves. We mean to do it without disorder and without prejudice to our nation's role as leader in the free world.

There are no easy, painless solutions to this problem. A painless program would be a pointless program. But we can correct our external payments deficit without crippling our economy.

The job that we face together requires the best efforts that we can muster.

Secretary [of Defense Robert S.] McNamara will tell you of the fine progress that has been made by the Defense Department in cutting back military outlays abroad. And despite this fine record I have asked him to redouble his efforts so that not one unnecessary dollar goes overseas. I think I will ask him to tell you what he has done, what he proposes to do, and then answer any questions that you care to ask him about it. So those of you who want to bring the troops home, those who want to cancel the 6 billion orders he received through his sales offers in sales abroad, get your pencils out and prepare your questions and I will see if he can answer them.

Administrator Bell [David E. Bell, Administrator, Agency for International Development] will report to you of the foreign aid administration purchases that are now made here at home. I believe he will tell you that more than 85 cents out of every dollar allotted in foreign aid is purchased here at home. I have asked him to see that no assistance leaves this country in the form of cash that could in any way go in the form of goods or services.

Your Government is doing its utmost to cut back its dollar drain. We are determined to do what we can to encourage a more favorable dollar balance through constructive steps: to assist the American businessman to develop even bigger export markets; to abolish discriminatory freight rates and other obstacles to American exports; to encourage greater foreign purchases of corporate securities in this country; to promote more travel in the United States by American and foreign tourists. Most important—and here government relies on business and labor—to support the wage-price guideposts and to keep American products competitive in world markets.

As you know, our payments problem is not an export problem. As a matter of fact, we have none of the traditional earmarks of the payments problem—trade deficits and inflation. On the contrary, we have a rising trade surplus and we have price stability.

You men deserve a lion's share of the credit for that. You can, and I know that you will, try to cooperate with us in helping to do more. Your great talent for developing markets, meeting consumer needs, promoting sales, must—and

I hope will—be used to the hilt in trying again this year to boost our exports further.

But to get the whole job done we need to go beyond these efforts. We have to deal head on with the surging outflow of private capital. Last year it ran more than \$2 billion over 1963, and it ran more than \$2½ billion over 1960.

And as a result, our rising exports, rising short-term interest rates, falling defense and aid outflows have not yet cut our deficit enough—although we cut it last year. So we must act and we must act together; we must act promptly, we must act firmly, and we must try to curb this drain.

As the distinguished Secretary of the Treasury, Mr. [Douglas] Dillon, will tell you, we have already acted to cut down the flow of dollars to foreign borrowers. I have invoked the Gore amendment to apply the interest equalization tax to bank loans of more than 1 year.<sup>3</sup> And we are asking the Congress to continue the tax and to extend it to nonbank credit of 1 year or more maturity. We think this will help.

But you and I know that it is not enough. Capital will still flow abroad to the advanced countries from your banks and from your businesses unless you stop it. So I am asking you today to join hands with your Government in a voluntary partnership. I am asking you to show the world that an aroused and a responsible business community in America can close ranks and make a voluntary program work.

I want you to go back to your offices and call to your desk your financial men and your economists and your comptrollers and your vice presidents, and I would hope that you would ask them in a reasonable way to consult with you every time they face a decision that involves sending money abroad. And I count on you, just as I am going to count on Bob McNamara and Dave Bell, to cut those outflows as much as possible.

I know this will involve some pain. I know it will involve some sacrifices and it will mean passing up some opportunity for additional profits, but in the end I earnestly believe that your country and your industry and your stockholders will be the better for it.

My counselors tell me that \$2 billion of Amer-

<sup>3</sup> *Ibid.*, p. 288.

ican-owned money is held overseas in time deposits and liquid securities that earn an interest advantage of a fraction of 1 percent. For every million dollars of this drain on your country's balance of payments, your company is earning an aftertax return of, at the most, \$2,500 a year. I ask you to balance this small gain against your nation's loss.

Every bank and every company will face choices like this. And I ask you to face even tougher decisions: to postpone, to redirect, or to refinance activities in the developed world in ways that will cut your country's dollar outflows; to speed the return of foreign earnings to this country and to boost our dollar inflows.

I would hope that you would apply this test to your decisions: not simply what is my short-run responsibility to my stockholders and my investors, but what is their larger, their longer range interest, and what is my country's interest.

You won't have easy decisions to make. Secretary Dillon, Secretary [of Commerce John T.] Connor, and Chairman [William McC.] Martin of the Federal Reserve will offer some targets and some guidelines, some advice and some sympathy, some help and, I hope, some leadership. But the decisions are going to be yours, that you will voluntarily make.

And as you make those hard choices in behalf of your country's well-being, I hope you will remember that you are not acting alone. As President of your country, I pledge you whatever actions prove necessary to keep your country strong and to keep your dollar sound.

Together, I would like to say to the rest of the world and to show the rest of the world that our government-business partnership in America works. And in spite of some pain and some cost, and some loss in business and some loss in profits, I believe I know you well enough to say that you will feel that you are getting something really invaluable in return.

I believe that you will improve the prospects for your own business future by removing a threat which could block our future expansion. I believe you will have the satisfaction and the pride of having made a voluntary contribution to increasing the strength of your country.

I have faith in the free enterprise system. I have faith that you can take up this challenge

with the same vigor, with the same vision, with the same progressive enlightened self-interest that you have already shown in building the great economy of this nation and setting the pace that every other country in the world would like to emulate.

Thank you very much.

## **U.S. Replies to Uganda Charges at Nairobi Conference**

*The United States on February 18 submitted the following statement to the secretariat of the United Nations Economic Commission for Africa conference at Nairobi, Kenya, for circulation to all delegates of governments represented at the conference. The statement answers the allegations made to the conference February 16 by the delegate from Uganda, charging the United States with responsibility for the reported bombing attacks against Ugandan villages on the Congolese frontier.*

Press release 26 dated February 18

The United States Government has no desire to engage in debate on a political subject which is not germane at a meeting dedicated to the consideration of the serious economic problems which confront the African continent. However, the United States Government feels compelled to make available a statement of its position on the allegations made by the delegate from Uganda.

As the Government of Uganda is aware, the United States Government, as a member of the United Nations and a friend of Uganda, is just as concerned with the security of Uganda's borders and Uganda's sovereignty as it is for the security and unity of all African countries.

The United States Government has advised the Government of Uganda to express to the Government of the Democratic Republic of the Congo in Léopoldville the Government of Uganda's concern regarding the report that a town or towns on the Uganda side of the Uganda-Congo border were attacked by individual aircraft. The United States Government believes the Government of Uganda should

urge the Government of the Democratic Republic of the Congo to ascertain if any of its military aircraft were operating in the area at the time specified and did in fact overfly Uganda territory. If full investigation of the facts bears out the Government of Uganda allegations, the United States Government would be prepared to support a Ugandan protest to the Government of the Democratic Republic of the Congo.

The Government of Uganda has also been informed that neither the United States Government nor individual Americans operate combat aircraft in the Congo, and that United States-manufactured airplanes provided to the Government of the Democratic Republic of the Congo are not under the operational control of the United States Government.

The United States Government has expressed to the Government of the Democratic Republic of the Congo its concern that the latter's forces take every precaution to ensure respect for the borders of neighboring countries.

The United States Government has reaffirmed to the Government of Uganda its support of the United Nations Security Council resolution of December 30, 1964<sup>1</sup> and would welcome efforts of the Organization of African Unity to achieve early solution of the Congolese problem within the context of that resolution and the charter of the Organization of African Unity.

## Immigration Quotas Established for Malta and Zambia

### A PROCLAMATION<sup>2</sup>

WHEREAS under the provisions of Section 202(a) of the Immigration and Nationality Act, each independent country, self-governing dominion, mandated territory, and territory under the international trusteeship system of the United Nations, other than independent countries of North, Central, and South America, is entitled to be treated as a separate quota area when approved by the Secretary of State; and

WHEREAS under the provisions of Section 201(b) of the Immigration and Nationality Act, the Secretary

of State, the Secretary of Commerce, and the Attorney General, jointly, are required to determine the annual quota of any quota area established pursuant to the provisions of Section 202(a) of the said Act, and to report to the President the quota of each quota area so determined; and

WHEREAS under the provisions of Section 202(e) of the said Act, the Secretary of State, the Secretary of Commerce, and the Attorney General, jointly, are required to revise the quotas, whenever necessary, to provide for any political changes requiring a change in the list of quota areas; and

WHEREAS on September 21, 1964, the former British dependency of Malta was granted independence by the Government of the United Kingdom; and

WHEREAS on October 24, 1964, the former British Protectorate of Northern Rhodesia was granted independence by the Government of the United Kingdom and became the Republic of Zambia; and

WHEREAS the Secretary of State, the Secretary of Commerce, and the Attorney General have jointly determined and reported to me the immigration quotas hereinafter set forth:

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, acting under and by virtue of the authority vested in me by the aforesaid Act of Congress, do hereby proclaim and make known that the annual immigration quotas of the quota areas hereinafter designated have been determined in accordance with the law to be, and shall be, as follows:

Quota area:	Quota
Malta-----	100
Zambia-----	100

The establishment of an immigration quota for any quota area is solely for the purpose of compliance with the pertinent provisions of the Immigration and Nationality Act and is not to be considered as having any significance extraneous to such purpose.

Proclamation No. 3298 of June 3, 1959,<sup>3</sup> as amended, entitled "Immigration Quotas," is further amended by the addition of the quotas for Malta and the Republic of Zambia.

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 fifth day of February in the year of our Lord nineteen hundred [SEAL] and sixty-five, and of the Independence of the United States of America the one hundred and eighty-ninth.



By the President:  
GEORGE W. BALL,  
*Acting Secretary of State.*

<sup>1</sup> For text, see BULLETIN of Jan. 25, 1965, p. 120.

<sup>2</sup> No. 3637; 30 *Fed. Reg.* 1973.

<sup>3</sup> For text, see BULLETIN of July 6, 1959, p. 19.

## U.S. To Make Further Cutback in Enriched Uranium Production

*Following are texts of an Atomic Energy Commission announcement of February 15 and a letter of February 2 to President Johnson from AEC Chairman Glenn T. Seaborg.*

### AEC Announcement

The Atomic Energy Commission will reduce the rate of production of enriched uranium beyond the decreases announced in early 1964. This action was approved by the President on the basis of a recommendation by the Commission after a reassessment of the production level necessary to meet projected military and civilian requirements. A copy of the Commission's letter to the President is attached.

The new reduction will become effective in steps beginning in mid-1966 and extending into 1969, at which time power consumption in the AEC's three gaseous diffusion plants will reach a level of 2000 megawatts. This is a decrease of 970 megawatts beyond the reductions announced on January 8, 1964,<sup>1</sup> and April 20, 1964.<sup>2</sup> When all power reductions are completed, the diffusion plant operating power level will be about 60 percent below the 4850-megawatt level planned prior to the 1964 cutbacks.

The Commission emphasized that the lower level of enriched uranium production will meet currently projected military and civil use requirements. In future years, however, as a result of the growth of civilian nuclear power now anticipated, increases in the production levels of the diffusion plants will be required.

The three gaseous diffusion plants for the production of enriched uranium are located at Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio. The new power cutback of 970 megawatts is made up of the following components: 205 megawatts of Tennessee Valley Authority power at Oak Ridge; 210 megawatts of TVA power at Paducah; 325 megawatts of Electric Energy, Inc., power at Paducah; and

<sup>1</sup> For an excerpt from President Johnson's state of the Union address on Jan. 8, see BULLETIN of Jan. 27, 1964, p. 110.

<sup>2</sup> For an address by President Johnson before the Associated Press at New York, N.Y., on Apr. 20, see *ibid.*, May 11, 1964, p. 726.

200 megawatts at Portsmouth supplied by the Ohio Valley Electric Corporation. The new power reduction, when completed, will reduce the Government's annual power costs by about \$34 million. The new reduction, when added to the reductions announced in January and April 1964, will ultimately save the Government approximately \$100 million in annual power costs.

The employment level at the three AEC diffusion plants is expected eventually to be reduced by a total of about 100 positions as a result of the latest power cut. However, since the power reduction will not begin for some time, it is expected that the personnel reduction will be accomplished by normal attrition. The Oak Ridge and Paducah diffusion plants are operated for the Commission by Union Carbide Corporation and the Portsmouth facility is operated by Goodyear Atomic Corporation.

The power curtailment will not affect existing AEC commitments for the purchase of uranium concentrates, nor will it result in further cutbacks in the AEC uranium feed processing plants.

### Letter to President Johnson

FEBRUARY 2, 1965

DEAR MR. PRESIDENT: We have recently completed a reassessment of our plans for the production of enriched uranium in the Atomic Energy Commission's gaseous diffusion plants. This review has been based on guidance from the Department of Defense concerning its projected requirements and a current analysis of the future needs for enriched uranium for non-military purposes.

We have concluded that the power usage rate in the diffusion plants can be further reduced, and still assure the nation of adequate supplies of enriched uranium for both military and peaceful uses. These reductions in power would extend over several years permitting the utilities, both public and private, to redistribute the power in an orderly fashion and minimize the impact on any particular geographic region.

The Atomic Energy Commission, therefore, recommends a further reduction of one-third in the projected power level approved in April 1964. This additional reduction would begin in 1966 and would be completed in 1969. When completely effected, there will result an estimated annual additional savings of \$34 million.

The Department of Defense states that the proposed reduction in enriched uranium production will not affect our planned military strength.

Respectfully yours,

GLENN T. SEABORG

## President Johnson Transmits Report on Communications Satellite System

*On February 15 President Johnson transmitted to the Congress a report (H. Doc. 87) on activities and accomplishments under the Communications Satellite Act of 1962. Following are the text of the letter of transmittal and excerpts from the report.*

### LETTER OF TRANSMITTAL

THE WHITE HOUSE,  
Washington, February 15, 1965.

*To the Congress of the United States:*

The past year has seen important advances in the program to develop a global communications satellite system. The first launch of a commercial satellite is to take place in the early months of this year.

Through the initiative of the United States an international joint venture has been established. Under the law I have designated the Communications Satellite Corporation as the U.S. participant. The corporation is to be the manager on behalf of all participants.

The corporation has now been financed, has constituted its first board of directors to replace the original incorporators, and has moved forward with its program. All agencies of the Government with responsibilities under the act have made important and faithful contributions with the sympathetic assistance of the congressional committees concerned.

The new and extraordinary satellite telecommunications medium bringing peoples around the globe into closer relationship is nearer to fulfillment, heralding a new day in world communications.

As required by section 404(a) of the Communications Satellite Act, I herewith transmit to the Congress a report on the national pro-

gram for development and application of the communications satellite technology to the services of mankind.

LYNDON B. JOHNSON.

### EXCERPTS FROM REPORT

#### REPORT ON ACTIVITIES AND ACCOMPLISHMENTS UNDER THE COMMUNICATIONS SATELLITE ACT OF 1962 (PUBLIC LAW 87-624)

The crushing scientific and technological revolution is one of the decisive characteristics of our times. Utilization of the advances of science and technology, if adapted with ingenuity and determination, will bring great benefit to the American people and to the people of the world.

One of the most dynamic and important areas of technological advance is taking place in communications. In carrying out the mandate of the Congress, the United States has taken the lead to bring this new technology into practical realization. It is doing so in cooperation with other countries which have joined with us to create a global commercial communications satellite system.

The creation of this commercial communications satellite system involves many complexities. But the work is on a firm basis and is moving ahead rapidly.

The first satellite of this planned commercial system is to be launched early this year for the purpose of bridging the Atlantic Ocean.

Designs for other potential satellites for the basic global system are being completed.

The orbiting satellites herald a new day in world communications. For telephone, message data, and television new pathways in the sky are being developed. They are sky trails to progress in commerce, business, trade, and in relationships and understanding among peoples.

Understanding among peoples is a precondition for a better and more peaceful world. The objectives of the United States are to provide orbital messengers, not only of words, speech, and pictures, but of thought and hope.

#### PROGRESS OF THE COMMUNICATIONS SATELLITE CORP.

The Communications Satellite Corp., created pursuant to Public Law 87-624, developed its program and its organization further during the year.

Under section 304(a) of the act the corporation issued \$200 million of common stock. The shares were



issued "in a manner to encourage the widest distribution to the American public." Shareholdings are scattered among many thousands of stockholders throughout the 50 States.

Following the stock issue public shareholders elected six directors; the carriers elected six directors; and the President appointed three outstanding citizens as directors by and with the advice and consent of the Senate. Thus the first board of directors was constituted.

The corporation progressed steadily forward toward the early launching of the first satellite of the international system. This is to be a synchronous satellite, 22,300 miles above the Atlantic, to provide service between North America and Europe. For launching services, the corporation has contracted with the National Aeronautics and Space Administration, under the appropriate provisions of the law.

The satellite, with up to 240 telephone channels, is planned for launch in March 1965. European ground stations are being made ready to function with the Andover, Maine, station leased for the service from A.T. & T. by the corporation. Coordination of telephone and other linkages is underway on both sides of the Atlantic.

The corporation is establishing a computation and control center in Washington which will transmit instructions to Andover to control the satellite. At the same time work is going forward on designs of two medium-altitude systems and for a next-step synchronous system. Ultimate choice of the global system is to be made this year with operation of a global system projected for late 1967. Initial launches for this basic system are to be made next year.

In response to a request from the Department of State, the corporation successfully coordinated efforts to transmit the opening Olympic games ceremonies and other Olympic events from Tokyo via Syncom III, a NASA experimental satellite.<sup>1</sup> The cooperation of the Department of Defense, and particularly the Navy, in making available the station at Point Mugu, Calif., and the assistance of NASA and other agencies of the executive branch, with the participation of NBC, RCA, and the Government of Japan and broadcasting entities in Japan, Canada, and Europe, made the historic telecasts over the Pacific a reality.

#### INTERNATIONAL ASPECTS

As in the previous year much of the effort during the year has been devoted to negotiating arrangements and agreements with foreign governments and their communications organizations. The corporation and the State Department carried the principal burden of these negotiations.

*Agreements establishing interim arrangements for a*

<sup>1</sup> For statements made by President Johnson, Secretary Rusk, and Japanese Foreign Minister Etsusaburo Shihira on Oct. 7, 1964, see BULLETIN of Oct. 26, 1964, p. 591.

*global commercial communications satellite system.*—As a result of extensive discussions with European countries, Canada, Japan, and Australia, two agreements establishing a global communication satellite system were concluded at a Conference held in Washington in July 1964. These agreements came into force on August 20, 1964.<sup>2</sup> One agreement, intergovernmental in character, is entitled "Agreement Establishing Interim Arrangements for a Global Commercial Communication Satellite System." It established the principle that a single commercial system should be set up forthwith; that it be expanded to provide world coverage as soon as possible; and that it be available to all nations of the world on a nondiscriminatory basis. As of December 31, 1964, the following countries had signed this agreement: Australia, Belgium, Canada, Denmark, France, Germany, Ireland, Israel, Italy, Japan, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United States, the United Kingdom, and Vatican City. At year's end an additional number of countries had signified their intention to join the system.<sup>3</sup> Each government signatory to the agreement will participate or designate a communications entity, either governmental or private, to be its participant in this system. The United States has designated the Communications Satellite Corp. as its entity.

The agreement established an Interim Committee, charged with overall responsibility for the global system, and named the Communications Satellite Corp. as the manager to run the system on behalf of all participants in the venture.

Each government or its entity will contribute a certain percentage of the capital funds—its "quota"—required for the space segment (the satellites and associated ground control environment) of the system. As new countries come in, they will be assigned a quota and the ownership percentage of the existing participants will be reduced pro rata. Each country or group of countries with a quota of 1% percent or more is entitled to a representative on the Interim Committee.

Any state which is a member of the International Telecommunication Union (ITU) may sign the agreement within 6 months of August 20, 1964, on the same terms as the original signatories. After the expiration of the 6 months' period, any state which is a Member of the ITU may accede upon financial conditions determined by the Committee. These features preserve the open-ended character of the agreement and assure that any state in the ITU which wishes to participate in the ownership of the space segment may do so.

It is not, however, necessary to be a member in order to have access to the system. The agreements provide for access by nonowners as well.

The Committee has the power of approval of access

<sup>2</sup> For texts, see *ibid.*, Aug. 24, 1964, p. 281; for a statement made by President Johnson on Aug. 20, see *ibid.*, Sept. 7, 1964, p. 345.

<sup>3</sup> See p. 353.

of ground stations to the satellite system for coowners as well as for authorized communications entities of countries that wish such access but do not wish to contribute to the capital cost of the space segment. Use of the system by such nonownership entities will be on an equitable and nondiscriminatory basis.

The second agreement—the “special agreement”—describes the functions and procedures of the Committee, its operational policies, methods of procurement for the system, and financial arrangements, including charges for satellite use. It describes the relationship between the Committee and the Communications Satellite Corp. which acts as manager of the system. The special agreement remains in force so long as the intergovernmental agreement is in force.

Voting in the Committee will be in proportion to quotas. The U.S. Communications Satellite Corp. has an initial quota of 61 percent. As additional participants become signatories to the special agreement, this quota, as well as the quota of other signatory countries, will be reduced pro rata as necessary. The quota of the U.S. Communications Satellite Corp., however, would not be reduced below 50.6 percent.

The agreement provides that the Committee shall endeavor to act unanimously; failing unanimity, it may act by majority vote except for 14 categories of decision for which a special voting procedure is required. These special categories involve major decisions in such matters as the choice of type or types of the space segment, procurement, satellite launching, budgets, and satellite charges.

These agreements represent a major accomplishment in the establishment of a global commercial satellite system and are in accord with the declaration of policy and purpose stated in the Communications Act of 1962. They provide for a single commercial satellite system to be established as soon as practicable on a global and nondiscriminatory basis. This system will be part of an improved global communications network which will provide telecommunication service to all areas of the world.

*Developments in the United Nations.*—The United Nations Committee on the Peaceful Uses of Outer Space has had under discussion the matter of communications by satellite and the benefits which this new technology can afford to the countries of the world. The United States in association with signatories to the agreements furnished to this Committee a progress report on the steps which the United States and the other countries have taken to establish the single global system, and has explained the nature and the purpose of the agreements which have been reached and the manner in which these agreements conform to the principles which have been enunciated in resolutions of the United Nations.

*Space Radiocommunication Conference of the International Telecommunication Union (ITU).*—The Senate gave its advice and consent to ratification of the final acts of the Extraordinary Administrative Radio Conference on Space Radiocommunication of the ITU

on February 25, 1964. This Conference met in Geneva from October 7, through November 8, 1963, and allocated radio frequency bands for communications via satellite and to other space communications services.<sup>4</sup> The final acts were approved by the President on March 16, 1964. The ratification of the United States was deposited with the ITU on April 3, 1964. The final acts of this Conference provide 2,800 megacycles of spectrum space for communication by satellite. Additionally, these final acts make provision for such support functions as space telemetering, tracking and telecommand which are essential to the development of a communication satellite system. Procedures for international notification and registration of the frequency assignments which will be brought into use for commercial satellite communications are a part of the final acts as are the technical criteria necessary to regulate frequency sharing between terrestrial and space radiocommunications services on an equitable basis. The provision of adequate international frequency allocation for satellite communications and the adoption internationally of regulations to protect this new service from harmful interference are vital first steps in the establishment of a global commercial system. The final acts of this Conference are in force as of January 1, 1965, and the allocations and regulations contained in this international agreement make it possible to go forward with the establishment of a global system.

*Future plans.*—The United States will seek to broaden the base of international participation in the commercial satellite system by encouraging additional states to join in the ownership of the system, and to join in the use of the system as rapidly as technology permits. The United States will also seek to foster a climate of international cooperation both of a technological and political nature with the objective of providing satellite communications to as many nations of the world as soon as possible in consonance with the Communications Satellite Act of 1962 and applicable resolutions of the United Nations.

#### SUMMARY AND CONCLUSIONS

The congressional mandate for the establishment, as expeditiously as practicable, of a commercial communications satellite system as part of an improved global communications network is being fulfilled. The program of the United States in conjunction and in cooperation with other countries is moving forward strongly. Important basic business decisions remain to be made as the system comes into being. But it has moved decisively toward the implementation of the act and is becoming a practical reality.

There are no recommendations for additional legislative action at this time.

<sup>4</sup> For text of a statement by the chairman of the U.S. delegation, see BULLETIN of Nov. 25, 1963, p. 835

## The Foreign Aid Program for 1966

*Statement by David E. Bell*

*Administrator, Agency for International Development*<sup>1</sup>

It is a pleasure for me to appear before this committee to open the administration's testimony in support of the 1965 amendments to the Foreign Assistance Act of 1961.<sup>2</sup>

This is the third year in which I have appeared before this committee—a fact which is perhaps worth noting in passing, if only because it has been some time since a man holding the job I hold has appeared anywhere 3 years in a row. I believe this fact is evidence of increased stability and continuity in our national programs to help the less developed countries achieve freedom and progress.

### **Philosophy of U.S. Assistance Programs**

This committee is considering a continuation of the programs of economic and military assistance to the countries of Asia, Africa, and Latin America. These programs are of fundamental significance within the overall framework of U.S. foreign policy.

For the immediate years ahead, the United States faces a world that is shifting, restless, turbulent, uncertain, and, on some occasions and in some instances, painfully hostile. There is now, perhaps, somewhat less likelihood of a direct military confrontation of the two big powers: but there is an increasing, and no less dangerous, threat to the security and freedom of the new and less developed countries from

the Communist world. This is a challenge not just to the developing countries. It is a challenge to the United States as well—to our nerve, our constancy of purpose, and our commitment to our own national interest. The simple fact is that we could not live safely in a world where the area of freedom was shrinking.

The fundamental interests of the United States are, therefore, engaged and involved in what happens in Asia, Africa, and Latin America. Our own national security requires us to contribute to the strength and independence of the peoples of the less developed areas. It is important to our own economic progress to help expand the economies of the developing countries, thus opening opportunities for larger trade and productive investment. Our own self-respect requires us, as the richest nation on earth, to devote some portion of our wealth to the less fortunate elsewhere in the world.

The past successes of the American foreign aid program in Europe, Japan, Greece, Taiwan, and elsewhere are well known. The strong forward strides now being made with the help of American assistance in such countries as Korea, India, Pakistan, Brazil, and Chile are solid evidence of the benefits our aid can bring—benefits not simply to the countries we are helping but benefits to our own vital national interest. We can expect continued success if we, and the nations we are assisting, persevere.

This is the fundamental philosophy of the U.S. assistance programs. Our purpose is to advance the cause of progress and freedom around the world. We do so by helping those who are prepared to help themselves.

<sup>1</sup> Made before the House Committee on Foreign Affairs on Feb. 4.

<sup>2</sup> For President Johnson's message to the Congress on foreign aid, see BULLETIN of Feb. 1, 1965, p. 126.

The specific recommendations before the committee reflect the wide variety of situations that exist in the different countries where U.S. assistance is playing a role. These circumstances range from severe guerrilla warfare in Viet-Nam, where the major effort necessarily must be to seek to bring about internal security; through the uncertain and sometimes violent situations in some of the new countries in Africa, facing desperate shortages of trained leadership; to such relatively advanced and peaceful situations as India or Chile, where the internal security problem is far less difficult, a minimum number of trained persons does exist, and the concentration can, therefore, be on the most rapid possible economic and social progress.

The witnesses from the executive branch will discuss, in whatever detail the committee wishes, the exact situation and prospects in each country. At this time, and in this open hearing, let me summarize briefly the principal elements of our recommendations.

#### **Principal Elements of U.S. Aid**

For military assistance, we are asking the authorization and appropriation of \$1,170 million of new funds. Secretary [of Defense Robert S.] McNamara will discuss this recommendation with you at a later date. Almost three-fourths of these funds will be used to provide military equipment and training for the forces of countries directly threatened by the Communist powers—the 11 countries in the arc stretching from Greece and Turkey to Taiwan and Korea. These countries have some 3½ million men under arms, constituting a major share of the defenses of the free world against aggression and subversion.

For economic assistance the President is requesting \$2,210 million of new appropriations. Most of this does not require new authorizations; the authorizations for development loans and for the Alliance for Progress which were enacted in 1961 and 1962 are sufficient to cover the pending budget request.

The total amount requested by the President for economic and military assistance is thus \$3,380 million. This is the smallest request in the history of the aid program. It is, in the

President's judgment, the minimum amount needed to carry on these programs. If it proves inadequate, additional funds will be requested.

#### **Economic Assistance**

The President's request for economic assistance breaks roughly into three categories.

First, the request contains \$369 million for supporting assistance and \$50 million for the contingency fund. These two kinds of assistance are used primarily in countries where security considerations predominate. Nearly 90 percent of the supporting assistance request is intended for four such countries—Viet-Nam, Laos, Korea, and Jordan.

Over the past several years, we have been able to reduce sharply the amount of funds requested for supporting assistance. In 1960 over a billion dollars was used for this purpose. Since then, this figure has been cut more than in half. Supporting assistance has been ended altogether in some 13 countries where sufficient progress has been made toward greater stability to enable us to shift the basis of our aid from temporary support to permanent development.

The decline in supporting assistance has been halted over the last year or two as a result of the heavy requirements in Southeast Asia. Because these requirements are still rising, and additional military and supporting assistance funds may be needed, the President is requesting a special authorization for Viet-Nam. If additional funds do prove necessary, the case for them will be presented to this committee at the same time the appropriation request is made.

The second major element of economic assistance consists of aid for development, in the form of development loans and of grants for technical assistance, for which total appropriations of \$1.67 billion are being requested for fiscal year 1966.

I am pleased to be able to report evidence of continuing progress toward putting aided countries on a self-sustaining basis and terminating U.S. assistance. It is especially important to call the committee's attention to these facts, since the daily news we receive about foreign developments—like the daily news we receive

about events in the United States—tends to concentrate on accidents and disasters, and to ignore progress and achievement.

There are now 26 countries where our economic assistance has been brought to an end.

The latest and one of the most notable examples of success is the Republic of China on Taiwan. Economic assistance from the United States is ending with the present fiscal year. No funds are being requested for fiscal year 1966.

In our natural preoccupation with the many urgent situations that confront us, we should not overlook the remarkable achievement of Taiwan and other countries like it, where the combination of strong self-help measures and major external assistance has brought about rapid and lasting economic progress. Ten years ago the prospects for stability and growth in Taiwan looked dim. Few Americans would then have predicted that by 1965 per capita gross national product in Taiwan would have risen 45 percent, industrial output and exports would have tripled, and Taiwan would have joined other former aid recipients as a sizable cash customer for U.S. goods and services.

There is substantial evidence of progress also in countries that have not yet progressed far enough for aid to be ended. In the last 7 years, less developed nations have increased their investment in education by an average of 15 percent per year. They increased the value of their exports from \$19 billion to \$29 billion between 1950 and 1962, despite falling world prices for many of their exports. Since 1950, they have increased industrial output at an average of nearly 8 percent per year. By 1963, roughly half of all the people living in malarious regions in the underdeveloped countries were being reached by malaria eradication programs. Deaths attributed to cholera dropped approximately 90 percent between 1950 and 1960.

Perhaps most important of all is the growing evidence in many less developed nations of a sustained and substantial commitment to the steady social and economic betterment of their peoples. For every \$1 of our bilateral assistance to 20 major recipients of U.S. aid in fiscal year 1965, these nations allocated an average of \$6 for development from their own meager resources.

### **Emphasis on Self-Help**

It is clear that U.S. assistance can be effective only to the extent that recipients are determined to help themselves. AID development assistance increasingly is designed to insist on and induce needed improvements in self-help measures.

Emphasis on self-help leads directly to the concentration of assistance. About two-thirds of the development assistance request is expected to go to seven countries—India, Pakistan, Turkey, Nigeria, Tunisia, Brazil, and Chile. These nations all have underway major development programs based on strong self-help efforts. Assuming a continuation of their efforts and of our aid, their prospects for further progress are good.

\$580 million of the development assistance request will go to continue the work of the Alliance for Progress. This great effort on the part of the peoples of the hemisphere is now taking hold and is demonstrating the opportunities for progress in freedom.

The request for development assistance has been carefully calculated as the minimum necessary for the coming fiscal year, on the basis of a realistic estimate of the self-help measures likely to be undertaken by the developing countries. I urge the committee in considering this aspect of our program to bear in mind that these are the funds which lead to constructive, positive change. Military and supporting assistance by their nature are primarily defensive. But development assistance leads to permanent progress. It is plainly in our own interest to make development funds available when we can be sure they will be well applied. To do so will lead to the most rapid progress and the earliest possible termination of economic assistance.

A third element of our economic assistance request is \$155 million for contributions to international organizations, such as the United Nations Special Fund, UNICEF [United Nations Children's Fund], and the Indus Basin Development Fund. Assistant Secretary [Harlan] Cleveland will appear later before this committee to discuss these sums in detail.

Finally, we are asking for some \$65 million for administrative and other miscellaneous expenses.

## Improving Effectiveness of Aid Programs

I have summarized the elements of our recommendations for fiscal year 1966. I should like now to call to the committee's attention some of the efforts we are making to improve the effectiveness of our aid programs.

First, as this committee knows, we have been increasingly concerned with the problem of Communist-inspired internal insurgency. The insurgency problem arises in many forms, ranging from rural guerrilla warfare in Viet-Nam to urban terrorism in Venezuela. It is made all the more serious by the rivalry between the Russians and the Chinese. Most recently there has been an obvious effort by the Communists to organize and promote insurgency movements in Africa.

A major effort has been made by our Government in the last several years to discover the best ways and means of dealing with insurgent movements. We have made considerable progress. For example, the improvement of police activities in a number of countries has been of great value. In Venezuela, to cite an illustration, American police advisers helped greatly to improve the effectiveness of the Venezuelan police in dealing with terrorists in Caracas.

Moreover, in Viet-Nam and other countries where insurgency is a threat, the relationship between military and civilian activities has come to be better understood. In addition to providing military aid, we are now placing strong emphasis on the kinds of economic assistance necessary to bring hope and progress to the peoples of such countries.

The discipline and tactics of well-trained insurgent groups are extremely difficult to deal with. But if free institutions and societies are to grow and expand, we must continue to improve the techniques, methods, training facilities, and leadership that will enable us to overcome this problem.

Second, we have been increasingly concerned with the problem of food. Food demands are rising rapidly, as a result both of rising populations and of rising incomes. This is already a serious problem and is likely to become even more serious.

We are, accordingly, considering how to expand our already sizable effort to help increase

agricultural production in developing countries. This will require greater use of the extensive technical skills of the Department of Agriculture, the land-grant colleges and universities, and private organizations of many kinds. It will require the rapid expansion of production of fertilizer and other items needed for raising agricultural output. Finally, we must continue to make our own agricultural surpluses available through P.L. 480—being sure we do this in a way which encourages the expansion of food production in the developing countries themselves and their ability to purchase food internationally when it is uneconomic for them to produce it.

## Expanding Role of Private Resources

Third, as this committee is well aware, we have been steadily seeking to expand the role played by private American resources in helping to achieve progress in developing countries. The Advisory Committee on Private Enterprise in Foreign Aid, chaired by Mr. Arthur K. Watson of IBM, has been engaged in studying ways of enlarging this process and will make its report by the middle of the year. We are also urging prompt enactment of the 30-percent tax credit for new U.S. investment in less developed countries proposed by the President in his foreign aid message.

During the past year, some significant advances were made:

—A special task force chaired by Mr. John Gardner, president of the Carnegie Corporation, made several important recommendations to improve the relationship between AID and the 129 colleges and universities now involved with us in more than 300 technical assistance contracts.<sup>3</sup> We are now putting these recommendations into effect.

—The specific-risk investment guarantee program expanded dramatically, from 186 contracts for \$426 million in 1963 to 486 contracts for \$708 million in 1964. Sixty-three developed countries now have signed investment guaran-

<sup>3</sup> A limited number of copies of the task force report, *A.I.D. and the Universities*, are available upon request from the News Division, Agency for International Development, Washington, D.C., 20523.

tee agreements, and guarantee coverage now totals \$1.8 billion, nearly quadrupled from 1961. To meet the rising demand for guarantees, we are requesting an increase in issuing authority. We are also requesting a modification and extension of the Latin American housing guarantee program.

—AID issued a Catalog of Investment Opportunities, containing summaries of more than 1,200 feasibility studies to help American businessmen identify investment opportunities in developing lands.

—Investment survey grants, under which AID shares the cost to U.S. investors of investigating investment opportunities, climbed to a total of 110 by the end of 1964, with 10 affirmative decisions thus far, involving potential investment of \$20 million.

—A privately managed International Executive Service Corps was launched with AID assistance. It is now recruiting business executives for service in less developed countries to help provide skilled executive personnel for private enterprise.

AID also seeks to strengthen the private sectors of less developed countries. Among the most successful methods have been AID loans to 36 industrial development banks in 30 countries which have made possible some 2,400 loans to private businesses there. Along with similar loans to agricultural credit banks and savings and loan associations, this kind of assistance is stimulating the growth of thousands of small businesses at the grassroots level of economic activity, where it counts the most.

#### **Use of "Incentive Programing"**

A fourth way in which we have been seeking to improve the effectiveness of U.S. development assistance is in our use of loans to finance equipment, supplies, and raw materials. These loans are called program loans, to distinguish them from loans for specific projects.

These loans have two particular advantages. First, as the less developed countries expand, the private sector in both industry and agriculture requires steadily larger amounts of raw materials, equipment, and spare parts, both for enlarging output from existing plant and for new investment. The traditional loan to fi-

nance major projects—in particular the loan to finance major projects in the public sector—does not meet these private sector needs. Accordingly, in selected cases we have been making program loans to finance the importation of U.S.-produced equipment, spare parts, supplies, and raw materials, and we have found these loans very helpful in supporting and stimulating private investment and expansion.

Furthermore, it has often been possible to couple these loans with an agreement on the part of the borrowing country to improve its economic policies. To take one example, when Pakistan was assured last year of a major program loan from us, they felt able to eliminate licenses on raw materials imports into that country. This was a very important step toward reducing government red tape and permitting a much freer and more efficient reliance upon market forces to guide the volume and flow of materials and equipment in the Pakistan economy.

We expect to continue and to increase the use of such "incentive programing." At the same time, for obvious reasons, we can do so only in those few cases where we are sure the country is fully committed to a major development effort and is following sound economic policies which will insure that the commodities financed by our program loans will contribute to solid economic progress. As in every other aspect of our development lending, we must assure ourselves that the financing provided by the United States is part of a plan which will overcome the economic problems confronting the country in question. We are not interested in providing an economic crutch which would permit a less developed country to avoid coming to grips with the problems that face it.

#### **Administrative Improvements**

The fifth area in which efforts toward increased effectiveness are continuing is the management of AID. We have made progress, although we still have much to do. From June 30, 1963, to June 30, 1964, we reduced our total employment worldwide from 16,800 to 15,600. This trend will continue—although at a slower rate—unless the demands of the Vietnam program exceed the reductions we can achieve elsewhere. We have also sought to

simplify our organizational structure and working procedures. But we are still not satisfied with our efforts to increase efficiency.

With respect to personnel, it is important to the effective operation of the assistance program that we increase the interchange of persons between Washington assignments and overseas assignments. In order to achieve this result, we have steadily enlarged the number of persons rotating back into Washington for assignment here. In addition, however, we need general authority, which we do not now have, to appoint officers in the Foreign Service Reserve for duty in Washington prior to overseas experience. We are requesting the legislative amendments which will permit us to do this.

### **U.S. Aid Part of Broad International Effort**

Before closing, I should like to emphasize the extent to which the U.S. program of economic assistance is part of a broad international effort. As the committee knows, the United States has taken the lead for a number of years in promoting the establishment of international assistance agencies, financed cooperatively by the advanced countries, and in urging other advanced countries to enlarge their bilateral assistance efforts. We have been pleased by the gradual enlargement of the flow of aid through international channels and the increase in other countries' bilateral programs.

It is noteworthy that in the calendar year 1963, which is the last year for which figures are available, U.S. bilateral aid was for the first time slightly less than half of the assistance received by less developed countries. Bilateral aid from other advanced countries was about one-third of the total, and aid through multilateral agencies (of which the U.S. share is normally less than half) represented 17 percent of the total.

Our policy is to continue to support the channeling of more aid through multilateral agencies, as rapidly as other advanced countries will do so on an equitable basis of cost sharing.

It is particularly important to increase the degree of coordination among the aid-giving countries in view of the rising burden of for-

eign debt in less developed countries. Debt repayment obligations in these countries have been climbing sharply in recent years and will continue to rise. In Latin America as a whole, for example, the debt-service burden is already the equivalent of one-half of the gross capital inflow.

It has been necessary in some cases, such as Brazil and Argentina, for creditors to agree to reschedule the debt obligations of less developed countries and stretch out the period of payment.

It is because of this rising debt-service burden, in relation to the limits on repayment capacity in many less developed countries, that the United States has adopted a policy of extending loans on terms related to the repayment capacity of the country concerned. For most of the countries where we extend development loans, minimum AID terms are necessary—a grace period of 10 years with the interest charge at 1 percent, and a subsequent maturity span of 30 years with interest at 2½ percent. As countries progress toward self-sustaining growth, AID raises its interest rates and shortens maturities. For example, the most recent loans made to Iran and Israel have interest rates of 3½ percent, grace periods of 3 to 5 years, and maturities of 15 to 20 years.

As the committee knows, we have been urging this general policy on other donor nations, with some substantial effect. However, the problem remains difficult and is being studied at the present time by a special working group of the Development Assistance Committee member nations in Paris.

In conclusion, let me stress the necessity of a steady and continuing effort by the United States and other advanced countries. The tasks of reshaping societies in Asia, Africa, and Latin America are obstinate and lengthy. We cannot succeed by stop-and-go methods.

We must continue to demand self-help measures by the countries that seek our aid. But we must also continue to stand ready to provide capital and technical resources when self-help measures are undertaken.

Our interests demand that we stay the course. It is in this spirit that we commend our proposals to the committee's consideration.



## U.S. Program of Economic Assistance to Africa

*Statement by G. Mennen Williams  
Assistant Secretary for African Affairs*<sup>1</sup>

Once again I am pleased to appear before this committee to discuss the U.S. program of economic assistance to Africa.

Africa today is a continent sorely beset by internal troubles, a continent whose difficulties are making it vulnerable to Communist subversion, a continent urgently in need of support from its friends.

At the same time, however, Africa is a continent making important but little-publicized political, economic, and social progress. In the economic field, in particular, many of the continent's developing nations are demonstrating healthy growth.

Because 1964 was a difficult year in which to maintain a balanced view of Africa and keep its affairs in perspective, there has been little recognition of Africa's progress. However, a special "African Business Review," published by the New York Times last month [January 25], noted that there seem to have been two Africas in 1964 and said:

It is likely that when all the statistics are finally compiled 1964 will, paradoxically, turn out to be one of Africa's best economic years.

Last year I devoted almost my entire remarks to the positive effects of the U.S. AID [Agency for International Development] program in Africa. I said then, and I continue to believe, that economic assistance is necessary, effective, and in our national interest because:

1. Aid programs advance the cause of world peace and help to preserve the essential in-

terests of the United States and all of the free world.

2. African nations need help.

3. While the nations of Africa are low in the scale of economic development, they are making real progress.

4. U.S. aid is adapted to Africa's needs and has achieved measurable success in helping the African people.

### **Perspective on African Developments**

This year I want to discuss some of Africa's major difficulties but at the same time point out some of the progress that is being made throughout the continent. It is important to have both difficulties and progress in mind in developing a proper perspective in which to set African events.

More than ever before, we must be able to place African developments into a reasonable perspective. There has been a great deal of news about the many and sometimes excruciating problems Africa is experiencing: among them, the Congo's continuing crisis; an increasing Communist presence in Africa; the major problems of self-determination and racial accommodation in the Portuguese territories of Angola and Mozambique, in South Africa, and in Southern Rhodesia; the actions of several so-called "radical" African governments in assisting the Congolese rebels.

Despite these serious problems, however, there is no Communist satellite in Africa, and the only real breakdown in internal order in Africa is in the Congo. Most countries have increased production and expanded educational and

<sup>1</sup>Made before the House Committee on Foreign Affairs on Feb. 10.

health facilities. These are gains that are less dramatic than crises and, therefore, are accorded less news coverage.

Interestingly enough, some countries that were moving strongly toward the East only a few years ago today are moving toward a truly nonaligned position. At the same time, however, some countries that once seemed to look permanently moderate have experienced revolutions in which radical leadership took over and are turning to the Communists for assistance.

The problems of our relationships with the so-called "radicals" call for perspective on our part. History has taught us to be careful about making hasty political decisions from which we may find it necessary to retreat. In the context of modern Africa we cannot make peremptory judgments about countries on the basis of only a few short-run disagreements. In the past 4 years we have seen some of the same countries disagreeing with both ourselves and the Communists on various issues for purely African reasons.

It is in our national interest to assess differences of opinion coolly and without unnecessary rancor. Obviously, it is easier to maintain warm and cordial relations with friendly nations than it is with nations which oppose us on some issues. Nevertheless, we cannot and should not throw up our hands in despair over every disagreement that vexes us. And if we are to show our continuing interest and good will toward countries with which there remain prospects for meaningful relationships, we must have ongoing aid programs.

There is no cut-and-dried solution nor pat answer to this problem, but we must place our long-range interests and objectives into a well-considered perspective. Personally, I am optimistic for the long haul if we keep our heads about us and do what we have to do. I am confident that Africa will move toward a constructive position in world affairs, but there will be problems along the way.

There has been a turning East for assistance by countries which still have moderate leadership but feel disenchanting with what they consider the insufficiency of U.S. and Western help and are seeking diversification of their traditional sources of assistance.

Free-world aid to Africa dropped sharply

from \$1.77 billion in 1962 to \$1.41 billion in 1964. At the same time that Western aid has been falling, Communist assistance almost doubled from \$223 million in 1962 to \$413 million in 1964 (excluding the United Arab Republic). In addition, although in slightly more than a decade U.S. investment in Africa (excluding U.A.R.) has increased some fivefold—from \$287 million in 1950 to \$1.423 billion in 1963—other Western nations' investment has increased more slowly or has declined.

As a consequence, some African nations which normally seek aid and investment in the West are becoming dissatisfied because their expectations have not been fulfilled and they are under increasing pressure to demonstrate progress for their people. Obviously, unless their needs are met, it can be anticipated that more and more so-called "moderates" may turn Eastward to augment their aid. Dissatisfaction with the West increases African susceptibility to Communist access and gives the Communists opportunities in countries in which they normally would not have been expected to make any progress.

This does not mean that these countries will become Communist or even Communist-dominated. But it does mean that the Communists have a chance to spread their poison where a meaningful free-world—and especially a U.S.—aid program would have provided alternatives.

Because of this situation, free-world countries must develop as much aid as they can to contribute to Africa's development. The United States must do its share because we have our own interests and policies which must be safeguarded.

#### **Soviet and Chinese Communist Activity**

A review of recent Communist activity in Africa shows that we have reasons to be concerned. During the past year the Communists continued to make overtures to African states. Although the Chinese Communists are more openly revolutionary than the Soviets, there is little to choose between them in their avowed animosity to the West. Both Communist powers continue to have as their main objective the weakening of Africa's ties with the West

and the replacement of such relations with Communist ties.

In their efforts in Africa the Sino-Soviet division is reflected as it is elsewhere in the world. But while it is true that they compete with each other in Africa, we cannot forget that their competition is designed to see which of them can do the most damage to Western influence in Africa. They would like to gather as much of Africa as possible into an anti-Western coalition with the Communist states. What they're competing for is only to see who will be the leader.

In the light of Communist activities in Africa, we are compelled to remember the statement attributed to Lenin: "The road to Paris lies through Calcutta and Peiping," and Stalin's remark: "The backs of the British will be broken not on the River Thames, but on the Yangtze, the Ganges, and the Nile." Whether those statements are apocryphal or not, Communist actions in Africa clearly reflect their philosophy. And as World War II showed, the strategic relationship between Africa and Europe is very close indeed.

In any event it is obvious that the Marshall Plan, in enabling Western Europe to recover, blunted the direct Communist attack there. This compelled the Communists to work the flanks because the center was holding relatively well against them. It is in the peripheries, such as Africa, where more and more of the main fight will center.

At the present time the Soviets have diplomatic relations with 24 African countries (6 new in 1964) and Communist China with 17 (7 new in 1964). At the end of January, however, Peiping's relations with Burundi were suspended unilaterally and abruptly by the latter country's Government. We have reason to believe that the Chinese Communists felt this as a traumatic blow.

Combined Soviet and Communist Chinese offers of aid to Africa (exclusive of U.A.R.) totaled about \$413 million for 1964, including amounts announced but not yet confirmed. U.S. aid (also exclusive of U.A.R.) last year amounted to \$379 million, of which \$202 million was in AID funds and the remainder in P.L. 480 foodstuffs and Export-Import Bank

loans. The cumulative total of Communist offers to African nations amounts to more than \$1 billion today, although less than one-fifth of that has been drawn upon by African governments. Moreover, more than half of all Communist aid to less developed countries is currently earmarked for Africa (including U.A.R.), and it almost certainly will increase if other sources of help are not forthcoming.

The demand for education in Africa is so great that all the training offered cannot begin to meet it. In countries where education is at such a premium much will be determined by who is educated, what he learns, and where he learns it. If numbers alone could tell the story, we could measure Africa's future by the margin of four students being trained in the West for every one being trained in Communist countries. Although the West is getting the best students, and many who go behind the Iron Curtain defect, nonetheless, each militant trained by the Communists is a serious source of danger to his country and the West.

All of this Communist activity constitutes a serious threat to the continuing independence of the countries of Africa, and it is in their interest and ours to help them recognize that danger clearly and offer them a way to avoid reliance on the Communist world.

### **Continuing Disorder in the Congo**

Another serious African problem is the continuing disorder in the Congo, where the United States cooperated with Belgium and the Congolese Government in a humanitarian rescue mission in November.<sup>2</sup> Some 1,000 Africans and 3,000 Europeans, Asians, and Americans have since been rescued from rebel forces. The Congo issue, more than any other, has reacted adversely against the United States and has severely strained our ties throughout much of Africa. African reaction to Prime Minister Tshombe and his use of South African mercenaries against the rebels has been strong and vigorous. We consistently have extended our support to the Central Government—whether it was under Prime Ministers Lumumba, Adoula, or Tshombe.

<sup>2</sup> For background, see BULLETIN of Dec. 14, 1961, p. 838.

The principal issue, as we see it, is not so much the personality of the occupant of the office of prime minister as it is the long-range problem of supporting the legitimate government in its effort to maintain territorial integrity and establish national unity throughout the country and move forward to build the nation which we hope the Congo one day will be. It is important also to avoid a precedent for the upsetting of legitimate governments by violent revolutions.

The Communist threat and the Congo crisis are among the most dramatic of Africa's problems, but there also are other serious difficulties. On the political side, for example, there are the problems of self-determination in southern Africa. And on the economic side, there are the continuing problems of poverty, disease, and illiteracy that face newly independent and developing nations the world over. Such crises and problems are going to trouble Africa for a long time. But neither the occurrence of crises nor the existence of problems should cause us to lose our perspective and overlook the fact that there has been real progress in many parts of Africa.

#### **Some Promising Political Developments**

In the political field a number of African countries have weathered serious political storms and have gone ahead to build genuine strength and stability. These are a few examples:

1. Nigeria, the world's 10th largest country in population, has built a federation of some 55 million diverse peoples, has converted its form of government to that of a republic, and has added a fourth region to its original three regions. Last December Nigeria weathered its first general election since independence in 1960 and came through the experience stronger than ever, despite an acute period of dissension. Nigeria has resolved its political conflict by adherence to the rule of law and constitutional processes and has reached the point where Prime Minister Balewa recently was able to say:

The President [Nnamdi Azikiwe] and I have once again shown that the things that bind Nigerians together are stronger than those which separate them.

2. Ethiopia is another country that has strengthened its government since an abortive

revolution in 1961 and has moved ahead to play a leading role in African affairs. This oldest of independent African countries has been governed by Emperor Haile Selassie since 1930, and his leadership has survived both foreign invasion and domestic crisis during the 35 years of his reign. In the last few years the Emperor has become a leading figure in pan-African matters. His role in the formation of the Organization of African Unity was especially impressive.

3. Tunisia also has developed a high degree of order and stability which has led to a remarkable level of economic growth in that country. Working quietly and steadily on the improvement of its agricultural economy, Tunisia has put to good use the assistance it has received—principally from France and the United States—and the standard of living of its people is rising.

4. Cameroon, too, has shown a marked trend toward stability. In recent years it has put down a Communist-inspired revolt, it is merging English- and French-speaking areas successfully into a federation, and it has made progress in the face of many economic and political problems.

5. Sierra Leone went through a change in government without strife following the death of its first Prime Minister, Sir Milton Margai. Not only does the new Prime Minister, Albert Margai, have a strong following, but a vigorous opposition party flourishes and holds the mayoralty of Freetown, the nation's capital. This nation also is making steady and quiet economic progress.

There have been other promising political developments as well.

In December a U.N. Security Council resolution drafted with great diplomatic skill by Ivory Coast and Morocco provided a constructive approach for progress on the Congo problem.<sup>3</sup>

There also are several countries which a few years ago appeared ready to accept a Communist solution for their problems. Their firsthand experiences with the Communists however, made them realize the importance of

<sup>3</sup> For background and text of resolution, see *ibid.* Jan. 25, 1965, p. 118.

not alining too closely with any foreign power, and today they have strengthened their true independence and stability.

The President of the Malagasy Republic [Philibert Tsiranana], a country which is participating with the United States in an important space-tracking program, has been in the vanguard of African leaders who have warned of the dangers of Communist subversion and interference in other countries' internal affairs. The Malagasy Republic has come out in favor of a reasonable legal solution to the Congo's troubles.

In international affairs, the young Organization of African Unity has shown considerable promise. The very fact that new nations could quickly reach agreement on a continent-wide organization is in itself remarkable. The way the OAU has moved to play an important role in the Algerian-Morocco dispute, the Ethiopian-Somali frontier question, and Tanzania's internal security measures has been admirable. Now it is beginning to tackle the Congo problem. Some of its members are demonstrating an increased understanding of the Congo's difficulties, and we hope the OAU will work toward a realistic method of restoring stability in the Congo as it has done elsewhere.

### **Economic and Social Progress**

In the economic field let me touch briefly on the fact that a number of African countries are making solid economic and social progress, in spite of their tremendous handicaps of low income, lack of infrastructure, illiteracy, and disease. For example:

1. In recent years Liberia, Ethiopia, and Nigeria have been able to increase their gross national product by 4 to 5 percent annually.

2. Agricultural production for the entire continent has risen 25 percent in the past 10 years.

3. African exports have increased 45 percent in the same period of time.

4. Oil production in Libya and Nigeria has increased sharply in the last 4 years.

5. The U.N. Economic Commission for Africa is one of the most active and most effective of the U.N. regional bodies. Its activities in planning for African development auger well for the future. For example:

- a. The ECA fathered the African Development Bank established last year.

- b. The ECA is cooperating with African nations in planning regionally integrated programs in such fields as transportation, telecommunications, and industrialization.

6. In education Africa is making remarkable progress. South of the Sahara in the past 4 years, the number of universities has risen from 24 to 35. Secondary school enrollment has increased from about 800,000 to 1.8 million.

- a. Thirty U.S. colleges and universities hold 39 contracts to assist education in 15 African countries.

- b. Nearly 3,500 Peace Corps volunteers are now in 19 African countries, and most of them are working in educational activities.

### **Putting Our Best Foot Forward in Africa**

Africa is going to have continuing troubles of one kind or another. It is impossible for any area which only a few years ago was primarily agricultural, with 90 percent of its people in farming, to make the tremendous jump to a 20th-century industrial economy without stresses. The continuing revolution of independence and rising expectations is going to require U.S. and other trade, investment, and assistance.

As President Johnson pointed out in his foreign aid message last month:<sup>4</sup>

Foreign assistance programs reach beyond today's crises, to offer—

*Strength* to those who would be free;

*Hope* for those who would otherwise despair;

*Progress* for those who would help themselves.

Through these programs we help build stable nations in a stable world.

As the leader of the free world, it is important that we lead in helping the peoples of Africa win their war on poverty, hunger, disease, and illiteracy. Unless Africa and the rest of the world can find a satisfactory life, there will be constant turmoil in the world, threatening the peace and freedom of ourselves and future generations of Americans. Under any circumstances, such turmoil would breed trouble. But

<sup>4</sup> *Ibid.*, Feb. 1, 1965, p. 126.

in this age of cold war there can be no doubt that Communist activity in areas of continued unrest could result in serious trouble.

Two years ago Secretary Rusk emphasized the need for foreign aid to counter Communist subversion, and his remarks bear repeating today. He said:<sup>5</sup>

There is nothing that the Communists want more than to see the "Yanks go home"—not only from Western Europe, but from the Mediterranean, South Asia, the Far East, Latin America, Africa, everywhere. If we Yanks come home, the Communists will begin to take over. Why any American would want to cooperate with that global Communist strategy is beyond my un-

<sup>5</sup> *Ibid.*, Apr. 29, 1963, p. 664.

derstanding. But that is what sharp cuts in our foreign aid programs would mean.

Now is a time for us to put our best foot forward in Africa. I don't want it said a decade from now that, because of shortsightedness in 1965, the United States didn't take the relatively modest steps that might have averted more serious troubles in Africa.

In the main, I am confident both of America's wisdom and generosity to meet the totality of our problems and of Africa's ability, with the help of the West, to play an increasingly constructive role as a contributing and honored part of the world community. Now, in my humble opinion, is a time when Africa's needs and U.S. interest require appropriate AID assistance.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### U.N. General Assembly Recesses

*Statements by Adlai E. Stevenson  
U.S. Representative to the General Assembly*

#### STATEMENT IN PLENARY SESSION, FEBRUARY 18

U.S. delegation press release 4503

Since the first of December, this Assembly has agreed without objection to act on the basis of a procedure the purpose of which has been to avoid a confrontation on a matter of basic principle so that with adequate time an agreed solution consonant with the provisions of the charter can be reached.<sup>1</sup> Agreement has also been reached that the Assembly should proceed by recessing after disposing of certain important items to permit a new effort to be made to seek that solution.

<sup>1</sup> For text of a statement on the U.N. constitutional crisis made by Ambassador Stevenson in plenary session on Jan. 26, see BULLETIN of Feb. 15, 1965, p. 198.

One member of the Assembly has now challenged these procedures previously agreed to by all members in the best interests of the organization. We are therefore faced with a situation where a procedural vote is regarded by many members as necessary to confirm the clear desire and wishes of the overwhelming majority of the General Assembly.

Inasmuch as the procedural vote for which the President has called on his ruling deals only with the issue of whether the Assembly should or should not continue to proceed on a nonvoting basis and not with the substantive business of the Assembly, the United States considers that such a vote would not involve or prejudice the question of the applicability of article 19 and that the question can in no way be affected by it.

Accordingly, Mr. President, so that the overwhelming majority may not be frustrated by one member and that the Assembly may complete the substantive business currently before it on a consensus basis, the United States will raise no objection to the procedural vote on the challenge to your ruling.

S. delegation press release 4501

No one regrets more than the United States that this Assembly has been forced to operate without votes and transact little business as it was forced to do by a failure to face up to or to solve the problems produced by the financial crisis in the peacekeeping operations.

The United States agreed to the no-voting procedure last December with great reluctance and only because most of the members wanted to avoid a confrontation or a showdown, a decisive resolution of the issue over the application of article 19.

We hope that the time that has been bought by today's adjournment will be constructively used. We have been urging, as many of you know, negotiations for the past year, and the General Assembly has now set up machinery for a review, a searching review of all aspects of United Nations finances and peacekeeping operations, and for a determined effort to find a solution to its difficulties.

As I said, the procedural action defeating the Albanian effort to precipitate a confrontation at the last hour did not involve or prejudice the question of article 19. It was a procedural vote to determine whether we should proceed on a nonvoting basis. The position of the United States rests on the fundamental principles of constitutionality and of democratic practice which are, in our judgment, indispensable to the orderly and sound evolution of political institutions. The issue is one of substance and not procedure, and our position has related to the charter not to the technicalities of the rules of procedure.

We must bear in mind that, while the Assembly has now adjourned, the varied and useful work of the United Nations continues. The Security Council has just finished the heaviest year in its entire history. The economic and social and humanitarian work of the United Nations is growing in support and in results. All of this work will continue while we attempt to take the best possible advantage of the interval that we now have to find a solution to some of these unfortunate difficulties that have arisen with respect to the conduct of peacekeeping opera-

tions and their financing that have made it impossible to make this Assembly as fruitful as we had hoped.

I might add a hurried postscript that I was surprised by some of the remarks that I had heard here. Some delegates attempted to lay equal blame on what they call the two big powers. It seems to me a grotesque irony to equate the position of those who support the authority of the General Assembly with the stand of those who have denied and defied that authority.

## GATT Contracting Parties Sign Articles on Trade and Development

*The Contracting Parties to the General Agreement on Tariffs and Trade concluded their second special session at Geneva on February 8 with the signing of new articles on trade and development to be incorporated as part IV of the General Agreement. Following is the text of a statement made at the closing meeting by U.S. Delegate John W. Evans.*

This charter for the trade of developing countries, which we are launching today, is the product of all the contracting parties and belongs to all of them.<sup>1</sup> Nevertheless, I hope my delegation will be pardoned if we recall that the United States submitted the draft that formed the basis for the hard work that finally resulted in the approved version of the new part IV of the General Agreement.

Of course, in our preparation of that draft, we borrowed heavily from many of the ideas that the Executive Secretary [Eric Wyndham White] had earlier presented to us in skeleton form. So, as is true with most of the happier products of this body, we can trace this inspiration to him.

But, as I have said, the final product was the work of all. I doubt if there is a contracting party which didn't contribute to the formulation or negotiation of some part of the text before us. Developing countries in Asia, Africa,

<sup>1</sup> For text of the draft articles, see BULLETIN of Dec. 28, 1964, p. 922.

and Latin America provided not only the motivation for this work but many concrete proposals. The special problems and conditions of each area have found reflection in the text, and, happily, these developing countries participated not only as prospective beneficiaries but as full partners themselves, undertaking the obligations within the limits of their ability. It is a contract involving commitments by all and, as such, the prospect for the serious observance of its provisions is greatly improved. The industrially advanced countries, too, of Europe, North America, and the Far East have each left their imprint on the text and traces even of their differing backgrounds and outlooks. We hope that the result is a harmonious blend of Anglo-Saxon logic and Latin pragmatism.

Since none of us is the single author, none of us will claim that the text is perfect. But all, I hope, will recognize that it is a good text and that it truly records the maximum progress on which agreement could be reached at this time.

What does that progress consist of? The new part has crystallized some concepts—some concrete methods for assisting the trade and development of less developed countries—which had not previously gone much beyond classroom discussions or the lecture hall. But even if this new charter did no more than codify concepts which many of our governments have accepted and tried to apply in the past, the job was still very much worth doing. For the ability of any one contracting party to apply these concepts consistently in practice must be limited by what other countries, similarly placed, are prepared to do. It is not enough to recognize objectives. What counts is performance. And without common agreement and common commitments performance is bound to be weak.

Mr. Chairman, my delegation today will not only participate in the decisions before us but will sign the protocol establishing the new part IV of GATT. We hope many other delegations will do the same, though we realize that for many this is impossible until they have complied with their parliamentary procedures. While we are waiting for the protocol to enter into force, however, it is the firm resolution of my Government to be guided by its provisions and to do

everything possible to accelerate the attainment of the objectives on which we have agreed.

The GATT has passed another test or, more properly, just another stage in a continuing test. The ability of any institution to adapt to changing conditions and needs is the true mark of its vitality and the gage of its continued usefulness. The GATT, in changing to reflect new needs, has met this test well and placed itself in a position to concentrate now on actions to improve the export earnings and the economic growth of the developing countries.

## TREATY INFORMATION

### More Nations Sign Communications Satellite Agreements

#### Department Announcement of February 12

Press release 23 dated February 12

Seven additional nations on February 12 adhered to two related agreements establishing interim arrangements for a global commercial communications satellite system. Representatives of the seven countries—Jordan, Kuwait, Lebanon, Libya, New Zealand, Sudan, and the Syrian Arab Republic—signed the agreements in the International Conference Room at the Department of State.

Previously, 21 other countries have signed the agreements since they were opened for signature on August 20, 1964.<sup>1</sup> They are: Australia, Belgium, Brazil, Canada, Denmark, France, the Federal Republic of Germany, Ireland, Israel, Italy, Japan, the Netherlands, Norway, Portugal, South Africa, Spain, Sweden, Switzerland, the United Kingdom, the United States, and Vatican City State. All

<sup>1</sup>For background and texts of agreements, see BULLETIN of Aug. 24, 1964, p. 281; for a statement made by President Johnson on Aug. 20, 1964, see *ibid.*, Sept. 7, 1964, p. 348.



states which are members of the International Telecommunication Union (ITU) can adhere to the agreements.

Assistant Secretary of State for Economic Affairs G. Griffith Johnson, who served as chairman of the negotiating conference held in Washington last summer, welcomed the representatives of the seven countries signing the agreements.

Joseph V. Charyk, president, and John Johnson, vice president, of the Communications Satellite Corporation, greeted the signatories on behalf of the Corporation.

The agreements create an international consortium as owner of the space segment of a global commercial communications satellite system. The objective is to establish a single global communications network which will use earth satellites to relay telephone calls, telegrams, and television programs across oceans and continents.

Basic global coverage by satellite is expected to be achieved in 1967. The first step in this direction is the launching of the experimental/operational "Early Bird" communications satellite in synchronous orbit over the Atlantic scheduled for March of this year.

The first agreement is intergovernmental in character and contains the organizational principles for the international system. The special agreement, which is entered into by governments or their designated communications entities, deals with the commercial, financial, and technical operations of the system.

The Interim Communications Satellite Committee, established by the agreements and composed of representatives of signatory countries, has overall responsibility for the space segment of the system. The Communications Satellite Corporation, the designated entity of the United States, serves as manager of the global system on behalf of all participants.

#### Department Announcement of February 19

The Department of State announced on February 19 that 15 additional nations had adhered during that week to the two related agreements establishing interim arrangements for a global commercial communications satellite system.

Ceylon, Iraq, and the Republic of China signed the agreements on February 17, and Austria and Monaco signed on February 18. On February 19 the agreements were signed by 10 countries—Algeria, Chile, Colombia, Ethiopia, Greece, India, Indonesia, Saudi Arabia, Tunisia, and the United Arab Republic.

## Current Actions

### MULTILATERAL

#### Marriage

Convention on consent to marriage, minimum age for marriage, and registration of marriages. Done at United Nations Headquarters, New York, December 10, 1962. Entered into force December 9, 1964.<sup>1</sup> *Ratification deposited:* Poland, January 8, 1965.

#### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433. *Ratification deposited:* Laos, February 12, 1965.

#### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Signatures:* Ceylon, China, Iraq, February 17, 1965; Austria (subject to ratification), Monaco, February 18, 1965; Algeria, Chile (subject to approval), Colombia, Ethiopia, Greece (subject to ratification), India (subject to approval), Indonesia, Saudi Arabia, Tunisia, United Arab Republic, February 19, 1965.

Special agreement. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Signatures:* Permanent Secretary in charge of Ministry of Posts and Telecommunications for Ceylon; Directorate General of Telecommunications for China; Ministry of Communications for Iraq; Società Telespazio for Italy, February 17, 1965. Bundesministerium für Verkehr und Elektrizitätswirtschaft, Generaldirektion für die Post- und Telegraphenverwaltung for Austria; Monaco, February 18, 1965. Ministry of Posts, Telecommunications, Public Works and Transportation for Algeria; Chile; Colombia; Ethiopia; India; Dewan Telekomunikasi for Indonesia; Ministry of Communications for Saudi Arabia; Secretariat of State for Post Telegraph and Telephone for Tunisia; United Arab Republic, February 19, 1965.

#### Slavery

Protocol amending the slavery convention signed at Geneva September 25, 1926 (46 Stat. 2183), and annex. Done at New York December 7, 1953. Entered into force for the United States March 7, 1956. TIAS 3532.

*Acceptance deposited:* Niger, December 7, 1964.

<sup>1</sup> Not in force for the United States.

## Telecommunications

International telecommunication convention with six annexes. Done at Geneva December 21, 1959. Entered into force January 1, 1961. TIAS 4892.  
*Ratification deposited:* Venezuela, January 6, 1965.<sup>2</sup>

## Trade

Protocol amending the General Agreement on Tariffs and Trade to introduce a part IV on trade and development, and to amend annex I. Open for acceptance, by signature or otherwise, by the contracting parties, and by governments which have acceded provisionally, to the General Agreement on Tariffs and Trade, from February 8 until December 31, 1965. Becomes effective following acceptance by two-thirds of the contracting parties.

*Signatures:* Argentina,<sup>3</sup> Belgium,<sup>3</sup> Cameroon, Canada, Central African Republic, Chile,<sup>3</sup> Denmark, Finland,<sup>3</sup> Federal Republic of Germany,<sup>3</sup> Greece,<sup>3</sup> India,<sup>3</sup> Israel,<sup>3</sup> Italy,<sup>3</sup> Kenya, Luxembourg, Madagascar, Mauritania, Netherlands,<sup>3</sup> New Zealand, Niger,<sup>3</sup> Nigeria, Norway,<sup>3</sup> Peru, Rhodesia, Trinidad and Tobago, Uganda, *United States*, Upper Volta,<sup>3</sup> Yugoslavia, February 8, 1965.

## Weights and Measures

Convention for the creation of an international office of weights and measures. Signed at Paris May 20, 1875. Entered into force January 1, 1876; for the United States August 2, 1878. 20 Stat. 709.

*Adherence effective:* China, October 5, 1964.

Convention amending the convention relating to weights and measures of May 20, 1875, *supra*. Done at Sèvres October 6, 1921. Entered into force February 10, 1923; for the United States October 24, 1923. 43 Stat. 1686.

*Adherence effective:* China, October 5, 1964.

## Whaling

Amendment to paras. 2, 4(1), 6(3), 9(a), and 9(b) to the schedule to the international whaling convention of 1946 (TIAS 1849). Adopted at the 16th meeting of the International Whaling Commission, London June 26, 1964.

*Entered into force:* October 1, 1964, with the exception of para. 6(3), which entered into force January 22, 1965, except for Japan, Norway, Union of Soviet Socialist Republics, and United Kingdom.

## BILATERAL

### Mexico

Agreement extending agreement for establishment and operation of a tracking and communications station at Empalme-Guaymas, Sonora, as extended and amended (TIAS 4466, 5372). Effected by exchange of notes at Mexico January 27, 1965. Entered into force January 27, 1965.

### Turkey

Agreement amending the agricultural commodities agreement of February 21, 1963, as amended (TIAS 5303). Effected by exchange of notes at Ankara January 22, 1965. Entered into force January 22, 1965.

<sup>2</sup> With a reservation and statement.

<sup>3</sup> Subject to ratification.

## PUBLICATIONS

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*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Office of Media Services, Department of State, Washington, D.C., 20520.*

**Double Taxation—Taxes on Income.** Protocol with Netherlands, modifying and supplementing the extension to the Netherlands Antilles of the convention of April 29, 1948, as supplemented—Signed at The Hague October 23, 1963. Entered into force September 28, 1964. TIAS 5665. 6 pp. 5¢.

**Agricultural Commodities.** Agreement with India—Signed at New Delhi September 30, 1964. Entered into force September 30, 1964. With exchange of notes. TIAS 5669. 11 pp. 10¢.

**Mutual Defense Assistance.** Agreement with Luxembourg, amending Annex B to the agreement of January 27, 1950. Exchange of notes—Signed at Luxembourg September 24 and 30, 1964. Entered into force September 30, 1964. TIAS 5670. 3 pp. 5¢.

**Agricultural Commodities.** Agreement with Iran, amending the agreement of January 29, 1962, as amended. Exchange of notes—Dated at Tehran February 10 and September 1, 1964. Entered into force September 1, 1964. TIAS 5671. 3 pp. 5¢.

**Agricultural Commodities.** Agreement with Iran—Signed at Tehran September 29, 1964. Entered into force September 29, 1964. With exchange of notes. TIAS 5672. 9 pp. 10¢.

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## The Atlantic Community Common Hopes and Common Objectives

President Johnson, in an address made at the 175th anniversary convocation at Georgetown University on December 3, 1964, said, "European unity and Atlantic partnership are based on deeply shared values and dangers and interests, and the wise pursuit of the interest of each will strengthen the cooperation among all our nations."

In his address, the text of which is printed in this 11-page pamphlet, the President discussed the common objectives and interests shared by the people of the United States and the people of Europe.

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THE  
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**BULLETIN**

*Vol. LII, No. 1342*



*March 15, 1965*

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# Secretary Rusk's News Conference of February 25

Press release 30 dated February 25

## The Situation in Southeast Asia

Good afternoon, ladies and gentlemen. I should like to take a few moments of your time to try to draw together in the simplest and most fundamental way our attitude toward the situation in Southeast Asia.

Some of the things which I shall say will repeat what has been said before, but memories here and abroad seem to be sometimes short. And it is important to repeat and draw together those matters which are at the center of the problem, because there is a great deal else which is peripheral and transitory.

1. The nations of Southeast Asia have a right to live in peace, free from aggression directed against them from outside their borders. Now, this is not an empty theory; it is a point of vital importance to the safety and, indeed, the very existence of more than a hundred smaller nations all over the world.

2. North Viet-Nam, in callous disregard of the agreements of 1954 and 1962, and of international law, has directed and supplied the essen-

tial military personnel and arms for a systematic campaign of terror and guerrilla action aimed at the overthrow of the Government of South Viet-Nam and at the imposition by force of a Communist regime. The evidence of North Viet-Nam's direct responsibility for this aggression has been repeatedly presented by the Government of Viet-Nam, the United States Government, and the International Control Commission. A full and up-to-date summary of the evidence establishing this responsibility will be available to you within a very few days. It is now being processed for publication.

3. The attitude of the United States toward threats to the peace in Southeast Asia has been made clear many times and in the most serious and formal ways:

(a) by the ratification of the Manila Pact in February 1955, which includes South Viet-Nam as a protocol state;<sup>1</sup> (This treaty was approved by the Senate by a vote of 82 to 1.)

(b) by a decision of President Eisenhower

<sup>1</sup> For text, see BULLETIN of Sept. 20, 1954, p. 393.

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### DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1342 PUBLICATION 7840 MARCH 15, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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in 1954 to extend aid to South Viet-Nam, who said in a letter to the President of South Viet-Nam:<sup>2</sup>

The implications of the agreement concerning Viet-Nam have caused grave concern regarding the future of a country temporarily divided by an artificial military grouping, weakened by a long and exhausting war and faced with enemies without and by their subversive collaborators within.

and he went on to say that

The purpose of this offer is to assist the Government of Viet-Nam in developing and maintaining a strong, viable state, capable of resisting attempted subversion or aggression through military means.

and then again (e) by the joint resolution of the Congress of the United States,<sup>3</sup> passed in August 1964 by a combined vote of 502 to 2, which stated, among other things:

That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

and that

The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia.

and that

... the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

(d) and then you should remind yourselves of the statement made by President Johnson on the occasion of signing that joint resolution:<sup>4</sup>

To any armed attack upon our forces, we shall reply. To any in Southeast Asia who ask our help in defending their freedom, we shall give it.

In that region, there is nothing we covet, nothing we seek—no territory, no military position, no political ambition. Our one desire—our one determination—is that the people of Southeast Asia be left in peace to work out their own destinies in their own way.

4. Now, it has been stated over and over again

<sup>2</sup> For text of President Eisenhower's letter of Oct. 1, 1954, to President Ngo Dinh Diem, see *ibid.*, Nov. 15, 1954, p. 735.

<sup>3</sup> For text, see *ibid.*, Aug. 21, 1964, p. 268.

<sup>4</sup> *Ibid.*, Aug. 31, 1964, p. 302.

## Publication on Viet-Nam

The publication to which Secretary Rusk referred at his news conference on February 25 was released by the Department of State on February 27 and is entitled *Aggression From the North: the Record of North Viet-Nam's Campaign To Conquer South Viet-Nam*. The text (without pictures and without the documentation contained in nine appendixes) will be published in the BULLETIN of March 22.

Copies of the pamphlet (Department of State publication 7839) may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402 (40 cents).

that the key to peace in Southeast Asia is the readiness of all those in that area to live at peace and to leave their neighbors alone. Now, there is no mystery about that formulation; those who are not leaving their neighbors alone know exactly what it means. It is an obligation under the 1954 agreements, under the 1962 accords on Laos, and under general international law. The illegal infiltration of military personnel and arms cannot be described as "leaving your neighbor alone."

5. There have been negotiated settlements in Southeast Asia, the most recent one as late as 1962. Those several agreements were intended to establish peace in that area; compliance with them by all concerned can achieve that result.

6. Now, since the Geneva conference of 1962, the United States has been in active and continuous consultation with other governments about the danger created by aggression in Southeast Asia. It has been discussed in the United Nations, in the SEATO and NATO Councils, and on innumerable occasions directly with other governments through diplomatic channels. We have had direct discussions with almost every signatory of the agreements of 1954 and 1962. What is still missing is any indication that Hanoi is prepared to stop doing what it is doing and what it knows it is doing against its neighbors. The absence of this crucial element affects the current discussion of "negotiation." Political channels have been

and are open, and a considerable number of governments are actively interested in keeping them open to explore the possibilities of a peaceful solution. But a negotiation aimed at the acceptance or the confirmation of aggression is not possible. And a negotiation which simply ends in bitterness and hostility merely adds to the danger.

7. Let me remind you that on February 17 the President said,<sup>5</sup> and I am quoting:

As I have said so many, many times, and other Presidents ahead of me have said, our purpose, our objective there is clear. That purpose and that objective is to join in the defense and protection of freedom of a brave people who are under attack that is controlled and that is directed from outside their country.

We have no ambition there for ourselves. We seek no dominion. We seek no conquest. We seek no wider war. But we must all understand that we will persist in the defense of freedom and our continuing actions will be those which are justified and those that are made necessary by the continuing aggression of others.

These actions [he added] will be measured and fitting and adequate. Our stamina and the stamina of the American people is equal to the task.

Let me conclude by reaffirming, still once more, that the central object of American policy and action is peace in Southeast Asia and the safety of the independent states in that region. Many of the peoples of that area have been subjected to 25 years of turmoil and violence; they are entitled to peace. We ourselves much prefer to use our resources as a part of an international effort to assist the economic and social development of the peoples of that area than to have them diverted into the harsh necessities of resisting aggression.

I am ready for your questions, gentlemen.

#### **Question of Negotiation—the “Missing Piece”**

*Q. Mr. Secretary, what is the association of the United States Government with the activities of those nations you referred to which are trying to keep open the channels of diplomacy?*

A. Well, we are ourselves in regular contact with many governments in all parts of the world, through diplomatic means. We have not seen any basis on which we can ask anyone

else to speak for us, and we do not know of any one else who is purporting to speak for us.

But let me come back again with great emphasis—because I do think that it is central to this question of negotiation. And that is the missing piece—the missing piece is an indication that Hanoi is prepared to stop doing what it is doing against its neighbors.

Now, in many of these postwar negotiations in the last 20 years, as you know, the negotiations have been frequently and most often preceded by some indication that those negotiations might have some chance of success. Now, that is the missing piece here—that is the missing piece.

The object is the safety and security of these smaller countries of Southeast Asia. In that issue all of the smaller countries of the world have a vital stake. It is at the heart of the very structure of international life, of the international state system. And it is the missing element, the unreadiness of Hanoi to stop doing what it is doing—that is the problem in the thing called negotiation.

*Q. Mr. Secretary, did you give that message to Hanoi by way of the Chinese Communists at the Warsaw meeting the other day?*

A. We had a talk—I think it was yesterday. That talk revealed nothing new in the known positions of the two sides. That talk did not supply the missing piece that I am talking about. There was no indication in that talk that Hanoi is prepared to stop doing what they are doing.

*Q. Well, did you use that channel to get the word directly to them?*

A. Our policy, along the lines that I have summarized here, was made clear there; it was made clear repetitively with governments all over the world, time and time again, and that was done yesterday.

*Q. Mr. Secretary, there is speculation here that the United States is now in the process of expanding its military role in Viet-Nam and hopes that this might convince the Hanoi government to provide this missing link.*

A. I wouldn't speculate on that from that point of view. I would urge you to look at

<sup>5</sup> *Ibid.*, Mar. 8, 1965, p. 332.



that I have said in my opening statement. Look at all of it—look at all of it taken together. That is the policy—that is the policy. How you feel you must act at a particular time and under particular circumstances under that policy and within that policy—for example, within the joint resolution of the Congress—depends upon circumstances from time to time. But the policy is to act to support the independence and safety of these countries of Southeast Asia. That is the policy.

And I would urge you to give serious consideration to all of the elements that I have indicated in my opening statement.

### **The U.N. Proposal**

*Q. Mr. Secretary, Secretary-General U Thant, in New York yesterday, in urging the beginning of some kind of informal discussions to restore peace in Viet-Nam, said, "I am sure that the great American people, if they only know the true facts and the background to the developments in South Viet-Nam, will agree with me that further bloodshed is unnecessary." Now, are you hiding any true facts from the American people?*

A. Well, I don't want to comment on that particular statement in any personal sense. I believe that there has been some clarification of that statement since then. But, as I have said to you gentlemen before, I don't know of any situation anywhere in the world on which the American people have been better informed, in more detail, on a current basis, both by officials and by the intensive effort of a vigorous and free press, than is the case with respect to South Viet-Nam.

*Q. Mr. Secretary, perhaps, sir, then you would clarify this point. There has been a noticeable, considerable difference of emphasis in the statements of the general objectives of United States policy in these terms. There have been times when the United States policy has been said to be to defend the freedom of the people of Viet-Nam. There have been other times when the policy of the United States has been said to be to resist the expansion of Chinese Communist aggression. Could you clarify that?*

A. I think those two mean exactly the same thing. The expansion of Communist aggression involves the attempt to take over South Viet-Nam. I think that is looking at the same coin from both its sides.

*Q. Mr. Secretary, the Secretary-General said he had made a proposal to the United States. The White House said no such proposal has been presented to the President. Do you know of any such proposal?*

A. Well, we have talked over the past 2 years informally and on a number of occasions with the Secretary-General, who carries a very heavy responsibility in his role at the United Nations, as well as with many governments in various parts of the world. Now, during that 2-year period, various suggestions have been discussed—sometimes by us, sometimes by others. But the proposals that I know about thus far have been procedural in nature. The missing piece continues to be the absence of any indication that Hanoi is prepared to stop doing what it is doing against its neighbors.

Now, these suggestions and procedural questions have been discussed, many of them publicly. This question of calling a conference, under what circumstances—these are procedural matters. What we are interested in, what is needed to restore peace to Southeast Asia, is substance, content, an indication that peace is possible in terms of the appetites and the attitudes of the other side.

### **Political Situation in South Viet-Nam**

*Q. Mr. Secretary, would you evaluate the situation, the political situation in South Viet-Nam, in the light of the recent changes of government and whether or not you feel that an effective government is now possible there, and is that one of the missing pieces?*

A. Well, we have been very deeply concerned, as you know, for some time about the question of the essential unity and solidarity of the Government in Saigon. Confusion on that matter—or the absence of unity—ramifies in a variety of directions and, of course, makes it that much more difficult for them and for us to act effectively to insure the independence and the safety of South Viet-Nam. And undoubt-

edly disunity and confusion in Saigon increases the expectation of the other side that, if they persist, they have a chance of success.

So we attach the highest possible priority to unity and solidarity among the South Vietnamese leaders and its Government.

I can express my belief, as well as my hope, that at least some of these problems of disunity have been resolved.

The recent so-called coup that involved—what—something like three battalions again, similar to the one of last September, did not interfere with the operation of the civilian government, or did not create a situation of bloodshed within the country.

But we are moving with hope and expectation and in the closest working relationship with the present Government in that country.

*Q. Mr. Secretary, your statement seems to suggest that only Hanoi's aggression gives any body and major danger to what some have also described as the coincident civil war in South Viet-Nam. Did you mean to suggest, sir, that if you obtain evidence that Hanoi stops doing what it is doing, the United States aid and assistance to the South Vietnamese Government would no longer be necessary to handle the local problem?*

A. Well, let's be a little careful about this word "indigenous element." There are those who use that term, particularly in the Communist world, because the North Vietnamese are Vietnamese and the South Vietnamese are Vietnamese and they would like to have everyone believe that that is what is meant by letting the Vietnamese settle their own problems. But an attack by North Viet-Nam on South Viet-Nam by military personnel and arms is aggression contrary to established agreements. Without the control of these operations from the North, without the manpower, the trained manpower sent from the North into the South, without the supply of arms and other key items of equipment from North to South, the indigenous aspect of this problem, the genuinely indigenous aspect of this problem, would be quite a different matter. It was this external aspect of the matter which explains the presence of the American military personnel in that area, the rapid

increase in American personnel since 1961. It was the escalation of that infiltration. So I think we need to separate very carefully that part which is local, that part which is external; and the external part of it is the crucial aspect in terms of the pacification of the country and in terms of the establishment of peace in South-east Asia.

*Q. You mean then, also, sir, the withdrawal of such manpower as may have infiltrated as being part of stopping, doing—*

A. Well, that is what they are doing; that is what they must stop.

#### **U.S. Would Welcome Additional Support**

*Q. Mr. Secretary, do you expect more active and perhaps collective support from other parties than Asians to the American effort in South Viet-Nam, and could you describe whether they have given any formal pledges?*

A. Well, we have been discussing with other governments, as you know, for some time now increased assistance to South Viet-Nam, political, through personnel, economic, in other ways. We have been encouraged in some cases to see that that increased assistance is forthcoming. We know that there are other governments that are considering now whether they might not be able to do more than they have been doing, not just those in Asia. We would welcome additional support, and we think it is very important, both as an encouragement and practical support for South Viet-Nam and also as an indication to the other side of the international objection as to what the other side is trying to do here.

*Q. Mr. Secretary, in order to interpret your statement correctly, could you tell us whether or not you mean to suggest that it would be a precondition of any negotiation or conference that there must be an actual cessation of this penetration, or merely an indication of that?*

A. No. I think that it is well for us and for everyone to concentrate on the meat of the matter. The meat of the matter is that Hanoi is sending these people and these arms into South Viet-Nam contrary to every agreement and contrary to international law. Now, I

that problem is grappled with, then we can get into details. We can consider whether the meat involves a little salt and pepper and a dash of garlic, but here is the meat of the matter, and I think we ought to keep our eyes on that. That is the central, all-important element in this situation.

*Q. Mr. Secretary, what kind of legal basis did the United States have to bomb the targets of North Viet-Nam?*

A. Self-defense of South Viet-Nam and the commitments of the United States with respect to the security and the self-defense of South Viet-Nam.

#### **Efforts To Turn Down Arms Race in Near East**

*Q. Mr. Secretary, if we could turn from Viet-Nam briefly, I wonder if we could go to the Middle East? I wonder, sir, what was the reason for our approval of the shipment of tanks to Israel? And, secondly, now that the German shipments have ceased, what plans does the United States have to see that Israel gets the remaining part of the arms shipment?*

A. On the first part of your question, we have been interested in some sort of reasonable balance in the armed forces in that area. As you know, Western Europe has been the primary supplier of arms to Israel. We ourselves have tried not to be active in the Near East in the arms field, although we have taken some steps in that regard because for some years we have been trying to find some way in which to put some ceilings on this neighborhood arms race in the Near East. We have been working with the governments concerned to find out whether it is possible that this arms race might somehow be turned downward.

The second part of your question I am not able to get into—about the future.

#### **Peiping's Role in South Viet-Nam**

*Q. Mr. Secretary, in response to an earlier question you equated Chinese Communist expansionism with the guerrilla war in South Viet-Nam, but I don't believe you mentioned Peiping or Communist China in your opening statement. I wonder whether you could tell*

*us what you believe the role of Red China and its guilt in this particular operation is?*

A. Well, I think in my earlier statement I intended to comment on—

*Q. You emphasized Hanoi.*

A. I intended to comment in answer to an earlier question on Communist aggression and not specifically, necessarily Peiping or the Chinese Communist aggression at the same time. However, I think the role of Peiping here is pretty clear. They have gone to considerable lengths to make it public themselves. They have announced the doctrine of a militant world revolution, which they not only have adhered to in theory but have backed up in practice on more than one occasion. They have supported that doctrine with a harshness which has created very serious problems even within the Communist world, quite apart from problems with the free world.

Now we know that they have been giving encouragement, that they have been sending arms to North Viet-Nam, that many of these arms that we capture in South Viet-Nam are of Chinese origin, Chinese manufacture, and they have thrown their military and undoubtedly their economic weight behind what Hanoi is doing, and I would suspect that they have a very strong influence indeed in Hanoi's attitude in this present situation.

*Q. Mr. Secretary, you mentioned Hanoi and Peiping—what about the shipment of Russian supplies to North Viet-Nam?*

A. We haven't precise information on that, but I think in the case of the Soviet Union, judging from their public as well as private statements over the last 2 years or so, I think they have all along taken about the same view of South Viet-Nam as have other members of the Communist world. They have had a somewhat different view on Laos where they had a very specific and clear commitment on Laos, but I think they have been less active in this present situation than these other two capitals by a very considerable—

*Q. Mr. Secretary, could we return, sir, to what you restated several times as a critical point? Could you clarify for us in a diplo-*

*matic sense what it is that the United States would regard as evidence that Hanoi is stopping doing what it is doing? How could this be converted into a diplomatic, negotiable situation?*

A. I don't think that it requires me at this time to try to spell that out in detail. We would find out very shortly on the ground, as well as through any diplomatic channel, whether there has been any change in the position in that respect. But I don't think it is appropriate for me to talk about complex sets of preconditions on their side or on our side or problems of that sort, because we still have this missing piece, which is the dominant element in the problem.

*Q. Mr. Secretary, for a number of years—excuse me, Mr. Secretary.*

A. Yes.

*Q. I want to turn to an internal problem in the State Department. Mr. John Reilly, who took part in some unauthorized wiretaps in the Otepka case here several years ago, gave some untruthful testimony under oath before a committee of Congress on this, and now he has been hired by the FCC. I wonder if you could tell us if it is true that the State Department made no unfavorable comment in his personnel file on either the unauthorized wiretaps or the untruthful testimony under oath on a material matter?*

A. I don't know what comments were made in his personnel file. I simply am uninformed on that point.

*Q. Well, do you condone the unauthorized wiretaps, or have you looked into this at all?*

A. As you know, sir, I have looked into this in great detail, but I am not going to get into this with you today.

*Q. Well, Mr. Secretary, just a moment—*

*Q. I don't want to deal with the Otepka case.*

A. Yes?

*Q. Mr. Secretary, were we satisfied that all supplies and infiltration from the North had been stopped, would the United States be content to solve the indigenous aspects, the civil war aspects, by free elections under international supervision in South Viet-Nam?*

A. Well, let's get to the first step first, and then if we get to that step, then we will have the luxury of indulging in the consideration of the second step.

*Q. What are our policies with regard to the indigenous aspects of a civil war? Could you enlighten us on this?*

A. Well, I think that the indigenous aspects of it could be brought to a conclusion very quickly and that the South Vietnamese people could turn back to the problem of building their country and improving their constitutional system, elevating the economic standards of the country and get on with the modernization of the country which has been their purpose from the beginning.

*Q. But only by military force, Mr. Secretary?*

A. I am not commenting on that. I think the pacification of the country would be easy if the external aggression were stopped.

*Q. Mr. Secretary, for years now we have been talking about the war in South Viet-Nam as a guerrilla war. And yet today twice you spoke about the armed attack and aggression from one nation upon another. I wonder, sir, if this is, in substance, changing the context of our understanding of the war in Viet-Nam?*

A. No. I think all along we have put the finger on this question of the infiltration of the personnel and of the arms from outside as the key to the problem, and if those are aggressive acts, that is aggression from the North, and that is the thing which is at the heart of the problem. I wouldn't characterize it as a different thing.

*Q. Mr. Secretary?*

A. Sure.

*Q. I did want to clear up two things here. You said you had looked into this matter, and I wondered, did you know there were unauthorized wiretaps and did you know there was untruthful testimony under oath? Those seem to be the pertinent points.*

A. Well, I am aware of the circumstances involving both those points, but I won't make a characterization of either one of them at this point.

*Q. Do you think it's all right? Did you approve it?*

*A. No, I am not making any comment about what I did or did not approve of about either one of those points.*

*Q. Mr. Secretary, in past press conferences I believe you have reiterated the theme that the war—and so has Secretary [of Defense Robert S.] McNamara—that the war has to be won in the South. Why now is all this talk about Hanoi and infiltration from the North? This is a relatively new theme, at least as far as the emphasis is concerned. Are you still of the mind that the war has to be won on the ground in the South?*

*A. Well, that part of it, of course, is extremely important and is crucial to the entire effort. But again let me go back to my opening statement, taken altogether. Because the aggression, these aggressive acts from the North have been—as we have made clear recently—have been increased both with respect to manpower and with respect to arms. The problem has increased in size and scale. And the necessary steps, therefore, change.*

#### **The German Question**

*Q. Mr. Secretary?*

*A. Yes, sir?*

*Q. A German visitor to Washington, after having talked with you, was extremely confident there would be made a new approach in Moscow before the end of this year. Can you say whether you share this optimism?*

*A. We have made it known that we would support an initiative in Moscow on the German question. There will be discussions among the Western Powers on that. But I can't go into further detail on that. I think the general attitude of the West is the same on that.*

*Q. Mr. Secretary, could you say, sir, whether—if the Communists do not provide the necessary evidence that they are stopping their aggression, whether the United States Government intends to continue military bombing of targets in both South Viet-Nam and in North Viet-Nam?*

*A. Well, I don't want to get into anything having to do with future activity, future operations. I think it's quite clear that it would be my duty not to do so, and speculate about the future. Again, the policy statements that I have referred to earlier make it quite clear that the President feels that he must take the steps that are necessary, that is, measured, fitting, and adequate—I believe he called it—to meet the situation. But I'm just not going to get into the question of future moves.*

*Yes, sir?*

*Q. Mr. Secretary, two questions on Latin America. Are you going to the Rio conference next May?*

*A. I would hope to be able to.*

*Q. The other one is, are you recommending the President go there for a meeting with the Presidents of the Latin American or South American Republics?*

*A. Well, the President has indicated in his state of the Union message<sup>6</sup> that he would like very much to visit Latin America before too long, but there is nothing we can say about the possible arrangements. No arrangements have been concluded. I can't make any statement on that today.*

#### **Congo-Uganda Border Incident**

*Q. Mr. Secretary, do you accept the Congo version of what has happened along the Uganda border regarding the U.S.-supplied planes,<sup>7</sup> and could you indicate what your hope is for the foreign ministers meeting on the Congo, the OAU [Organization of African Unity] meeting?*

*A. Well, there is some indication that a Congolese plane did, through error, get across the border a very short distance into Uganda. There is also evidence that Ugandan military personnel have temporarily moved into the Congo before being withdrawn back to Uganda. We hope very much that these two Governments will be in touch with each other and work out arrangements for insuring that that border*

<sup>6</sup> For text, see *ibid.*, Jan. 25, 1965, p. 94.

<sup>7</sup> For a U.S. statement of Feb. 18, see *ibid.*, Mar. 8, 1965, p. 337.

is not abused there on either side. We have been encouraged by the increasing weight of the, shall I say, moderate voices in Africa looking toward an African solution for the Congo problem which is consistent with the right of that Government to be unmolested.

We hope very much that the forthcoming conference can provide some way by which the Congo can turn to its African friends and neighbors for the assistance that it needs to maintain its integrity and the unity of the country. I can't predict how that conference will turn out on that point, but this would be our hope.

### **South Korean Personnel in Viet-Nam**

*Q. Mr. Secretary?*

A. Yes, sir?

*Q. When we were involved in the Korean war, Chiang Kai-shek's offer of troops to participate was rejected. Now, as I understand it, South Koreans are being introduced into Viet-Nam. Can you tell us wherein the situations differ?*

A. Well, the South Korean personnel that are going into South Viet-Nam are not going there for combat purposes. They will be primarily engaged. I understand, on engineering tasks here and there. They will have with them certain local guards in connection with those particular tasks. They were requested by the South Vietnamese Government. They have a limited mission. I think that explains that particular point.

The other question 15 years ago had many more complications in it.

*Q. Are the South Koreans able to defend themselves if attacked?*

A. The South Koreans and the United States are able to defend South Korea if attacked, yes.

*Q. Mr. Secretary, without commenting on specific future operations, you did imply in one of your earlier answers that the concept of self-defense and United States security commitments would, in your view, give us the right to continue attacks.*

A. I think the question was the legal basis

for the action that had been taken in that regard.

*Q. Well, that implied the broad concept of self-defense would permit—*

A. That's correct.

*Q. —would permit further attacks without necessarily—*

A. I was commenting on the legal basis, yes.

*Q. Under that concept, Mr. Secretary, has the United States, by allowing American combat flights in South Viet-Nam, modified its previous position on the role of U.S. forces in South Viet-Nam?*

A. Well, again, the policy remains the same. Look at the congressional resolution passed by a margin of 502 to 2. Now, the use of a particular weapon may change from time to time, or a type of aircraft, but the policy is the same. When the circumstances or changed circumstances require changed actions, those actions will be taken. But that does not mean an underlying change of policy. I have tried to put together in my opening statement the elementary and basic policy within which we are operating.

*Q. Mr. Secretary, to go back to the negotiations, is it a fair summary of what you have been saying today that the United States is not prepared for any kind of negotiation on the war in South Viet-Nam with the governments of Hanoi and Peiping unless and until what you call this missing piece is provided?*

A. Well, I would think that that would be the essential point in discovering whether what is broadly called the political process—whether it's diplomatic contacts or whatever—can help bring this question to a peaceful solution. I think that is crucial to it. There is no political gimmick by which you can bar the other side from continuing aggression if they are determined to do so. That has to be met on the ground, factually, directly. There is no political wizardry which will change that until that will is changed, until the decision is changed on the other side.

*Q. A related question, Mr. Secretary—*

*Q. Mr. Secretary, could you give us your*

hinking on the present reception being accorded to Mr. Ulbricht of East Germany by Egypt?

A. Well, we consider the Federal Republic of Germany the spokesman for the German people on international affairs. We have not looked with favor upon any treatment of East Germany or its officials that would seem to undergird or underpin the division of the German people or enhance the position of the regime in East Germany.

#### **situation in Laos**

*Q. Mr. Secretary, Laos is also a part of this aggression from North Viet-Nam. The policy statements that you have been making today apply equally to Laos, do they, or just for Viet-Nam?*

A. Yes. For brevity's sake I did not include Laos in detail, but the same situation obtains here. In the case of Laos, we have an agreement as recent as 1962. I don't know of any single day since the signing of those agreements in which North Viet-Nam has been in compliance with them. Now, compliance with those agreements would make a big contribution to the peace of Southeast Asia. That is what they were for. Their entire purpose was to decide that everyone would leave the Laotians alone and let them run their own affairs. That is what it was all about.

*Q. Mr. Secretary, it seems that the congressional opinion that has been expressed over the last couple of weeks has not focused so much on goals of policy, which you have outlined, but the ability of the United States to realize them in Southeast Asia. Can you say why you think the new level of action which the U.S. has moved up to in Southeast Asia will realize these goals any more than the policy of simply fighting the war out in the South that we were following before?*

A. Well, I think I would go back to the President's statement on February 17th and to the underlying policy of the congressional resolution itself. What is required is required. The commitment there is very clear with respect to his aggression and our commitment to the se-

curity of these countries of Southeast Asia.

No, I don't think one could look into the future and get a specific answer to your question as to how they will eventually develop. The other side is very much involved in writing that scenario. I think the policy and the determination and the attitude are clear.

*Q. Mr. Secretary, if the British and the Russian Governments, as cochairmen of the Geneva conference, decided to convene it, in the absence of the missing piece, would the United States be prepared to attend this conference?*

A. Well, I think they would be in consultation with the members of the conference before they convened it.

*Q. Mr. Secretary, it is implied on the subject of negotiations that what you're saying is that the minimum on our side would be a status quo ante. That is, at the beginning of the guerrilla war, that South Viet-Nam would remain with its territorial integrity and independence.*

A. Well, the heart of the problem is an assault upon the safety and the territorial integrity and independence of South Viet-Nam. If that is relieved and removed, then things can begin to move. That is the heart of the problem. That is why we have forces out there. They could come home tomorrow if that problem had not been created by aggression. They never would have been there in the first place. That is the central heart, the essence of the situation, and that is the problem that has to be dealt with.

*Q. Thank you, sir.*

## **U.S. and Viet-Nam Initiate Combined Airstrikes**

*An American Embassy spokesman issued the following statement at Saigon on February 24 in response to questions from journalists on whether U.S. jet aircraft had been employed in operations within South Viet-Nam.*

At the request of the Government of Viet-Nam, U.S. Air Force F-100 and B-57 aircraft from Bien Hoa and Da Nang participated in a combined airstrike west of An Khe in Binh

Dinh Province on the afternoon of February 24. This strike was launched in order to assist in an attack against large Viet Cong forces in the mountain pass between An Khe and Pleiku and to assist in the extrication of an isolated unit under heavy attack.

U.S. jet aircraft have participated in similar combined operations on a number of occasions

during the past week. Use of American aircraft stationed in Viet-Nam to reinforce the capability of the Vietnamese Air Force is in keeping with the announced U.S. policy of providing maximum assistance to the Government of South Viet-Nam in its effort to repel the Communist aggression directed and supported by the Hanoi regime.

## The Transcendent Issues in Today's World

*Address by President Johnson*<sup>1</sup>

Dr. [John W.] Oswald, Governor [Edward T.] Breathitt, Senator [John Sherman] Cooper, my dear friends, former Governors of Kentucky, ladies and gentlemen: This is the home of Henry Clay. He was not only a brilliant statesman, but he was a man of great wit. One time a fellow Congressman, while giving a long, boring speech, turned to Henry Clay and said, "You, sir, speak for this generation, but I speak for posterity." Clay quickly replied, "Yes, and you seem to have resolved to speak until the arrival of your audience."

I come here today to speak not to posterity but to your generation.

In a new and changing world you receive the oldest trust of all. George Washington, in his first inaugural address, said: ". . . the destiny of the republican model of government" is "justly considered . . . as *deeply*, as *finally*, staked on the experiment entrusted to the hands of the American people."

In the years since he spoke, the great experiment has prospered. Where we once stood alone, today the sun never sets on free men, or on men struggling to be free. Even where dic-

tators rule, they often find it necessary to use the language of the rights of man and sometimes find it necessary to modify other dictatorships. For our democracy has proven the most powerful secular idea in the history of man.

But the record of success does not mean that we will continue to be successful. The spread of freedom does not guarantee freedom will continue to flourish. The fact we have grown does not mean we will continue to grow.

As it has come to every generation of Americans, to your hands—to your willingness to work and sacrifice and dare—will be entrusted the fate of the American experiment.

Though the responsibility is the same, your task is different and much more difficult than any that have gone before.

First, your world will be a young person's world. Fifty-five percent of the world's population is under the age of 25. By 1968 the average age of an American citizen will have dropped to 25. Your generation, the youngest generation, is the world's majority.

Second, you inherit a world with the greatest of danger, the largest difficulties, and the most promising destiny in history. No longer can we ignore the hopes of the poor and oppressed. And for the first time we have the power to

<sup>1</sup>Made at the University of Kentucky, Lexington, Ky., on Feb. 22 (White House press release; as-delivered text).



fulfill those hopes. You may witness a rebirth of hope or the ruin of civilization; you may witness the defeat of misery or the destruction of man. These are choices which you, too, are called upon to make.

Third, as an American citizen today, you are also a citizen of the world. Your cause is truly the cause of all mankind.

We are the children of revolution. The history of America is the history of continuing revolution. That revolution has conquered a continent, and it has extended democracy. It has given us unmatched mastery over nature, and it has given us the tools to conquer material wants. It has set the stage for a new order of society—devoted to enriching the life of every human being on a scale never before thought possible. True, these revolutions have been peaceful; but they have shaken the entire globe.

Our struggle against colonial rule is still reshaping continents. Our achievements have lifted the hopes and ambitions of men who live everywhere, lifted him for a better life. Our political ideas have helped make "freedom" a rallying cry in every corner of the world.

And if the consequences of these forces sometimes cause us difficulty or create danger, then let us not be dismayed. For this is what America is all about—to show the way to the liberation of man from every form of tyranny over his mind, his body, and his spirit.

### **The Moral Purpose of the Nation**

We cannot, and we will not, withdraw from this world. We are too rich, too powerful, and too important. But most important is we are too concerned.

I do not speak of the grave and immediate issues of foreign policy, although they concern me constantly. I speak of the great transcendent issues which affect the life of nearly every human being on this planet.

We care that men are hungry—not only in Appalachia but in Asia and in Africa and in other spots in the world.

We care that men are oppressed—not only among ourselves but wherever man is unjust to man.

We care that men should govern themselves and shape their own destinies—not only in Ken-

tucky but in every corner of every continent.

We care for peace—not only for ourselves but for every country that is torn by conflict.

George Washington fought for a Declaration of Independence which said "all men are created equal." It did not say "all Americans" or "all Westerners" or "all white men." All are equal in the eyes of God, and in the right to use their talents, and provide for their families, and to enjoy freedom.

This is our goal in America. This is our concern, not simply as a matter of national interest or national security; it is part of the moral purpose of the American nation.

So this is the measure of your responsibility. I know that you are willing to accept that responsibility and that you want to share in the life of America. We have always believed that each man could make a difference. This faith in each man's significance is at the root of human dignity. Yet it is often difficult to see how an individual young person can make a difference in today's world.

Science has shown the complexities of nature to be beyond ordinary understanding. World events—the rise and fall of nations, even survival and death—may seem at times beyond ordinary human control. Enormous factories and great cities seem to exist and grow apart from those who run them and live in them. The old, tried values of family and neighborhood and community are imperiled or eroded. Man himself seems to be in danger, trapped between contending forces of science and growth, increasing numbers, and movements that he can barely understand.

Yet this is our world. The discoveries are ours. We raised the cities, and we reach for the stars. We unveiled the mysteries and wove the intricate patterns of today. It is our central task to make this world serve to enrich the dignity and the value of the human being.

We will do this not through riches or position or power or comfort. You will find meaning only by sharing in the responsibilities, the dangers, and the passions of your time. A great American told us to ask what we could do for our country. By asking, you will not only help others; you will be giving purpose to your own life.

## **The Promise of the Great Society**

Think with me today just how much there is to do about us. You must rebuild the cities of America, and you must rescue the countryside from destruction. You must labor for peace and freedom and an end to misery around the world.

The Great Society will offer you the chance to do this work. It does not promise luxury and comfort and a life of ease. It does promise every American a chance to enrich his spirit and to share in the great common enterprises of our people.

Your energy and your sacrifice are needed. It is our job to tap those resources and to help provide the chance to serve.

We have already begun.

Thousands of volunteers are needed today for the Peace Corps—to bring hope and the ideals of freedom to the villages and towns of more than half the world. Thirteen thousand young Americans have already accepted this responsibility in 46 countries. In the next 4 years we hope to double the size of this effort.

Five thousand VISTA [Volunteers in Service to America] volunteers are needed this year to enlist in the war against poverty. All our programs for Appalachia will not succeed without the work of individual volunteers that are filled with compassion for their fellows and a willingness to serve their country.

I am so glad that it seems to me that here at the crossroads of this university is where education and Appalachia meet.

Twenty thousand women will be needed this summer to help prepare deprived young children for success in school.

All of you are needed to organize community-action programs—to map the strategy and to carry out the plans for wiping out poverty in each community.

The effort to restore and to protect beauty in America demands the volunteer efforts of private citizens, alert to danger, demanding always that nature be respected.

In every area of national need the story is the same. The Great Society cannot be built—

either at home or abroad—by government alone. It needs your sacrifice, and it needs your effort.

I intend to continue to search for new ways to give all of you a chance to serve your country and your civilization. And I hope to move toward the day when every young American will have the opportunity—and feel the obligation—to give at least a few years of his or her life to the service of others in this nation and in the world.

And you will bring to this work not only skills and energy but the most important ingredient of all: the idealism and the vision of the young. Of course, specific problems demand specific answers. Programs must take into account the realities of power and circumstance. But all the practicality in the world is useless unless it is informed by conviction, by high purposes, and by standards which are never sacrificed to immediate gains. Unless this is done, we will be submerged in the day-to-day problems and, having solved them, find that we have really solved nothing.

For only those who dare to fail greatly can ever achieve much.

So, guided by the great ideals of this country, willing to work and dare to fulfill your dreams, there is really no limit to the expectations of your tomorrow.

If you wish a sheltered and uneventful life, then you are living in the wrong generation. No one can promise you calm, or ease, or undisturbed comfort. But we can promise you this: We can promise enormous challenge and arduous struggle, hard labor and great danger. And with them, we can promise you, finally, triumph over all the enemies of mankind.

## **Letters of Credence**

The following newly appointed ambassadors presented their credentials to President Johnson on February 24:

Ramon de Clairmont Dueñas of El Salvador  
Olavi Munkki of Finland, and  
Harold L. T. Taswell of South Africa.

## The United States and Germany: Common Goals

by *George C. McGhee*

*Ambassador to the Federal Republic of Germany*<sup>1</sup>

The foreign policy of a democratic country is based on the interests and national goals of its people. This is as true of the Federal Republic as it is of the United States. One of the remarkable phenomena of our time is, I believe, the close parallel which has developed between our respective national policies. Perhaps we should, therefore, examine objectively the extent to which there do in fact exist common interests and goals underlying our partnership.

There are some, however, who mistakenly imagine that a similarity of policy between two countries somehow implies a subordination of one to the other. For every German who points with alarm at the degree to which German foreign policy resembles that of the United States, there is, I assure you, an American who deplores the extent to which—as it seems to him—the foreign policy of the United States is subject to a veto in Bonn. If there is talk of pro-Americanism in Bonn, there is also talk of a German lobby in Washington.

As a preliminary, let us dispose of the notion once and for all that the real interests and goals of nations must necessarily diverge. Those on both sides of the ocean who doubt that a genuine community of interest can exist between two such important nations, living in different hemispheres, regard their viewpoint as being the only realistic one. It is, in fact, only Machiavellian—and Machiavelli is badly out of date. Realities have changed drastically since those times when the only way to gain

something for oneself was to take it away from somebody else.

Indeed, modern science and technology have wrought many obvious alterations in the relations between states—some by no means benign. Advances in military technology have made it possible for warfare anywhere quickly to assume global proportions, as it has already done twice in this century. At present, our nuclear weapons technology has reached such a level that future large-scale warfare could easily destroy the human race. On the other hand, other acquisitions of knowledge have been more beneficent. Famine and epidemic, for example, need no longer be accepted as recurrent calamities inherent in the human condition. The moon and the planets are coming within man's reach.

What has to be recognized is that—for both good and evil—the world has profoundly altered in our time. Governments in formulating their policies must deal with a new set of conditions. For one thing, geography no longer limits the span of foreign policy. Our national affairs have become global affairs. Perhaps we Americans preach the inevitability of each nation's involvement in the world with the fervor of the converted. After all, we tried unsuccessfully to stay out of both World Wars.

The hard fact which was brought home to us is that, in the 20th century, each nation has, whether it likes it or not, responsibilities commensurate to its strength. When a world issue hangs in the balance, each world power has a certain weight. To withhold it is a decision no less consequential—and far less likely to be

<sup>1</sup>Address made at Hamburg, Germany, on Feb. 9 under the auspices of the University of Hamburg Working Group for Reunification.

in the national interest—than to place that weight in the scales.

President Johnson said at his inaugural:<sup>2</sup>

We can never again stand aside, prideful in isolation. Terrific dangers and troubles that we once called "foreign" now constantly live among us. If American lives must end and American treasure be spilled, in countries that we barely know, then that is the price that change has demanded of conviction and of our enduring covenant.

Each nation must, of course, decide for itself how it will cope with the fact of change. Each must assess its own ability—and hence its responsibility—to influence events in places formerly considered beyond the range of national interest. By any measurement, however, the Federal Republic today has such strength. These decisions are therefore of capital importance to you—since in today's world no nation can insulate itself from the impact of events in the most distant parts of the world.

Military affairs have always been a part of foreign affairs. Governments have traditionally sought to match their military efforts to their intentions toward others and their estimate of others' intentions toward themselves. Now, however, defense has become a matter of foreign policy in quite a new sense. No nation—not even the continent-sized United States—can make itself secure by its own unaided efforts at an acceptable price. This is the logic which has led the United States to commit itself to keep in Germany a force equivalent to 6 divisions as long as it is needed. We depend equally for our security upon the 11 German divisions—and other NATO divisions—which our own contribution has helped bring forth.

### **Cooperation for Positive Goals**

Thus far I have spoken of a kind of change in the world which makes it imperative for nations to work together. There is another kind of change which also makes it fruitful for them to do so. This is the emergence of a totally new concept of international cooperation for positive goals—a concept developed furthest among the nations of the Atlantic community.

Each step in the development of this cooperation has required from each participating na-

tion an act of faith in its partners in that step. The Marshall Plan and the formation of the forerunner of today's OECD [Organization for Economic Cooperation and Development] expressed American trust that the Europe we were helping to revive would turn away from its destructive past, as well as European trust that Americans would design their aid so as to permit Europe to emerge as an equal partner.

Six European nations, including Germany, have increasingly confided their economic destinies to one another. In progress now is the round of tariff negotiations conceived by the late President Kennedy as a great step toward the establishment of an Atlantic partnership to the mutual benefit of Europe, the United States, and the whole free world.

For the moment I will reserve other illustrations. In my view, the results of Marshall Plan aid and European economic integration amply demonstrate that a policy of trust in common goals can be justified as a ground for common policy. Yet a skeptic may still ask: How can a nation be certain that a partner who professes to hold common goals really does so? And how, if it is satisfied on that point, can a nation be sure that a goal it regards as vital is not considered by its partner to be of merely secondary importance? Specifically, what is the degree to which German and American goals do in fact coincide? And, to phrase one-sidedly a two-sided question, what is the evidence for my country's reliability as an ally for Germany?

For one thing, there is the evidence of the record. For two decades, through several changes of administration, my country has not wavered in its policy toward Germany. A democratic nation is hardly capable of following for a whole generation a course which does not correspond with the true interests of its citizens. As one of our wisest Presidents, Abraham Lincoln, remarked to a caller at the White House a century ago:

It is true that you may fool all the people some of the time; you can even fool some of the people all the time; but you can't fool all of the people all the time.

To use an analogy, a friend you have known for 20 years is most unlikely to change his character in the 21st. The probability that he will

<sup>2</sup> For text, see BULLETIN of Feb. 8, 1965, p. 162.

change is so low as to be almost nonexistent—unless, perhaps, he is made to feel that long friendship has earned no confidence.

For another form of assurance that we pursue common goals, I suggest a look at the whole range of American policy, domestic as well as foreign. You will, I believe, find that we share with you far more than the generalized yearnings of mankind—and also more than ties of consanguinity, history, and culture. In the internal concerns which, together with foreign responsibilities, determine a nation's outlook, you will find a close similarity between our country and your own.

President Johnson has called on Americans to move toward the "Great Society" by attacking the unsolved internal problems which still plague my country. In spite of our high levels of industrial and agricultural production, general prosperity, and a broad and flexible educational system, we still have much room for improvement. This most certainly is a goal that the United States has set for itself. I think, however, you will recognize in it many elements of your own internal preoccupations.

You have the problem of a fast-growing population. So do we. Fifty years hence we estimate that there will be 400 million Americans for whom our society will have to provide—all on a scale sufficient to give each individual an opportunity to live a life of higher quality than we live today. This problem complicates all others, for no program sufficient for the domestic needs of today will suffice for tomorrow. We must plan now to discharge our trusteeship for the future.

Yours is a highly urbanized country. So is ours, and our forecast is that the trend from farm to city will continue. Four-fifths of those 400 million Americans of the year 2015 will be dwellers in urban areas. This will require us to build homes, highways, and other needed facilities in the next 40 years equal to those built in all the time since our country first was settled.

You have a highly developed educational system. So do we. Yet we are concerned, as I believe you are, by the need to increase the adequacy of our educational institutions at every level, both quantitatively and qualitatively. Our goal has been set by President

Johnson: "Every child," he said, "must be encouraged to get as much education as he has the ability to take."<sup>3</sup>

President Johnson's plan for America to move upward toward the concept of the Great Society contains many other objectives—in the fields of health, social security, and to assure a more abundant life. What I have sketched, however, is enough to indicate that this movement is not one which severs us from you but rather one which confirms the broad basis of similarity which makes it equally natural for our two Governments to work closely together in that aspect of their affairs—the international—in which common goals can become the object of congruent policies.

### **Common Economic Goals**

Let me now enumerate some of our common world goals, beginning with those which are primarily economic. We have, first of all, a vital community of interest in trade policy. Since 1951, when the Federal Republic acceded to the General Agreement on Tariffs and Trade—thus marking Germany's formal return to the world trading community—it has joined with the other Western nations in working for the expansion of international trade in a multilateral, nondiscriminatory framework.

The Federal Republic's own record of achievement in trade is the best possible proof of the merit of this common goal. In 1952, for example, German exports amounted to \$4 billion. By 1964 this figure had increased almost fourfold, to more than \$15 billion. The Federal Republic's exports last year made Germany second only to the United States in world trade.

Under the Treaty of Rome, the European Economic Community has assumed responsibility for important aspects of the Federal Republic's commercial policy. However, the Federal Republic is one of the great forces at work within the European community seeking to sustain its important trade ties with outside countries. Thus in the field of trade our two nations have similar interests which—as, for in-

<sup>3</sup> For text of President Johnson's message to Congress on education, see White House press release dated Jan. 12.

stance, in the current tariff negotiations at Geneva—make it natural to seek a common goal.

A related area in which both our nations are vitally interested is that of international finance. As the two largest trading nations in the world, Germany and the United States require for their economic well-being a sound international payments system. We know that our countries must work together to insure that there is adequate liquidity to finance an expansion of world trade—but not so much as to cause inflation.

One of the great challenges which both our countries face is that of the human condition in the southern part of the globe. Here two-thirds of mankind lives in want—and demands change. How this change is achieved will have much to do with the kind of world we will bequeath to our children. We have been gratified that Germany joined us in an aid program which is truly global, as is ours. Even though it is relatively recent, German aid now reaches into more than 65 countries. In this field your nation and mine have found new scope to cooperate with each other and with other industrialized countries in the pursuit of a common goal.

#### **European Integration and Political Unity**

Another vital sphere in which our two countries have a mutuality of interest is that of European integration and political unity. The United States is not, of course, directly involved—since we are not a member of the European Communities. Nevertheless, we are concerned, since only a dynamic Europe can fulfill its proper role in a strong Atlantic community.

Europe has already achieved a high degree of economic integration. An integrated economic structure, in turn, provides the foundation for a politically unified Europe. I think you will agree that the influence of a unified Europe will be greater than the sum of its individual parts. It is with this in mind that forward-looking European statesmen have been anxious to proceed with political union in Europe.

As for the interest of the United States in European unification, I have heard skeptics wonder why we should view sympathetically progress which means increased competition for American goods—and aims at creating a po-

litical entity whose weight in world affairs will be comparable to that of the United States. For an answer, I will again refer you first to the record. Through the Marshall Plan we had a hand in stimulating thoughts of European unification at their inception—and we have encouraged every step that has been taken in that direction since.

We have realized that, given the economic interdependence of the modern world, the development of European economic strength ultimately benefits us, though it may require certain readjustments in our own economy. The United States would like to have a full partner in shouldering the manifold tasks of the Atlantic community. Only a united Europe has the strength to be that. We regard the concepts of European unification and Atlantic partnership not as conflicting but as complementary. The United States is prepared to deal with a united Europe as an equal partner.

An Atlantic institution to which both our countries have a strong commitment is the North Atlantic Treaty Organization. We want NATO to be strong. While the Governments of the United States and the Federal Republic are interested in removing causes of tension between East and West where that is practicable, we both also realize that the Soviet threat remains and that we must both continue to maintain a strong military posture.

From its inception, NATO has been a defensive alliance. Indeed, its formation was a response to a direct threat. It represents an undertaking by the free states of the West to pool their military potential so as to preserve each and all from Communist aggression. NATO's creation was a declaration of the indivisibility of the defense of Europe and North America.

We are aware that until there is controlled and verifiable disarmament—or until the threat of aggression which brought it into being disappears—NATO must remain strong. In this awareness the Federal Republic, along with the United States, has done most among the members of the alliance to meet NATO military goals. Our mutual determination to strengthen NATO is another and an outstanding instance in which our two countries' individual

estimates of their national interests have resulted in a similar response.

### **The Goal of German Reunification**

I have left the goal of German reunification until last because I want to deal with it fully. American policy on the German problem is, I am sure, well known to this audience. That policy is to maintain a viable and free Berlin and to work for the reunification of Germany, with Berlin as its capital, in peace, with freedom, through the exercise of the right of self-determination.

Joint Allied effort has kept Berlin free through years of intermittent challenge and harassment, but only by high resolve and through the commitment of substantial resources. In 1961 the sharpening of the Soviet threat to Berlin cost the United States alone heavy troop callups and billions of dollars for additional armaments. Some of the after-effects of that period of tension are still with us today.

At the same time it is true, as is often pointed out here in Germany, that years of effort have not actually achieved reunification. For our part, let me assure you that we do not mistake the proclamation of the goal for performance of the deed. And inversely expressed, the failure to achieve a goal should not be misread as a lack of determination to achieve it. I think we are entitled to have your confidence on this point. The chronology of the postwar period is studded with dates on which the three Western allies and the Federal Republic have tried to make progress on the German question—and dates on which the Soviet Union has rejected their proposals.

A whole series of meetings among Western and Soviet foreign ministers led to nothing but disagreement. A whole series of notes and declarations was fruitless. Repeated attempts to negotiate—or even to find a basis for negotiation—were rebuffed. We need only recall the Eden Plan of 1954, the Geneva meeting of heads of government and then of foreign ministers in 1955, the Berlin declaration of 1957, and the Herter Plan presented at the Geneva conference in 1959. Even in periods of tension, however, my Government has never ceased to

probe for Soviet willingness to negotiate on the German question, including Berlin.

In the tripartite declaration of last June,<sup>4</sup> my country joined with Britain and France in stressing again the importance of ending Germany's unjust and enforced division. President Johnson has repeatedly and emphatically set reunification before the world as a great unfinished task. We stand ready to move forward upon it, in company with the British, the French, and yourselves, at any time and in any way that may offer a possibility of success.

Let me stress this point, since there has been some inaccuracy and ambiguity in press reports of my Government's attitude toward the proposal your Government is currently developing. I want to make it clear that the United States is now prepared, as it always has been prepared, to enter into discussions with our allies of that proposal at any time.

What stands in the way of reunification? The answer is very simple: the Soviet Union—which has persistently refused to consider ending the division of Germany on any terms except the communization of all Germany. Since you and we have both renounced the use of force to achieve reunification, it will therefore come only when the Soviet Union changes its position.

In this difficult and dangerous problem it seems to me important not to convert necessary discussions of what should be done into tests of zeal. It seems to me in particular that my country's record has proven the fixity of its intention to work seriously and energetically for reunification.

We know that for you the unnatural division of your country has been a long tragedy and that you are resolved to end it. It is also vital for us, however, that this wound at the heart of Europe be healed, for we are inextricably involved with Europe. There can be no stable peace in Europe, or for our country, until Germany is made whole. Reunification is thus a vital interest of the United States, as it is of Germany. This is an imperative that we shall not forget.

Nor does the stubbornness of the German problem cause us to despair of finding a solution. The past few years have proved that the Com-

<sup>4</sup>For text, see BULLETIN of July 13, 1964, p. 44.

munist bloc in which a dismembered part of Germany is immured is neither monolithic nor changeless. The Soviet Zone is increasingly becoming an anachronism in Eastern and Central Europe.

This is a world of change, and change will not be resisted. This is a world in which well-placed faith and consistent effort have their rewards—and our mutual faith that Germany is destined to be united in freedom will be rewarded.

This great goal and others we hold in common we shall achieve together—if we keep trust in one another.

## **U.N.: Hope for the Future**

*Remarks by Harlan Cleveland*<sup>1</sup>

I have no credentials for this occasion that Howard University would recognize. But I am a practitioner of law. I deal every day with the practice of international law by the United States and with its malpractice—by others, of course!

Article 13 of the charter enjoins the General Assembly to encourage “the progressive development of international law”—it says nothing of regressive development. There is, let’s face it, development in both directions, as traditional international law comes under increasing cross-fire from old Communists and young nationalists too.

I do not wish to sound apocalyptic, especially in this company of casehardened students and practitioners of my adopted trade. But I think it is not too much to say this: One of the really great issues of our time is whether international law, and the institutions which give it content and meaning and momentum, is going to be pushed forward by circumstance or pushed backward by man.

One test in this long, hard, and exciting race

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<sup>1</sup> Made at the opening session of Howard University’s Symposium on the International Law of Human Rights, at Washington, D.C., on Feb. 19 (press release 27 dated Feb. 20). Mr. Cleveland is Assistant Secretary of State for International Organization Affairs.

is much in our minds this evening, since it erupted in so tortured and curious a parliamentary tangle in the General Assembly of the United Nations yesterday.<sup>2</sup> Let me say first a word about the looking-glass world in which we all voted yesterday to defend and protect a non-voting agreement.

You may have noticed in the newspapers this morning, we had a rather interesting meeting in the General Assembly of the United Nations yesterday afternoon. By the time it was over, the Assembly stood adjourned—probably until next September—without dealing with any substantive problem requiring a vote.

I am sure you know that the problem is that the Soviet Union and France and a few other countries have refused to pay for their share of U.N. assessments for peacekeeping in the Middle East and the Congo. I shall not rehearse the history of this affair, but the fact is that when the Assembly opened there were several members which owed dues amounting to more than 2 years’ assessments; and article 19 of the charter says that nations in that position “shall have no vote in the General Assembly.”

Despite all the constitutional, legal, procedural, and financial wrinkles, the issue on the surface seemed quite simple. But since it has roots in conflicting ideas about the role of international organizations in a system of world order—and indeed whether there should be any system of world order at all—the issue also involved relations among the major powers within the U.N. and even relations with a major nation which is not even a member of the organization.

More than that, it was and remains an issue which, as long as the delinquents refuse to pay up, can only be settled by action of the Assembly itself, which now has a majority of members from Africa and Asia. Many of them considered—quite wrongly in our view—that this was an East-West issue on which they were not anxious to take a stand. And, anyhow, the cultural experience of delegates from more than a hundred countries does not provide them with a common set of values with respect to the sanctity of law, the integrity of constitutions, and

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<sup>2</sup> BULLETIN of Mar. 8, 1965, p. 354.



the procedures of parliamentary bodies. So there was an intercultural problem and a question of whether meaningful communication was in fact taking place.

Before it was over, the problem became so complex as to almost defy analysis. Yet what has happened to date is quite easy to state: The issue is right where it was when the Assembly opened its door for the 19th annual meeting on December 1.

What happened is that a majority view coalesced around the proposition that a confrontation over article 19 should be avoided at this Assembly. As efforts continued outside the Assembly Hall to resolve the issue by negotiation, this consensus hardened into something close to a passionate determination to avoid a decision. The dramatic events on the floor of the Assembly yesterday afternoon—when Albania tried to kick over the traces and break the consensus—showed how deeply the membership had become committed to postponing the issue.

In the end it was necessary to permit one vote on the procedural question of adjourning on a no-vote basis—necessary to prevent a cynical maneuver from upsetting a carefully balanced applecart.

So in the end the Assembly simply decided not to decide—for the time being at least. It neither applied the sanction of article 19, which supports its assessment power under article 17, nor did it set aside or undermine these articles. This is to say that the Assembly did not enforce in practice the principle of collective financial responsibility but nevertheless kept the principle intact.

We hope that the time which the General Assembly has bought by adjournment will be used constructively and that some acceptable way can be found around the impasse. And whether it is settled by negotiation or ultimately by the Assembly, we still hope that the Assembly will continue to operate, as it has for nearly two decades, on the maximum application in practice of the principle of collective financial responsibility, which was one of the big steps forward taken at San Francisco 20 years ago.

In any event, it is well worth noting that the haveecriers are wrong as usual. The United

Nations may change its course—may detour or even regress—but it is not dead and will not be next year. The Security Council had its busiest year in history in 1964. Those soldiers of peace in the blue berets still stand between warring ethnic communities in Cyprus, and patrol the truce line in the Gaza Strip, and arrange cease-fires between Syria and Israel, and stand duty in the Vale of Kashmir, and keep tabs on the armistice line in Korea. And the whole range of international agencies working in the economic and social and technical fields, which are referred to as the U.N. family of agencies, will be busier next year than this.

The United Nations will not collapse because global questions still require global answers.

Science and technology require international cooperation and international organization—without regard to the political climate in Tirana.

The peace of the world is all too indivisible to abandon our peacekeeping machinery.

Economic and social development around the world is too interrelated to get along without international machinery devoted to the job.

Nations are too interdependent not to continue along the path of international cooperation—within the United Nations, within regional agencies, and within a great number of public and private organizations now engaged in a vast range of common endeavor. We have come a long way along that path since the end of the Second World War.

This is why the United States Government and the United Nations Association of the United States of America and associated private organizations are working hard to move forward along many fronts during International Cooperation Year, which is what the General Assembly has declared 1965 to be.<sup>3</sup>

The mere fact that the same Assembly has come down with a severe case of growing pains does not cancel the other fact that international cooperation and international organization are plain necessities in the second half of the 20th century.

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<sup>3</sup> See p. 382.

## Committees Set Up for International Cooperation Year

Harlan Cleveland, Assistant Secretary of State for International Organization Affairs and chairman of the Cabinet Committee on International Cooperation Year, announced on February 19 the formation of 24 governmental committees to deal with specific subjects of international cooperation. Each committee consists of a chairman, from the Government department most directly concerned, and other members representing additional departments or agencies having competence and interest in the specific field.

The Cabinet Committee on ICY was named by President Johnson on November 24, 1964, to coordinate U.S. Government participation in ICY.<sup>1</sup> Private activities will be coordinated by a National Citizens Commission organized by the United Nations Association of the United States of America.

When President Johnson signed the proclamation for United States participation in ICY on October 2, 1964, he called international cooperation for peace the "assignment of the century."<sup>2</sup> The proclamation itself rededicated the U.S. Government to the principle of international cooperation, directed the executive branch to examine additional steps which might be taken, and called upon national citizen organizations to undertake educational programs and to consider further steps toward international cooperation.

The United States has joined more than 100 nations which will be commemorating the 20th anniversary of the United Nations by publicizing the many areas of international cooperation which already exist and by actively seeking new areas to which such efforts might be extended.

There already exists a broad and deep substratum of cooperation, a great deal of which is made a practical necessity by the dictates of the 20th-century technology and the resulting interdependence of nations. Thus this country

cooperates in many widely disparate areas ranging from forecasting weather to limiting disease, and we cooperate with many nations in these areas even though we may disagree with them—the Soviet Union, for example—in other areas. The presence of conflict in one area obviously does not preclude the possibility of useful cooperation in another.

In his opening remarks to the first meeting of the committee chairmen on February 16, Mr. Cleveland said:

We are not going to be dissuaded by current crises from undertaking the twofold task the President has given his Cabinet Committee and the United Nations Association during this International Cooperation Year. We intend to take a thorough inventory of what this country is doing—across the board—in every aspect of international cooperation. More importantly, we plan to work with a distinguished National Citizens Commission in coming up with hard and specific proposals at the White House Conference later this year. We intend to produce realistic proposals for courses of action—cooperative action designed to advance this country's national interest through mutually helpful agreements.

In short, we expect to use the International Cooperation Year not only as a period for appraisal but also as a vehicle—a means of mobilizing the intellectual and organizational resources of this country.

Our assignment for 1965 is really no less than a major contribution to the painful and difficult task of trying to build a world order based on consent and a clearly perceived underlying identity of interest. Given the political and technological and indeed moral imperatives of our time, it is not whistling in the dark to say that in apparent adversity we can find our greatest opportunity.

Focus on the calendar year 1965 as International Cooperation Year was called for in a resolution adopted in 1963 by the United Nations General Assembly.<sup>3</sup> The idea was first proposed to the U.N. by the late Prime Minister of India, Jawaharlal Nehru.

The chairmen of the committees of the Cabinet Committee on ICY are as follows:

*Agriculture and Food:* Mrs. Dorothy H. Jacobson, Assistant Secretary of Agriculture for International Affairs

*Arms Control and Disarmament:* Jacob D. Beam, Assistant Director, Arms Control and Disarmament Agency

*Business and Industry:* Thomas G. Wyman, Assistant

<sup>1</sup> BULLETIN of Dec. 14, 1964, p. 857.

<sup>2</sup> For background and text of proclamation, see *ibid.*, Oct. 19, 1964, p. 555.

<sup>3</sup> U.N. doc. A/RES/1907 (XVIII).

Secretary of Commerce for Domestic and International Business

*Communications:* Lee Loevinger, Commissioner, Federal Communications Commission

*Culture and Intellectual Exchange:* Harry C. McPherson, Assistant Secretary of State for Educational and Cultural Affairs

*Development of International Law:* Norbert A. Schlei, Assistant Attorney General, Office of Legal Counsel, Department of Justice

*Education and Training:* James M. Quigley, Assistant Secretary of Health, Education, and Welfare

*Finance and Monetary Affairs:* Merlyn N. Trued, Acting Assistant Secretary of the Treasury

*Health:* James M. Quigley, Assistant Secretary of Health, Education, and Welfare

*Human Resources and Manpower:* Dr. Leona Baumgartner, Assistant Administrator for Technical Cooperation and Research, Agency for International Development

*Human Rights:* Richard N. Gardner, Deputy Assistant Secretary of State for International Organization Affairs

*Labor:* George L-P Weaver, Assistant Secretary of Labor for International Labor Affairs

*Maritime Affairs:* Clarence D. Martin, Under Secretary of Commerce for Transportation

*Meteorology:* J. Herbert Hollomon, Assistant Secretary of Commerce for Science and Technology

*Peaceful Settlement of Disputes:* Elmore Jackson, Special Assistant, Bureau of International Organization Affairs, Department of State

*Peacekeeping Operations (U.N.):* Harlan Cleveland, Assistant Secretary of State for International Organization Affairs

*Resource Conservation and Development:* Henry P. Caulfield, Jr., Director, Resources Program Staff, Department of the Interior

*Science and Technology:* Dr. Arthur Roe, Office of International Science Activities, National Science Foundation

*Space:* Arnold W. Frutkin, Assistant Administrator for International Affairs, National Aeronautics and Space Administration

*Technical Cooperation and Investment:* Bartlett Harvey, Deputy Assistant Administrator for Program, Agency for International Development

*Trade:* Thomas G. Wyman, Assistant Secretary for Domestic and International Business, Department of Commerce; Cochairman with Ambassador William M. Roth, Deputy Special Representative for Trade Negotiations, Executive Office of the President

*Transportation:* Raymond B. Maloy, Assistant Administrator for International Aviation Affairs, Federal Aviation Agency

*Travel and Recreation:* Thomas G. Wyman, Assistant Secretary for Domestic and International Business, Department of Commerce

*Youth Activities:* James M. Quigley, Assistant Secretary, Department of Health, Education, and Welfare

## National Review Board Appointed for East-West Center

The Secretary of State announced on February 24 (press release 29) the appointment of the members of the National Review Board for the Center for Cultural and Technical Interchange Between East and West (East-West Center) at Honolulu, Hawaii. The members are:

John A. Burns, Governor of Hawaii; Delegate to Congress from Hawaii, 1957-59: *chairman.*

Hugh Borton, president, Haverford College; chairman, American delegation to the U.S.-Japan Conferences on Cultural and Educational Interchange at Tokyo (1962) and Washington (1963); professor and author in Japanese and other Asian studies.

Hung Wo Ching, president, Aloha Airlines, Honolulu; trustee, Committee for Economic Development.

Francis Keppel, U.S. Commissioner of Education, Department of Health, Education, and Welfare; former dean, Faculty of Education, Harvard University.

Roy E. Larsen, chairman, executive committee, Time, Inc.; vice chairman, U.S. Advisory Commission on International Educational and Cultural Affairs; director of a study of the East-West Center, 1963-64; trustee, Ford Foundation; chairman, Fund for the Advancement of Education.

Mrs. Mary Lasker, president, Albert and Mary Lasker Foundation, Inc.; trustee, Museum of Modern Art, New York; member, board of trustees, John F. Kennedy Center for the Performing Arts.

Laurence J. McGinley, former president, Fordham University; member of the boards of the New York State Higher Education Assistance Corporation and of the Lincoln Center for the Performing Arts.

Harry C. McPherson, Jr., Assistant Secretary of State for Educational and Cultural Affairs; chairman, Interagency Council on International Educational and Cultural Affairs.

Otto N. Miller, president, Standard Oil Company of California; recipient, Distinguished Alumni Citation, University of Michigan, 1953.

Logan Wilson, president, American Council on Education; former president, University of Texas; member of the boards of the Institute of International Education and of Education and World Affairs.

The National Review Board is being created to give advice and guidance to the Department of State on operations of the Center and to represent the national interest in this new institution for intercultural exchange. It follows a recommendation by the United States Advisory Commission on International Educational and Cultural Affairs, which, at the request of the

Department, made a study of the organization and operations of the Center during its first few years as a basis for plans for its future development. The study was conducted by Mr. Larsen and by James M. Davis, vice president for foreign student affairs of the Institute of International Education, then director of the International Center and associate professor of higher education at the University of Michigan. Their report was made public in May 1964, following its submission to President Johnson and his acceptance of the recommendation for the creation of a National Review Board with Governor Burns as its first chairman.

President Johnson, then Senator, sponsored the authorizing legislation for the Center in 1959 and 1960. As Vice President, he gave the dedication address at Honolulu on May 9, 1961. Subsequent development of the Center as a scholarly meeting ground for Asians and Americans has had the continuing sponsorship of President Johnson and of Members of Congress, including the Hawaiian congressional delegation, Congressman John J. Rooney of New York, and others.

The Department of State's responsibilities for the Center are discharged by the Bureau of Educational and Cultural Affairs.

## THE CONGRESS

### Foreign Policy Aspects of Proposals To Revise Immigration Law

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

It is a privilege to have this opportunity to discuss the President's proposals [S. 500] for revising and modernizing our basic immigration law.<sup>2</sup> My comments today supplement those I made before this committee last July.<sup>3</sup>

I believe this law should be amended to meet the requirements of domestic and international circumstances which are quite different from

those which existed when it was enacted.

Today I would like to discuss only those aspects of S. 500 which relate to foreign policy and therefore are of primary concern to the Department of State. The Attorney General has recently testified before this committee on internal or national aspects of these proposals, as will the Secretary of Labor. My colleague, Mr. Abba P. Schwartz, Administrator of the Bureau of Security and Consular Affairs, is available at the committee's convenience to discuss the refugee and other aspects of the administration's proposal which I may not be able to cover this morning.

There are three proposed changes in the present law which are of particular concern to our

<sup>1</sup> Made before the Subcommittee on Immigration and Naturalization of the Senate Committee on the Judiciary on Feb. 24 (press release 28).

<sup>2</sup> For text of President Johnson's message of Jan. 13, see BULLETIN of Feb. 1, 1965, p. 146.

<sup>3</sup> *Ibid.*, Aug. 24, 1964, p. 276. For the Secretary's statement before the Subcommittee on Immigration and Naturalization of the House Committee on the Judiciary on July 2, see *ibid.*, July 20, 1964, p. 98.

conduct of foreign relations. The first would eliminate the national-origins system, under which quotas for each country are determined. The second would eliminate the Asia-Pacific Triangle provisions, which require persons of Asian stock to be attributed to quota areas, not by their place of birth but according to their racial ancestry. The third would accord immigrants from newly independent former colonial areas in the Western Hemisphere the same nonquota status that is presently enjoyed by immigrants from the other independent nations of the Western Hemisphere.

### **National-Origins Quota System**

The principal reform called for in the administration's proposals is the elimination of the national-origins quota system. That concept has produced some basic inequities and problems which are not solvable within the system's narrow context. Some nations, such as England and Ireland, have never used their large quotas, while other nations have small, heavily oversubscribed quotas.

Over the years, Congress has recognized these injustices by enacting special legislation and private bills to resolve them. Even private bills often do not provide solutions.

Beginning in 1948, the Congress has progressively liberalized our immigration laws to permit families to be reunited and to provide for the admission—generally on a nonquota basis—of immigrants of different nationalities and circumstances who had been uprooted by natural calamities or displaced by political upheavals. The Congress thus put aside origin, race, and nationality for the refugees and displaced persons we have admitted over the past 16 years. Nonetheless, we continue to be judged abroad by a basic provision of law which suggests that prospective immigrants are selected on the basis of their national origins. I know this to be a fact, because I have been approached on a number of occasions by foreign ministers who expressed their belief that this principle discriminates against their countries. They were not complaining about numbers but about the principle which they considered discriminatory.

As long as our immigration law classifies

persons according to national and ancestral origins, we cannot convince our critics that we judge each other on the basis of ability, industry, intelligence, integrity, and such other factors as determine a man's value to our society. On the contrary, the continuance of the national-origins system suggests that we think less well of those citizens of the United States who are descended from certain ethnic origins than we do of others, and—so the logic goes—for that reason we are reluctant to receive more from certain countries.

Thus it is the national-origins principle, rather than actual immigration, which is singled out by our critics. This makes it more difficult to deal with these countries and to establish the good relations which our national interest requires.

The administration's proposals would eliminate the national-origins system on a gradual basis by reducing all quotas by 20 percent each year for 5 years. The present total authorized annual quota of approximately 158,000 would be increased to approximately 166,000 by raising the minimum quota for any country to 200. These minimum quotas would, of course, also have the 20 percent reduction each year applied to them.

S. 500 establishes a quota reserve pool from which all quota numbers would be allocated during the fifth year of transition and thereafter. In each of the 5 years of the period of transition, the pool would consist of (1) the numbers released from national-origins quotas each year under the 20-percent progressive reduction plan and (2) numbers assigned to the old quotas but unused during the previous year because of an insufficient qualified demand for them. However, the maximum allotment of numbers in any one fiscal year could not exceed the sum of all immigration quotas in effect on the date of enactment of the bill, roughly 166,000. To prevent disproportionate benefits to the nationals of any single country, a maximum of 10 percent of the total authorized quota is set on immigration attributable to any quota area. However, this limitation would not operate to reduce any quota in any of the 5 years of transition by more than 20 percent.

Since we oppose the national-origins quota

system, why do we not propose that it be abolished immediately rather than over a 5-year period? It is because we fear that too precipitous a change would result in reverse discrimination against those countries which now enjoy a situation where quota numbers are readily available to them and, for this reason, registrations are not necessary. We do not believe it desirable to implement the new proposals in such a manner as to reduce seriously immigration from these countries, since the aim of the bill is to continue immigration from all countries, and also because many of the countries which would be adversely affected are among our closest allies. At a time when our national security rests in large part on a continued strengthening of our ties with these countries, it would be anomalous indeed to restrict opportunities for their nationals to immigrate to this country. For this same reason the bill would authorize the President to reserve up to 30 percent of the quota reserve pool for allocation to qualified immigrants who could obtain visas under the present system, but not under the terms of the bill before the committee, and whose admission would further the national security interests. The 10-percent limitation on immigration from any single quota area would not apply to quota numbers so allocated to countries which, under the existing system, regularly receive allocations in excess of that limit.

### **The Asia-Pacific Triangle**

The second point which I would like to discuss today involves perhaps the most discriminatory aspect of the present law—the Asia-Pacific Triangle, which requires persons of Asian stock to be attributed to quota areas not of their place of birth but according to their racial ancestry. As I said in testimony last summer, this feature of the present law is indefensible from a foreign policy point of view. It represents an overt statutory discrimination against more than one-half of the world's population.

Here again the actual record with respect to immigration from the Asian countries is far better than a reading of our immigration law would lead one to expect. This is shown by the

fact that from China, Japan, and the Philippines alone a total of 119,677 immigrants came to the United States during the 10-year period 1953–1963. These facts may startle those who read in our immigration laws that Japan has an annual quota of 185, the Philippines a quota of 100, and that China has a total of 205 quota numbers a year. Any increase in the volume of immigration resulting from the proposed amendments would be rather limited against the actual volume of Asian immigration into the United States between 1953 and 1963. We deprive ourselves of a powerful weapon in our fight against misinformation if we do not reconcile here, too, the letter of the law with the facts of immigration and thus erase the unfavorable impression made by our old quota limitation for Asians.

What we are urging Congress to do is to bring to a final conclusion a development which began more than 20 years ago, when the Chinese exclusion laws were eliminated and a quota for the immigration of Chinese persons was established. This was followed in 1952 by the elimination of race as a bar to naturalization and thereby to immigration. Asian spouses and children of American citizens were given the same nonquota status as was then enjoyed by persons of non-Asian ancestry. Finally, in 1961 Congress removed the 2,000 limit on the number of Asian immigrants from minimum quota areas within the Asia-Pacific Triangle. The only remaining discriminatory provision of the law having a racial connotation is the one requiring that an Asian person be charged to an Asian quota even if he were born outside the Asian area. This provision keeps an Indian wife separated from her husband who is a native of Burma. He entered the United States as a first-preference immigrant whose skills were “urgently needed” by our country in medical research. His wife is chargeable to the over-subscribed Indian quota and cannot be admitted for many years. In all other cases the law permits an accompanying spouse to be charged to the quota of her husband to avoid separation of the family—that is, all except spouses of Asian ancestry. Under S. 500 this wife would be chargeable to the Burmese quota, which is

open, so that she could enter immediately. I urge you most earnestly to eliminate this last vestige of discrimination against Asian persons from our immigration law by enacting S. 500.

### **Western Hemisphere—Nonquota Area**

The final problem which we hope that this Congress will resolve is the accidental discrimination against Jamaica and Trinidad-Tobago which resulted from the wording of the law exempting from quota limitations those persons born in Western Hemisphere countries that were independent at the time the law was enacted. Although the present law would grant nonquota status automatically to dependencies in Central or South America if they became independent, the automatic inclusion of these other sister Republics was not provided for in the Immigration and Nationality Act. The Governments of these two newly independent nations have made strong representations to our Government, asking to be placed on an equal footing with the other American states. In view of the consistent policy of the Congress in according our independent hemisphere neighbors nonquota status, and the fact that Jamaica and Trinidad-Tobago are among the friendliest of these neighbors, I do not doubt that the Congress will remove this unintended discrimination by granting them nonquota status. To prevent this kind of accidental discrimination, the administration's proposal would accord nonquota status to any dependencies that achieve independence in the future, making it clear to all concerned that there are no second-class countries in the hemisphere family.

### **Change in Pattern of Immigration**

Finally, Mr. Chairman, without going into the economic aspects of the administration's proposals, on which the Attorney General commented and which the Secretary of Labor will discuss fully at a later date, I wish to conclude with a few general observations.

A change has taken place in the pattern of our immigration over the last few decades. Present-day immigration is quite different in

volume and makeup from the older immigration, and its significance for this country is considerably different. Immigration now comes in limited volume and includes a relatively high proportion of older people and persons of high skill and training.

The significance of immigration for the United States now depends less on the number than on the quality of the immigrants.

The explanation for the high professional and technical quality of present immigration lies in part in the nonquota and preference provisions of our immigration laws that favor the admission of highly qualified migrants. But still more it depends on economic and political dislocations, discriminations, and insecurities in various parts of the world that have disturbed occupational strata not normally disposed to emigrate and have attracted them to the greater political freedom and economic opportunity offered in the United States. Under present circumstances our country has a rare opportunity to draw migrants of high intelligence and ability from abroad; and immigration, if well administered, can be one of our greatest national resources, a source of valuable manpower and brainpower.

As a leader in the struggle for freedom, we are expected to exemplify all that freedom means. We have proclaimed, again and again, from the Declaration of Independence until the present day, that freedom is the right of all men. The rest of the world watches us closely to see whether or not we live up to the great principles we have proclaimed and promoted. Our blemishes delight our enemies and dismay our friends.

In recent legislation the Congress has reaffirmed our basic commitment to ourselves: that all our citizens are equally entitled to their rights as citizens and human beings.

I am convinced that the amendments to our immigration laws proposed by the administration in S. 500 would materially strengthen our position in the world struggle in which we are engaged. What we are asking, in effect, is that we bring the theory of our law into line with our practice in this postwar period. I hope very much that the Senate will agree.

## President Proposes Two Amendments to 1966 Department Budget

White House press release dated February 23

President Johnson transmitted to Congress on February 23 two amendments to the 1966 budget, one calling for an increase of \$8,640,000, the other a decrease of \$823,000, both for the Department of State.<sup>1</sup>

The requested net increase of \$7,817,000 will not affect the totals proposed in the 1966 budget.

The additional \$8,640,000 is proposed to enable the International Boundary and Water Commission, United States and Mexico, to continue the Chamizal program through the fiscal year 1966.<sup>2</sup> The Chamizal convention between the United States and Mexico provides for the relocation of the Rio Grande channel in the El Paso-Juarez sector; the establishment of the centerline of the new channel as the international boundary; and the transfer of lands between Mexico and the United States. These actions will require the relocation of public facilities and the acquisition of land and improvements for relocations and for transfer to Mexico.

The possible need for additional funds for the Chamizal program was recognized and noted in the 1966 budget document. Progress on the program and land and property acquisition schedules, which were not available earlier, indicate that the \$30 million of available funds will be exhausted by the middle of the fiscal year 1966. The additional appropriation will permit completion of land and property acquisition and a start on construction of new port-of-entry and other facilities.

A reduction of \$823,000 is proposed for contributions to international organizations in the

fiscal year 1966, as a result of actions taken by certain international organizations concerning their calendar year 1965 budgets. These actions make possible the reduction in 1966 requirements for contributions by the United States, made up largely of reductions in contributions to the United Nations Educational Scientific and Cultural Organization and the Organization for Economic Cooperation and Development.

The original budget request of \$97,776,000 for contributions to international organizations is revised to \$96,953,000.

## Congressional Documents Relating to Foreign Policy

### 89th Congress, 1st Session

Coffee. Report, together with minority views, to accompany S. 701, a bill to carry out the obligations of the United States under the International Coffee Agreement, 1962. S. Rept. 53. February 1, 1965. 50 pp.

Fourth Annual Report of the United States Arms Control and Disarmament Agency. H. Doc. 66. February 1, 1965. 26 pp.

Report of the Special Study Mission to Europe (November 21–December 13, 1964), comprising Representatives John S. Monagan, Lindley Beckworth, Harris B. McDowell, Jr., William T. Murphy, Peter H. B. Frelinghuysen, J. Irving Whalley, and E. Y. Berry of the House Committee on Foreign Affairs. H. Rept. 15. February 3, 1965. 52 pp.

Increased U.S. Participation in the Inter-American Development Bank. Report to accompany H.R. 45. H. Rept. 27. February 8, 1965. 17 pp.

Immigration and Naturalization. Report of the Senate Committee on the Judiciary made by its Subcommittee on Immigration and Naturalization pursuant to S. Res. 266, as amended. S. Rept. 57. February 8, 1965. 5 pp.

Refugees from Communism in Asia. A study of the Senate Committee on the Judiciary compiled by its Subcommittee To Investigate Problems Connected With Refugees and Escapees pursuant to S. Res. 271. S. Rept. 59. February 9, 1965. 22 pp.

To Amend the Arms Control and Disarmament Act, As Amended. Report of the House Committee on Foreign Affairs on H.R. 2998. H. Rept. 37. February 10, 1965. 10 pp.

Reviewing the International Balance of Payments and Our Gold Position. Message from the President. H. Doc. 83. February 10, 1965. 9 pp.

Gold Reserve Requirements. Report to accompany H.R. 3818. S. Rept. 65. February 10, 1965. 23 pp.

<sup>1</sup> For excerpts from the 1966 budget, see BULLETIN of Feb. 15, 1965, p. 207.

<sup>2</sup> For background, see *ibid.*, Oct. 19, 1964, p. 545.



## Central Treaty Organization Marks 10th Anniversary

### EXCHANGE OF MESSAGES<sup>1</sup>

#### President Johnson to Secretary General Abbas Ali Khalatbary

I would like to extend my personal congratulations and those of my Government to you and to all our friends in the Central Treaty Organization on the tenth anniversary of the signing of the Pact of Mutual Cooperation.

In these ten years, CENTO has made an important contribution to the preservation of peace and to the economic welfare of its regional members. One measure of CENTO's success is the fact that the Treaty area has not been subjected to Communist aggression since the alliance was formed; other parts of the Free World have not been so fortunate. Moreover, behind this shield of security the CENTO countries have been able to work together for economic development and a fuller and better life for the people of the region.

It is my sincere hope that CENTO will continue to play its important role in our unfinished task of securing peace and prosperity in a still troubled and hungry world. The alliance has the full support of the United States in its continuing efforts toward these ends.

#### Secretary General Khalatbary to President Johnson

Your kind message, Mr. President, upon this the tenth anniversary of the Central Treaty Organization brings warmth and encouragement to all those associated within the organization. The success which CENTO has achieved in technical assistance, in economic

development, in cultural understanding and in promoting peace in the area are the results of the combined efforts and desires of participating governments and of many persons widely dispersed but all dedicated to advancing the interests and well-being of the region. They have richly illustrated what joint activities and determination can accomplish. Gratifying as these results may be, they are a token only of what can be done. I am sure that I may rely upon you, Mr. President, your Government, and upon the other governments associated in CENTO's activities to persist wholeheartedly in these joint efforts in the trust that they will bring to the regional member states and to our Western allies a continuing period of economic prosperity and social achievement, of increasing cultural appreciation, and above all of peace and stability.

### ANNOUNCEMENT OF U.S. CELEBRATION

The Department of State announced on February 11 (press release 22) that Secretary Rusk would be host at a reception and program on February 24 to celebrate the 10th anniversary of the Central Treaty Organization alliance. The Washington embassies of Iran, Pakistan, Turkey, and the United Kingdom cooperated in the program held in conjunction with observances in the CENTO country capitals.

Dr. Richard E. Ettinghausen, Curator of Near Eastern Art at the Freer Gallery, lectured on cultural themes common to the three regional countries, and artists from the three countries presented selections from their national music and drama.

Secretary and Mrs. Rusk received the CENTO Ambassadors and guests in the John Quincy Adams Room after the program. During the reception, the rare McMullan collection of Iranian, Pakistani, and Turkish rugs was

<sup>1</sup> Released at Ankara, Turkey, on Feb. 21.

displayed. Also on view was a selection of Korans, including a French translation once owned by Thomas Jefferson.

An exhibit of paintings by school children of Iran, Pakistan, and Turkey, collected by the CENTO alliance secretariat, was shown in the Exhibit Hall of the Department from February 25 through March 5.

#### REMARKS BY SECRETARY RUSK<sup>2</sup>

Excellencies, ladies and gentlemen: We are here this evening for a birthday party, not for a meeting of the CENTO Council. For individuals 10 years pass with breathtaking speed. In a period of rapid and dramatic international change, 10 years ago can seem in the international scene like another age altogether.

While not formally a member of the Central Treaty Organization, the United States has been intimately associated with it. I particularly welcome tonight, therefore, the distinguished representatives of the countries members of CENTO with whom it has been our privilege to work in close association throughout this decade.

We can take genuine satisfaction from the fact that CENTO has made a solid contribution to the security and to the sense of security of the CENTO area. We can draw deep encouragement from the steady progress which the CENTO countries have been able to achieve. And we can be encouraged by the fact that CENTO has reached beyond its more limited security functions and has stimulated mutual cooperation among its members in economic development, technical assistance, and cultural exchange. We see at the present time the unfolding of concrete steps in such CENTO projects as the railway link between eastern Turkey and western Iran, and the microwave telecommunications system reaching all three of the regional capitals, and an important new air navigation control system which will facilitate aviation traffic within the CENTO region. CENTO forums continue to bring together the

<sup>2</sup> Made at the anniversary program at the Department of State on Feb. 24.

best thoughts and skills of scientists, educators, and experts in scores of fields, and an impressive demonstration of international and technical mutual enrichment.

This evening we are to savor other aspects of our family relationship. As we celebrate our birthday, we derive joy and mutual esteem from the privilege of hearing and seeing some of the music and art which help to decorate our relationship with delight and appreciation. Mrs. Rusk and I are looking forward with pleasure to the chance of meeting many of you at the reception which follows this present program.

#### United States Announces Pledge for Palestine Refugees

*Statement by Francis T. P. Plimpton<sup>1</sup>*

On behalf of the United States Government, I take pleasure in announcing the U.S. pledge of \$24,700,000 for the support of the U.N. Relief and Works Agency for Palestine Refugees in 1965. This contribution, as in the past, will be both in cash and in foodstuffs. The volume of foodstuffs being provided under this pledge will, of course, continue to be affected by fluctuations in prices on world markets, which have recently, for the most part, shown an upward trend.

As in the past, the U.S. contribution will be made available to the extent that it does not exceed 70 percent of the total contributions by all governments. We continue to feel, however, that the United States is bearing an unduly high proportion of UNRWA's expenses, and accordingly we plan to reduce the total U.S. contribution for next year by \$1 million.

The increasing costs of both relief and education will oblige the contributors, the host countries, and, in fact, all the members of the U.N. to focus more sharply on the problem of

<sup>1</sup> Made on Feb. 17 at the pledging conference on the United Nations Relief and Works Agency for Palestine Refugees in the Near East (U.S./U.N. press release 4501). Mr. Plimpton is Deputy U.S. Representative to the United Nations.

## U.S. and Pakistan Conclude Cotton Textile Agreement

Press release 32 dated February 26

### DEPARTMENT ANNOUNCEMENT

The Governments of the United States and Pakistan announced on February 26 the conclusion of a bilateral agreement concerning trade in cotton textiles between the two countries for the 3-year period from July 1, 1964, to June 30, 1967. The agreement was negotiated under article 4 of the Long-Term Arrangement Regarding International Trade in Cotton Textiles, done at Geneva on February 9, 1962,<sup>1</sup> and was effected by an exchange of diplomatic notes.

The agreement, which is designed to promote the orderly development and growth of cotton textile exports from Pakistan to the United States, is the result of bilateral talks held in Washington between representatives of the Government of Pakistan and representatives of the United States Departments of Commerce, Labor, and State.

The principal features of the agreement are as follows:

1. Pakistan agrees to limit its exports of cotton textiles in category 9—carded sheeting; categories 18/19 and part of 26—printcloth; category 22—carded twills and sateens; and barkcloth-type fabrics—part of category 26.

2. For the 12-month period July 1, 1964, to June 30, 1965, total exports of these fabrics from Pakistan to the United States will be limited to an aggregate level of 25 million square yards. Specific ceilings apply to each of these fabrics within this aggregate limit.

3. The aggregate level for these categories will be increased by a growth factor of 5 percent for the second 12-month period and by an addi-

UNRWA finances. During the past year the United States undertook, in cooperation with the United Kingdom, a global campaign to raise more funds for UNRWA. We will continue to encourage increased contributions to the agency, but at the same time we believe that the states directly concerned should themselves assume a larger responsibility in seeking contributions for UNRWA and the Arab refugees.

Nevertheless, it is evident that the costs are increasing to such a point that some cuts in expenditures must be made. The United States concurs, therefore, in the reduction in the relief budget for 1965 recommended in the Commissioner General's annual report.<sup>2</sup> We believe that the necessary economies can in fact be accomplished by the long-needed rectification of the relief rolls without affecting the provision of relief to genuinely needy refugees. Rectification would not only result in the elimination of a significant number of ineligible recipients, acknowledged by both UNRWA and the host governments to be presently on the relief rolls, but would insure that the recipients of the agency relief program were, in fact, the truly eligible and truly needy among the refugees.

As we stressed last year in making our pledge, we continue to support an increased emphasis on educational and vocational training programs. Accordingly, in making our pledge, we do so not only on the understanding that the agency will undertake the projected reduction in the relief budget as proposed in the Commissioner General's annual report but also on the understanding that funds allocated for education, health, or other sections of the budget will not be transferred to the relief services budget. We believe further that any existing surplus should be conserved for future educational needs.

Finally, let me take this opportunity to express our appreciation and support to the Commissioner General [Lawrence Michelmore] and his staff for the work they have so successfully carried out in the past year. We wish them all success in their difficult and essential undertakings this year and offer them our fullest support.

<sup>2</sup> U.N. doc. A/5813.

<sup>1</sup> For text, see BULLETIN of Mar. 12, 1962, p. 431.

tional 5 percent over the second period level for the third 12-month period.

4. Each of the specific category ceilings is subject to the same growth factors that apply to the aggregate ceiling.

5. Special provisions have been made with respect to the release of goods in categories 9 and 22 now held in bond, and provision has been made for prorating imports under the article 3 restraint on category 9 which is terminated by the agreement.

6. The export ceilings established by this agreement supersede the restraints now in effect under article 3 of the Long-Term Arrangement with respect to exports of these fabrics from Pakistan to the United States.

7. The two Governments agreed to exchange such statistical data as are required for the effective implementation of the agreement and to consult on any questions arising in the implementation of the agreement.

8. The Government of Pakistan agreed to use its best efforts to space evenly annual exports within the categories covered by the agreement.

9. The two Governments agreed to consult on any question which may arise concerning the implementation of the agreement.

**TEXT OF U.S. NOTE**

FEBRUARY 26, 1965

EXCELLENCY: I have the honor to refer to recent discussions in Washington between representatives of the Government of the United States of America and the Government of Pakistan concerning exports of cotton textiles from Pakistan to the United States and to the Long-Term Arrangements Regarding International Trade in Cotton Textiles done in Geneva on February 9, 1962.

As a result of these discussions, I have the honor to propose the following Agreement relating to trade in cotton textiles between Pakistan and the United States:

1. The Government of Pakistan shall limit exports in categories 9, 18, 19, 22, and the parts of 26 listed in Annex A for the first agreement year beginning July 1, 1964, to an aggregate limit of 25 million square yards. Within this aggregate limit the following specific ceilings shall apply:

<i>Category</i>	<i>Million Square Yards</i>
9	16.0
22	2.0

Printcloth (18/19 and parts of cat. 26 so designated in Annex A)	7.0
Barkcloth-type fabrics (parts of cat. 26 so designated in Annex A)	3.0

2. Each Government agrees to supply promptly any available statistical data requested by the other Government. In particular, the Government of Pakistan shall supply the most current export data to the Government of the United States of America and the Government of the United States of America shall supply the most current import data to the Government of Pakistan.

3. All relevant provisions of the Long-Term Arrangements shall remain in effect between the two Governments except that for the duration of this Agreement the Government of the United States shall not request restraint under Article 3 of the Long-Term Arrangements Regarding International Trade in Cotton Textiles on the export of cotton textiles from Pakistan to the United States in categories 9, 18, 19, 22 and the parts of 26 listed in Annex A.

4. The aggregate limit and specific ceilings established in paragraph 1 shall be increased by 5 percent for the second agreement year beginning July 1, 1965. For the third agreement year the aggregate limit and the specific ceilings shall be increased by a further 5 percent over the levels for the second agreement year.

5. To make allowances for the termination of restraint actions under Article 3 of the Long-Term Arrangements and for goods imported into the United States under these restraints prior to the signing of this Agreement, the following one-time adjustments shall apply to the specific ceilings enumerated in paragraph 1 above:

a. Category 9—A deduction of 7.6 million square yards shall be made from the ceiling applicable to the first agreement year;

b. Category 22—Imports shall be counted against the ceiling regardless of the date of export but only if entered for consumption on or after October 31, 1964;

c. Printcloth—Imports shall be counted against the ceiling if exported on or after July 1, 1964;

d. Barkcloth-type fabrics—Imports shall be counted against the ceiling only if exported on or after September 18, 1964.

6. All cotton textiles classified in Category 9 and exported prior to March 1, 1965, shall be entered for consumption under the following provisions:

a. Five million square yards shall be entered without charge against the ceiling applicable to this category;

b. The balance shall be charged 50 percent against the ceiling applicable to this category for the first agreement year as adjusted under paragraph 5 above, and the remaining 50 percent against the ceiling applicable to this category for the second agreement year;

c. To the extent that balances remaining under the adjusted export ceiling for the first agreement year

are insufficient, the excess shall be charged against the ceiling for the second agreement year.

7. The Governments agree to consult on any question arising in the implementation of this Agreement.

8. The Government of Pakistan shall use its best efforts to space its annual exports evenly within each category enumerated in paragraph 1 above.

9. In the implementation of this Agreement the system of categories and the rates of conversion into square yard equivalents listed in Annex B hereto shall apply.

10. This Agreement shall continue in force through June 30, 1967; provided that either Government may propose revisions in the terms of the Agreement no later than 90 days prior to the beginning of each agreement year and provided further that either Government may terminate this Agreement effective at the beginning of any agreement year by written notice to the other Government to be given at least 90 days prior to such date.

If these proposals are acceptable to your Government, this note and your Excellency's note of acceptance<sup>2</sup> on behalf of the Government of Pakistan shall constitute an agreement between our Governments.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:  
G. GRIFFITH JOHNSON

*His Excellency*  
GHULAN AHMED,  
*Ambassador of Pakistan.*

#### ANNEX A

##### I. Printcloth

Printcloth is a term applied to a plain woven fabric made of singles uncombed yarns. The fabric is not napped, not fancy and not figured. The difference in the yarns per inch of the warp and of the filling does not usually exceed 15. The average yarn number ranges between 27 and 44 per inch.

Printcloth falls under Category 18 "Printcloth, shirting type, 80x80 type, carded"; Category 19 "Printcloth, shirting type, other than 80x80 type, carded"; and under the T.S.U.S.A. numbers of Category 26 "Woven fabric, not elsewhere specified, other, carded" listed below:

##### *T.S.U.S.A. Numbers*

320. xx34	Printcloth other than printcloth type shirting, not combed, wholly of cotton, not fancy or figured, not bleached or colored.
326. xx34	Printcloth other than printcloth type shirting, not combed, chief value, but not wholly of cotton, containing silk or man-made or both, not fancy or figured, not bleached or colored.

The foregoing T.S.U.S.A. numbers correspond precisely with TQM No. 261070 "Cotton Printcloth, not

elsewhere specified, unbleached, carded," which is used by the Bureau of the Census in the preparation of its special reports on cotton textile imports.

##### II. Barkcloth

Barkcloth is a term applied to a fabric most commonly used in the drapery and upholstery fields. The fabric is often made with heavy filling yarns and fine warp yarns with 2 or 3 times as many warp threads as filling threads per inch, or with heavy warp and filling yarns with a fairly even number of warp and filling threads per inch. The weave is of an irregular design with long warp and filling floats resulting in a rough or barklike fabric surface. Barkcloth is most commonly woven with 6 harnesses but should it be advantageous to do so, could easily be produced with 8 or more harnesses.

Barkcloth-type fabrics are those fabrics classified as "Woven fabrics, not elsewhere specified, other, carded" and which fall under the numbers of the Tariff Schedule of the United States (T.S.U.S.A.) listed below. For administrative purposes, barkcloth-type fabrics shall be considered as including all fabrics falling under these numbers. Schedule 3 of the T.S.U.S.A., including revisions through supplement No. 4, which gives the complete definitions applicable to these numbers is attached.<sup>2</sup> All yarn counts, represented by the fourth and fifth digits ("xx") of the following numbers and specifically described in Schedule 3 of the T.S.U.S.A., are included in the restraint action.

##### *T.S.U.S.A. Numbers*

320. xx88	320. xx92
321. xx88	321. xx92
322. xx88	322. xx92
323. xx88	323. xx92
324. xx88	324. xx92
325. xx88	325. xx92
326. xx88	326. xx92
327. xx88	327. xx92
328. xx88	328. xx92
329. xx88	329. xx92
330. xx88	330. xx92
331. xx88	331. xx92

The foregoing T.S.U.S.A. numbers in turn correspond precisely with the following TQM numbers used by the Bureau of the Census in the preparation of its special reports on cotton textile imports:

<i>TQM No.</i>	<i>Description</i>	<i>Component T.S.U.S.A. Nos.</i>	
261080	Fabrics, not elsewhere specified, chief value cotton, unbleached, carded.	320. xx88	320. xx92
		323. xx88	323. xx92
		326. xx88	326. xx92
		329. xx88	329. xx92
262080	Fabrics, not elsewhere specified, chief value cotton, bleached, carded.	321. xx88	321. xx92
		324. xx88	324. xx92
		327. xx88	327. xx92
		330. xx88	330. xx92

<sup>2</sup> Not printed here.

263080	Fabrics, not elsewhere specified, chief value cotton, colored, carded.	322. xx88	322. xx92
		325. xx88	325. xx92
		328. xx88	328. xx92
		331. xx88	331. xx92

Should the Government of Pakistan have further questions concerning the fabrics covered herein, the United States Government would be pleased to consult on this problem.

### ANNEX B

#### LIST OF COTTON TEXTILE CATEGORIES AND CONVERSION FACTORS FOR FABRICS AND MADE UP GOODS

Category Number	Description	Unit	Conversion Factor
<i>Fabrics</i>			
5.	Ginghams, carded yarn	sq yds	
6.	Ginghams, combed yarn	sq yds	
7.	Velveteens	sq yds	
8.	Corduroy	sq yds	
9.	Sheeting, carded yarn	sq yds	
10.	Sheeting, combed yarn	sq yds	
11.	Lawns, carded yarn	sq yds	
12.	Lawns, combed yarn	sq yds	
13.	Voiles, carded yarn	sq yds	
14.	Voiles, combed yarn	sq yds	
15.	Poplin and broadcloth, carded yarn	sq yds	
16.	Poplin and broadcloth, combed yarn	sq yds	
17.	Typewriter ribbon cloth	sq yds	
18.	Print cloth, shirting type, 80 x 80 type, carded yarn	sq yds	
19.	Print cloth, shirting type, other than 80 x 80 type, carded yarn	sq yds	
20.	Shirting, carded yarn	sq yds	
21.	Shirting, combed yarn	sq yds	
22.	Twill and sateen, carded yarn	sq yds	
23.	Twill and sateen, combed yarn	sq yds	
24.	Yarn-dyed fabrics, n.e.s., carded yarn	sq yds	
25.	Yarn-dyed fabrics, n.e.s., combed yarn	sq yds	
26.	Fabrics, n.e.s., carded yarn	sq yds	
27.	Fabrics, n.e.s., combed yarn	sq yds	
<i>Made Up Goods</i>			
28.	Pillowcases, plain, carded yarn	numbers	1. 084
29.	Pillowcases, plain, combed yarn	numbers	1. 084
30.	Dish towels	numbers	. 348
31.	Towels, other than dish towels	numbers	. 348
32.	Handkerchiefs	dozen	1. 66
33.	Table damasks and manufactures	pounds	3. 17
34.	Sheets, carded yarn	numbers	6. 2
35.	Sheets, combed yarn	numbers	6. 2
36.	Bedspreads, including quilts	numbers	6. 9
37.	Braided and woven elastics	pounds	4. 6
38.	Fishing nets	pounds	4. 6

## Current Actions

### MULTILATERAL

#### Oil Pollution

International convention for the prevention of pollution of the sea by oil. Done at London May 12, 1954. Entered into force July 26, 1958; for the United States December 8, 1961. TIAS 4900.  
*Acceptance deposited:* Malagasy Republic, February 1, 1965.

#### Safety at Sea

International regulations for preventing collisions at sea. Approved by the International Conference on Safety of Life at Sea, London, May 17-June 17, 1960. Entered into force September 1, 1965.  
*Acceptance deposited:* Iceland, January 22, 1965.

#### Satellite Communications System

Agreement establishing interim arrangements for global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.  
*Signatures:* Argentina (subject to approval), Uruguay (subject to ratification), February 20, 1965. Special Agreement. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.  
*Signature:* Secretaría de Estado de Comunicaciones of Argentina, February 20, 1965.

#### Weather

Convention of the World Meteorological Organization. Done at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.  
*Accession deposited:* Malawi, February 15, 1965.

### BILATERAL

#### Australia

Agreement amending agreement for joint establishment and operation of tracking stations in Australia of February 26, 1960, as amended (TIAS 4435, 5291, 5447). Effected by exchange of notes at Canberra February 10, 1965. Entered into force February 10, 1965.

#### Pakistan

Agreement concerning exports of cotton textiles from Pakistan to the United States. Effected by exchange of notes at Washington February 26, 1965. Entered into force February 26, 1965.

#### Peru

Agreement for financing certain educational exchange programs. Signed at Lima January 28, 1965. Entered into force on date Peru notifies the United States that its required procedures have been accomplished.

#### Spain

Agreement for a program of joint participation in inter-continental testing in connection with experimental communications satellites. Effected by exchange of notes at Madrid September 18, 1964, and January 26, 1965. Entered into force January 26, 1965.

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## The Atlantic Community Common Hopes and Common Objectives

President Johnson, in an address made at the 175th anniversary convocation at Georgetown University on December 3, 1964, said, "European unity and Atlantic partnership are based on deeply shared values and dangers and interests, and the wise pursuit of the interest of each will strengthen the connection among all our nations."

In his address, the text of which is printed in this 11-page pamphlet, the President discussed common objectives and interests shared by the people of the United States and the people of Europe.

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THE  
DEPARTMENT  
OF  
STATE  
**BULLETIN**

*Vol. LII, No. 1343*



*March 22, 1965*

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# Some Fundamentals of American Policy

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

I'm delighted to have this chance to pay my respects to the U.S. Council of the International Chamber of Commerce. You can be sure that we follow with the closest attention the attitudes of the International Chamber on our country's relations with the rest of the world. And we very deeply appreciate the stimulating and the constructive attention that you give to the complex problems of a somewhat turbulent scene.

I particularly would like to express my appreciation for the fact that you have given strong support to the International Cooperation Year. The headlines are not always encouraging in that respect. But it is tremendously important that, despite those headlines, as many of us as possible put our shoulders to the principal business of a peaceful world.

---

<sup>1</sup> Made before the U.S. Council of the International Chamber of Commerce at New York, N.Y., on Mar. 4 (press release 36, as-delivered text).

Some of you at this meeting have just returned from the International Chamber's 20th Congress in New Delhi. One of the unanimous conclusions in that Congress was that between government and private enterprise there should be confidence and readiness to cooperate with mutual recognition of each other's specific role and responsibility. This expresses very well, it seems to me, the attitude of the Johnson administration toward the relationship between the government and business. And it also describes, I think, the relationship between you and the Department of State—certainly the relationship which my colleagues and I hope to achieve.

I have tried during these last 4 years to remind my colleagues all over the world that when Benjamin Franklin went abroad as the first distinguished diplomat of our colonial experience, working for our independence, while he was trying to obtain some arms and loans and other modern kinds of assistance, he was also

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DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1343 PUBLICATION 7845 MARCH 22, 1965

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ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

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given the most specific and direct instructions to promote the trade of the United States; and that it is the ambassador's job, and the job of everyone with him, to accept the notion that the expansion of American trading interests is a central function of diplomacy. And I have been encouraged to feel that, both on the business side and on the diplomatic side, we've been making some steady headway.

Tonight I shall speak briefly. I lived in New York long enough to know about commuter trains! But I shall also try to speak very simply.

### **Our Basic Goals**

In moments of crisis it is well for us to recall our deepest roots, our most elementary national interests, our most solemn duties, our loftiest aspirations. In the rush of daily events and the clamor of crises it is all too easy to lose sight of our central goal and the means by which we work our way toward it. The goals and our policies grow out of our interests as a nation and our basic commitment to the people—commitment to freedom and human dignity. The basic policies through which we work our way toward our goals have been developed during these postwar years under the leadership of four Presidents and with the active cooperation of the other leaders of both major parties. They have been, and they are, national policies.

I think you might be interested in knowing that in these past 4 years I have now had the privilege of sitting in on more than 200 executive sessions of committees of Congress. On no single occasion have the differences in those executive sessions turned on partisan lines. There have been differences, because many of these problems are extremely complex and many of the proposed answers are knife-edged, on-balance judgments, some of which reach beyond the competence of the mind of man. Of course there are differences. But not once have I seen those differences in a closed committee room fall on partisan lines, because those men, as all who have served this country in this postwar period in public office, have entered fully into the agony of the job in front of us and have tried to commit themselves to the service of the Nation as a whole.

But now that I have mentioned the word "goals," let me say that I suspect that some of you have already relaxed rather politely, in the thought: "Here we go again up into the clouds." You could not be more wrong. It may not be possible, of course, to use generalized ideas or propositions to cover our relations with 120 governments and authorities, with different interests and purposes, generating policies of their own, in a world scene so filled with contradictions. But the general ideas which are central to our policy have very concrete meaning. And I hope very much that all of you in this room can help us bring these general expressions of policy down to the grassroots, to the people that you deal with on a day-by-day basis.

For example, when we speak of "peace" and "a decent world order," we're talking about what happens to every home and every community across the Nation. When we talk about "the survival of the human race," we know that this means you, and your family, and your neighbor, and the rest like you in other countries. When a President of the United States finds himself facing some of the most exacting decisions in the history of man, he has sometimes been called a lonely man. Yes indeed he is, because he carries the final responsibility. But every President I have known in this postwar period also feels that he has 180 or 190 million Americans in that room with him who understand that we're not talking about general theories—we're talking about people and what happens to the people of the United States, right across the land.

### **The Rule of Law**

When we talk about "the rule of law," we are talking about the difference between rational behavior and the regime of the jungle. We know that law enlarges the area of freedom by making it possible to predict with greater confidence the behavior of others. We can be steadily encouraged by the growth of what we call "the common law of mankind"—not as a disembodied idea but as a summary of the arrangements by which we facilitate the most practical daily transactions in trade and transportation, in travel and the flow of news, in the elementary defenses against epidemic disease, in

arrangements for the safety of life at sea and in the air, and in the widest range of intimate concerns of yours, which are supported by the more than 4,000 international agreements to which the United States is a party.

The rule of law is today of benefit to you in a hundred different ways, as you make your way around the world. The simple idea that agreements are to be kept is the special cement which holds us together, both in our domestic arrangements and in our international affairs, and one of the oldest notions of international law, it is a crucial necessity for the world of tomorrow. Should the central notion collapse, it would be more than a moral setback, important as that would be; the very structure of life would begin to collapse, and it would be difficult to find an answer to the question: "Where do we go from here?"

That is why it is no small matter for any nation to tear its agreements to shreds and give vent to the irritations and resentments of the day by retaliating through the destruction of agreements to which it is pledged.

So, too, with what the United Nations Charter calls "the suppression of acts of aggression or other breaches of the peace." Theory? In his final report as Chief of Staff of the Army in 1945, General George Marshall pointed out that the technique of war had put the United States "into the front line of world conflict," and that our homes and factories could not escape destructive bombardment in a third world war. General Marshall drew the inescapable conclusion when he said: "We are now concerned with the peace of the entire world." Most of us in this room are part of that generation which went to school and grew up in the period between the two wars, when the United States was not taking an active part in organizing the peace and at the same time was neglecting its defenses as a warning to those who might commit aggression.

But today we are committed, because we now can no longer draw the lessons from a great war and start again as we did in 1945 after so much cost, so much bloodshed. We shall not have that chance after world war III. We must draw those lessons before it begins and apply them before the war occurs, for, should it occur,

there won't be much left for the mind of man to work upon for the reconstruction of civilization.

Surely we ought to know that today we can be secure only to the extent that the community of nations is secure—on land, at sea, in the air, and in the adjoining areas of space. And so our decision must be to do what we can to build the kind of world projected in the United Nations Charter, particularly in the preamble and articles 1 and 2—read it when you go home—a world of independent, national states, each with its own institutions, cooperating with other nations to further their mutual welfare, a peaceful world, a world increasingly responsive to the rule of law, a world in which all human beings enjoy their natural rights, regardless of nationality or creed or color, and a world in which all can share in the abundance which modern science and technology make possible.

If that goal is ever to be attained—and it is the most urgent, harshest necessity of our short-term existence—and, indeed, if freedom is to survive on this small planet, the first essential is to insure that there is an end to aggression—if possible, by preventing it, if not, by defeating it. And that, in essence, is the first purpose of the United Nations and must be one of the first purposes of the United States.

#### **The Issues in Southeast Asia**

A clear understanding that it is imperative that aggression not be allowed to succeed produced the Truman Doctrine, a declaration of a general policy of assisting other free people who are defending themselves against external aggressions or threats. It produced our aid to Greece and Turkey and to Western Europe. It produced the Berlin airlift. It produced the North Atlantic Treaty and the other great defensive alliances of the free world. It produced the historic decision to repel the aggression against the Republic of Korea and the defensive military establishments of the free world. And it produced the decision to assist the peoples of Southeast Asia to preserve their independence.

Outright, large-scale, deliberate, massive aggressions carry with them suicidal risks to the aggressors. So the Communists in Southeast Asia have fallen back on aggression by the infil-

tration of arms and trained men across national frontiers. A clear and unequivocal recognition by the rest of the world that this is a form of aggression is long overdue. It is not a problem which will just go away, much as we should like to see it go away. It is not a problem in which others have no stake, for the very existence of more than a hundred small nations is engaged in the issues that exist at the present time in Southeast Asia.

And so I should like to talk to you very simply tonight about some of the central facts and policies about the situation in Southeast Asia. If it is repetitious in part, forgive me. Memories are short, and the simple things have to be said more than once.

South Viet-Nam is being subjected to an aggression from the North, an aggression which is organized and directed and supplied with key personnel and equipment by Hanoi. The hard core of the Viet Cong were trained in the North and have been reinforced by North Vietnamese from the North Vietnamese army. Anybody who any longer may be in doubt about it should take the time to get acquainted with the simple facts set forth in the white paper issued just last Sunday [February 27].<sup>2</sup>

From 1955 to 1959 South Viet-Nam made remarkable economic and social progress. That in itself may have encouraged Hanoi, with the backing of Peiping, to launch its increased guerrilla aggression in late 1959 and early 1960.

The Viet Cong rule and recruit largely by terror in the areas to which they have access. There is no indication that they have any major popular following. And so we believe that the pacification of South Viet-Nam would be relatively simple for the South Vietnamese themselves if the intervention from the North were brought to an end.

In Laos, also, North Viet-Nam has engaged in persistent aggression. And these acts have violated not only international law but pledges made by Hanoi and Peiping, among others, in 1954 and 1962.

Now we ourselves seek no bases or special position or rights in Southeast Asia. Our forces are there to help independent peoples resist ag-

gressions. Our troops would come home tomorrow if the aggressors would go north—go back home, and stay at home.

The defeat of these aggressions is not only essential if Laos and South Viet-Nam are to remain independent; it is important to the security of Southeast Asia as a whole. You will recall that Thailand has already been proclaimed as the next target by Peiping. This is not something up in the clouds called the domino theory. You don't need that. Listen to the proclamation of militant, world revolution by Peiping, proclaimed with a harshness which has caused deep division within the Communist world itself, quite apart from the issues posed for the free world.

### **The U.S. Stake in Viet-Nam**

So what is our stake? What is our commitment in that situation? Can those of us in this room forget the lesson that we had in this issue of war and peace when it was only 10 years from the seizure of Manchuria to Pearl Harbor; about 2 years from the seizure of Czechoslovakia to the outbreak of World War II in Western Europe? Don't you remember the hopes expressed in those days: that perhaps the aggressor will be satisfied by this next bite, and perhaps he will be quiet? Remember that? You remember that we thought that we could put our Military Establishment on short rations and somehow we needn't concern ourselves with peace in the rest of the world. But we found that ambition and appetite fed upon success and the next bite generated the appetite for the following bite. And we learned that, by postponing the issue, we made the result more terrible, the holocaust more dreadful. We cannot forget that experience.

We have a course of aggression proclaimed in Peiping, very clear for all to see, and proclaimed with a militancy which says that their type of revolution must be supported by force and that much of the world is ripe for that kind of revolution. We have very specific commitments—the Manila Pact, ratified by the Senate by a vote of 82 to 1, a pact to which South Viet-Nam is a protocol state. We have the decision of President Eisenhower in 1954 to extend aid to South Viet-Nam, to assist it to recover from

<sup>2</sup> See p. 404.

debilitating war and to maintain its security and its economic viability.<sup>3</sup> He said,

The purpose of this offer is to assist the Government of Viet-Nam in developing and maintaining a strong, viable state, capable of resisting attempted subversion or aggression through military means.

The joint resolution of the Congress last August,<sup>4</sup> passed by a combined vote of 502 to 2, approved and supported "the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression." And it declared that "The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia."

And some of you recall the very short statement by the President on the occasion of his signing that joint resolution:<sup>5</sup>

To any armed attack upon our forces, we shall reply.

To any in Southeast Asia who ask our help in defending their freedom, we shall give it.

In that region there is nothing we covet, nothing we seek—no territory, no military position, no political ambition. Our one desire—our one determination—is that the people of Southeast Asia be left in peace to work out their own destinies in their own way.

We have tried to say over and over again that the key to peace in Southeast Asia is the readiness of all those in that area to live at peace and to leave their neighbors alone. I have not found that formulation mysterious, because I am quite sure that Hanoi knows exactly what it means.

Since the Geneva conference on Laos in 1962, the United States has been in active and continuous consultation with other governments about the danger created by aggression in Southeast Asia. It has been discussed in the United Nations, in the SEATO and NATO Councils, and on innumerable occasions directly with other governments through diplomatic channels. We have had direct discussions with

<sup>3</sup> For text of President Eisenhower's letter of Oct. 1, 1954, to President Ngo Dinh Diem, see BULLETIN of Nov. 15, 1954, p. 735.

<sup>4</sup> For text, see *ibid.*, Aug. 24, 1964, p. 268.

<sup>5</sup> For text, see *ibid.*, Aug. 31, 1964, p. 302.

almost every signatory of the agreements of 1954 and 1962. And at the moment, quoting from my press conference of last week,<sup>6</sup> because I want to emphasize one or two points here,

What is still missing is any indication that Hanoi is prepared to stop doing what it is doing and what it knows it is doing against its neighbors. The absence of this crucial element affects the current discussion of "negotiation." Political channels have been and are open, and a considerable number of governments are actively interested in keeping them open to explore the possibilities of a peaceful solution. But a negotiation aimed at the acceptance or the confirmation of aggression is not possible. And a negotiation which simply ends in bitterness and hostility merely adds to the danger.

Almost every successful negotiation in the postwar period has been preceded by some private contacts or indication that a negotiation might prove worthwhile. The missing piece is the lack of an indication that Hanoi is prepared to stop doing what it is doing, and what it knows that it is doing, to its neighbors. But the central object of American policy and action is peace in Southeast Asia and the safety of the independent states in that region. Many of the peoples in that area have been subjected to 25 years of turmoil and violence, and they are entitled to peace. As we ourselves indicated last week,<sup>6</sup> we'd much prefer to use our resources "as a part of an international effort to assist the economic and social development of the peoples of that area than to have them diverted into the harsh necessities of resisting aggression."

#### Responsibility of U.S. as a Great Power

May I comment very briefly on a few of the other problems in general—because there are difficulties in other parts of the world which are not just problems of confrontation between communism and the free world. There are a good many local disputes, difficulties, which cause all of us concern, perhaps a dozen or more of them at any one time boiling or simmering somewhere. They arise from disagreements over boundaries, or from racial or religious or tribal or national frictions, from the mischiefmaking of smalltime

<sup>6</sup> *Ibid.*, Mar. 15, 1965, p. 362.

imperialists, and from dictators who turn to adventure abroad to cover up their failures at home. Some of these disputes had their origin even before our Republic was born. Others are relatively new. And many have grown out of the explosion of new states since the Second World War.

Most of these disputes are, therefore, what we would call "other people's business." That is, we usually don't have a part in their origin, or perhaps even a direct national interest in the details of the terms on which they are to be settled. But we can't turn our backs on them because so many of them come to the United Nations, where we have to take a position and give our help. Beyond that, we have a serious national interest in their settlement by peaceful means, for many of them drain away energies and resources that should be devoted to economic and social development. We have a practical interest in the most effective use of our economic aid, and we have a still broader interest in the orderly progress and political stability of the developing areas.

Moreover, disputes within the free world often afford the Communists opportunities in which they can cause more difficulties. And when a dispute erupts into a local war, there's always the possibility that the war will become a larger one—and, in the end, a confrontation between one or the other of the major Communist camps and the United States. And so we just can't ignore these local disputes without shirking our responsibilities as a great power and without increasing the danger to general peace and to our own national security.

We tend to get drawn in by pleas for support from the contesting parties. As a rule, each one wants us on its side, and on occasion both ask for us to help in finding some common ground.

All this doesn't mean that the United States goes around soliciting business as a peacemaker and policeman. Quite obviously we would prefer to have these matters solved somehow else, particularly when we value the lasting friendship of all the disputing parties. And so we are

deeply gratified when local disputes can be handled peaceably through other channels: by direct negotiation, by assistance from the United Nations, through regional organizations, or through the mediation of some other nation.

But when all other efforts fail, we cannot safely stand aside and shrug, especially from those disputes which may erupt into war. We know that in many cases our immediate reward is likely to be disappointment and even resentment on the part of both or all of the parties in the dispute. But that is part of the burden of being a great power, committed to building a stable peace and a decent world order.

## **Viet-Nam Action Called "Collective Defense Against Armed Aggression"**

### *Department Statement*<sup>1</sup>

The fact that military hostilities have been taking place in Southeast Asia does not bring about the existence of a state of war, which is a legal characterization of a situation rather than a factual description. What we have in Viet-Nam is armed aggression from the North against the Republic of Viet-Nam. Pursuant to a South Vietnamese request and consultations between our two Governments, South Viet-Nam and the United States are engaged in collective defense against that armed aggression. The inherent right of individual and collective self-defense is recognized in article 51 of the United Nations Charter.

If the question is intended to raise the issue of legal authority to conduct the actions which have been taken, there can be no doubt that these actions fall within the constitutional powers of the President and within the congressional resolution of August 1964.<sup>2</sup>

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<sup>1</sup> Read to news correspondents on Mar. 4 by Robert J. McCloskey, Director, Office of News, in response to questions as to whether a state of war exists between the United States and North Viet-Nam.

<sup>2</sup> For text, see BULLETIN of Aug. 24, 1964, p. 268.

# Aggression From the North: The Record of North Viet-Nam's Campaign To Conquer South Viet-Nam <sup>1</sup>

"[Our purpose in Viet-Nam] is to join in the defense and protection of freedom of a brave people who are under attack that is controlled and that is directed from outside their country."

PRESIDENT LYNDON B. JOHNSON  
February 17, 1965

## INTRODUCTION

South Viet-Nam is fighting for its life against a brutal campaign of terror and armed attack inspired, directed, supplied, and controlled by the Communist regime in Hanoi. This flagrant aggression has been going on for years, but recently the pace has quickened and the threat has now become acute.

The war in Viet-Nam is a new kind of war, a fact as yet poorly understood in most parts of the world. Much of the confusion that prevails in the thinking of many people, and even many governments, stems from this basic misunderstanding. For in Viet-Nam a totally new brand of aggression has been loosed against an independent people who want to make their own way in peace and freedom.

Viet-Nam is *not* another Greece, where indigenous guerrilla forces used friendly neighboring territory as a sanctuary.

Viet-Nam is *not* another Malaya, where Communist guerrillas were, for the most part, physically distinguishable from the peaceful majority they sought to control.

Viet-Nam is *not* another Philippines, where Communist guerrillas were physically separated

from the source of their moral and physical support.

Above all, the war in Viet-Nam is *not* a spontaneous and local rebellion against the established government.

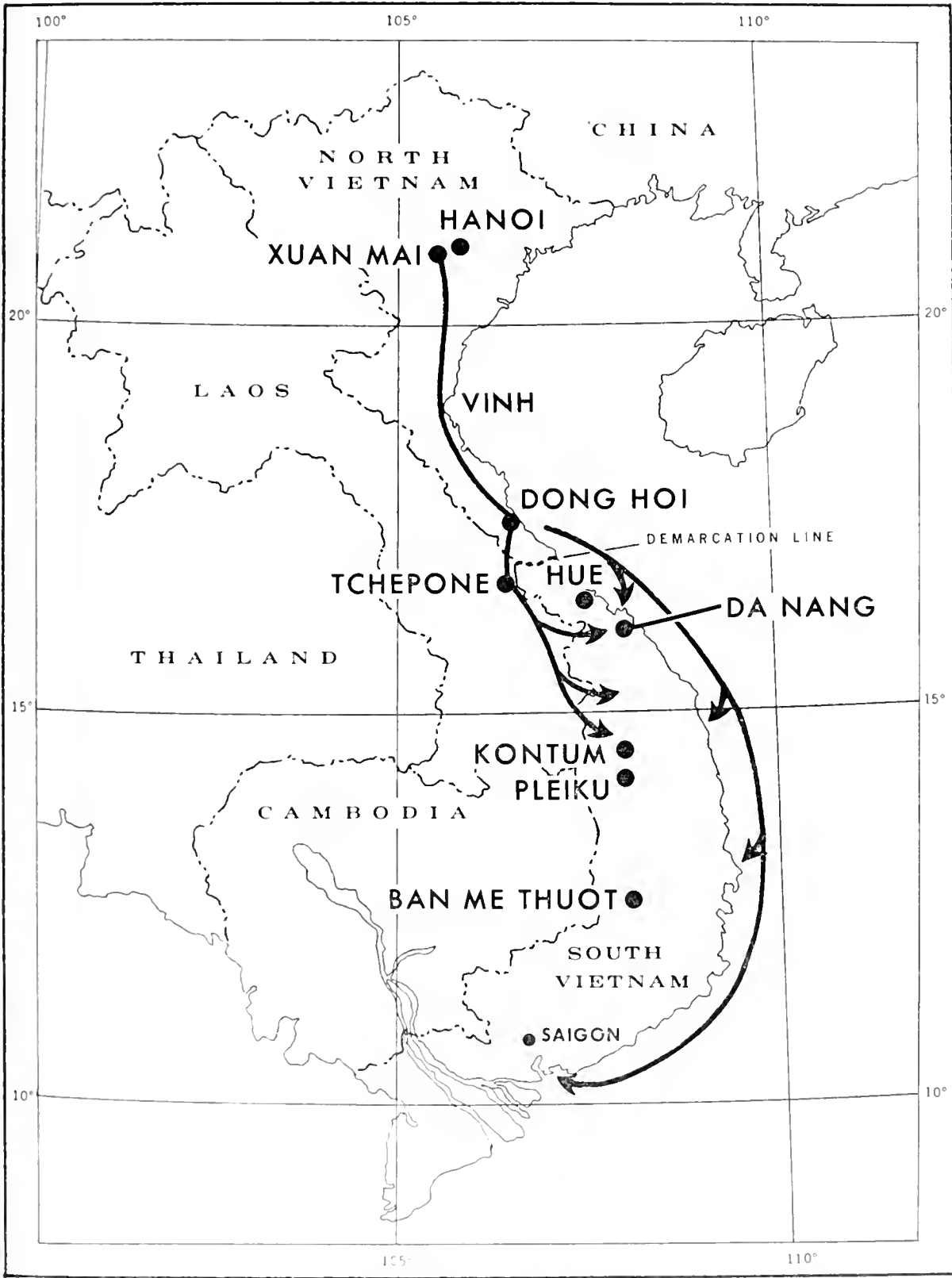
There are elements in the Communist program of conquest directed against South Viet-Nam common to each of the previous areas of aggression and subversion. But there is one fundamental difference. In Viet-Nam a Communist government has set out deliberately to conquer a sovereign people in a neighboring state. And to achieve its end, it has used every resource of its own government to carry out its carefully planned program of concealed aggression. North Viet-Nam's commitment to seize control of the South is no less total than was the commitment of the regime in North Korea in 1950. But knowing the consequences of the latter's undisguised attack, the planners in Hanoi have tried desperately to conceal their hand. They have failed and their aggression is as real as that of an invading army.

This report is a summary of the massive evidence of North Vietnamese aggression obtained by the Government of South Viet-Nam. This evidence has been jointly analyzed by South Vietnamese and American experts.

The evidence shows that the hard core of the Communist forces attacking South Viet-Nam were trained in the North and ordered into the South by Hanoi. It shows that the key leadership of the Viet Cong (VC), the officers and much of the cadre, many of the technicians, political organizers, and propagandists have come from the North and operate under Hanoi's direction. It shows that the training of essential military personnel and their infiltration into the South is directed by the Military High Command in Hanoi. (See section I.)

<sup>1</sup> Printed herewith is the text (without pictures and appendixes) of a report (Department of State publication 7839) released by the Department on Feb. 27. Copies of the pamphlet may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402 (40 cents).





*General routes of infiltration of military personnel, agents, and military equipment from North Viet-Nam into South Viet-Nam.*

The evidence shows that many of the weapons and much of the ammunition and other supplies used by the Viet Cong have been sent into South Viet-Nam from Hanoi. In recent months new types of weapons have been introduced in the VC army, for which all ammunition must come from outside sources. Communist China and other Communist states have been the prime suppliers of these weapons and ammunition, and they have been channeled primarily through North Viet-Nam. (See section II.)

The directing force behind the effort to conquer South Viet-Nam is the Communist Party in the North, the Lao Dong (Workers) Party. As in every Communist state, the party is an integral part of the regime itself. North Vietnamese officials have expressed their firm determination to absorb South Viet-Nam into the Communist world. (See section III.)

Through its Central Committee, which controls the government of the North, the Lao Dong Party directs the total political and military effort of the Viet Cong. The Military High Command in the North trains the military men and sends them into South Viet-Nam. The Central Research Agency, North Viet-Nam's central intelligence organization, directs the elaborate espionage and subversion effort. The extensive political-military organization in the North which directs the Viet Cong war effort is described in section IV.

Under Hanoi's overall direction the Communists have established an extensive machine for carrying on the war within South Viet-Nam. The focal point is the Central Office for South Viet-Nam with its political and military subsections and other specialized agencies. A subordinate part of this Central Office is the Liberation Front for South Viet-Nam. The front was formed at Hanoi's order in 1960. Its principal function is to influence opinion abroad and to create the false impression that the aggression in South Viet-Nam is an indigenous rebellion against the established government. (See section IV.)

For more than 10 years the people and the Government of South Viet-Nam, exercising the inherent right of self-defense, have fought back against these efforts to extend Communist power south across the 17th parallel. The

United States has responded to the appeals of the Government of the Republic of Viet-Nam for help in this defense of the freedom and independence of its land and its people.

In 1961 the Department of State issued a report called *A Threat to the Peace*.<sup>2</sup> It described North Viet-Nam's program to seize South Viet-Nam. The evidence in that report had been presented by the Government of the Republic of Viet-Nam to the International Control Commission (I.C.C.). A special report by the I.C.C. in June 1962 upheld the validity of that evidence. The Commission held that there was "sufficient evidence to show beyond reasonable doubt" that North Viet-Nam had sent arms and men into South Viet-Nam to carry out subversion with the aim of overthrowing the legal Government there. The I.C.C. found the authorities in Hanoi in specific violation of four provisions of the Geneva accords of 1954.

Since then, new and even more impressive evidence of Hanoi's aggression has accumulated. The Government of the United States believes that evidence should be presented to its own citizens and to the world. It is important for free men to know what has been happening in Viet-Nam, and how, and why. That is the purpose of this report.

#### **I. HANOI SUPPLIES THE KEY PERSONNEL FOR THE ARMED AGGRESSION AGAINST SOUTH VIET-NAM**

The hard core of the Communist forces attacking South Viet-Nam are men trained in North Viet-Nam. They are ordered into the South and remain under the military discipline of the Military High Command in Hanoi. Special training camps operated by the North Vietnamese army give political and military training to the infiltrators. Increasingly the forces sent into the South are native North Vietnamese who have never seen South Viet-Nam. A special infiltration unit, the 70th Transportation Group, is responsible for moving men from

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<sup>2</sup> *A Threat to the Peace: North Viet-Nam's Effort To Conquer South Viet-Nam* (Department of State publication 7308) is available upon request from the Office of Media Services, Department of State, Washington, D.C. 20520.

North Viet-Nam into the South via infiltration trails through Laos. Another special unit, the maritime infiltration group, sends weapons and supplies and agents by sea into the South.

The infiltration rate has been increasing. From 1959 to 1960, when Hanoi was establishing its infiltration pipeline, at least 1,800 men, and possibly 2,700 more, moved into South Viet-Nam from the North. The flow increased to a minimum of 3,700 in 1961 and at least 5,400 in 1962. There was a modest decrease in 1963 to 4,200 confirmed infiltrators, though later evidence is likely to raise this figure.

For 1964 the evidence is still incomplete. However, it already shows that a minimum of 4,400 infiltrators entered the South, and it is estimated more than 3,000 others were sent in.

There is usually a time lag between the entry of infiltrating troops and the discovery of clear evidence they have entered. This fact, plus collateral evidence of increased use of the infiltration routes, suggests strongly that 1964 was probably the year of greatest infiltration so far.

Thus, since 1959, nearly 20,000 VC officers, soldiers, and technicians are known to have entered South Viet-Nam under orders from Hanoi. Additional information indicates that an estimated 17,000 more infiltrators were dispatched to the South by the regime in Hanoi during the past 6 years. It can reasonably be assumed that still other infiltration groups have entered the South for which there is no evidence yet available.

To some the level of infiltration from the North may seem modest in comparison with the total size of the Armed Forces of the Republic of Viet-Nam. But one-for-one calculations are totally misleading in the kind of warfare going on in Viet-Nam. First, a high proportion of infiltrators from the North are well-trained officers, cadres, and specialists. Second, it has long been realized that in guerrilla combat the burdens of defense are vastly heavier than those of attack. In Malaya, the Philippines, and elsewhere a ratio of at least 10-to-1 in favor of the forces of order was required to meet successfully the threat of the guerrillas' hit-and-run tactics.

In the calculus of guerrilla warfare the scale of North Vietnamese infiltration into the South

takes on a very different meaning. For the infiltration of 5,000 guerrilla fighters in a given year is the equivalent of marching perhaps 50,000 regular troops across the border, in terms of the burden placed on the defenders.

Above all, the number of proved and probable infiltrators from the North should be seen in relation to the size of the VC forces. It is now estimated that the Viet Cong number approximately 35,000 so-called hard-core forces, and another 60,000-80,000 local forces. It is thus apparent that infiltrators from the North—allowing for casualties—make up the majority of the so-called hard-core Viet Cong. Personnel from the North, in short, are now and have always been the backbone of the entire VC operation.

It is true that many of the lower level elements of the VC forces are recruited within South Viet-Nam. However, the thousands of reported cases of VC kidnappings and terrorism make it abundantly clear that threats and other pressures by the Viet Cong play a major part in such recruitment.

#### **A. The Infiltration Process**

The infiltration routes supply hard-core units with most of their officers and noncommissioned personnel. This source helps fill the gaps left by battle casualties, illness, and defection and insures continued control by Hanoi. Also, as the nature of the conflict has changed, North Viet-Nam has supplied the Viet Cong with technical specialists via the infiltration routes. These have included men trained in armor and ordnance, antiaircraft, and communications as well as medical corpsmen and transport experts.

There is no single infiltration route from the North to South Viet-Nam. But by far the biggest percentage of infiltrators follow the same general course. The principal training center for North Vietnamese army men assigned to join the Viet Cong has been at Xuan Mai near Hanoi. Recently captured Viet Cong have also reported an infiltration training camp at Thanh Hoa. After completion of their training course—which involves political and propaganda work as well as military subjects—infiltrating units are moved to Vinh on the east coast. Many have made stopovers at a staging

area in Dong Hoi where additional training is conducted. From there they go by truck to the Laos border.

Then, usually after several days' rest, infiltrators move southward through Laos. Generally they move along the Laos-South Viet-Nam border. Responsibility for infiltration from North Viet-Nam through Laos belongs to the 70th Transportation Group of the North Vietnamese army. After a time the infiltration groups turn eastward, entering South Viet-Nam in Quang Nam, Quang Tri, Thua Thien, Kontum, or another of the border provinces.

The Communists have established regular lanes for infiltration with way-stations established about 1 day's march apart. The way-stations are equipped to quarter and feed the Viet Cong passing through. Infiltrators who suffer from malaria or other illnesses stay at the stations until they recover sufficiently to join another passing group moving south.

The map on page 409 shows the infiltration route from North Viet-Nam to the South followed by VC Sgt. Huynh Van Tay and a group of North Vietnamese army officers and men in September 1963. Tay was captured during an engagement in Chuong Thien Province in April 1964.

Local guides lead the infiltration groups along the secret trails. Generally they direct the infiltrators from halfway between two stations, through their own base station, and on half-way to the next supply base. Thus the guides are kept in ignorance of all but their own way-stations. Only group leaders are permitted to talk with the guides in order to preserve maximum security. The men are discouraged from asking where they are or where they are going.

The same system of trails and guides used along the Lao infiltration routes is used within South Viet-Nam itself. Viet Cong infiltrators may report directly to a reassignment center in the highlands as soon as they enter South Viet-Nam. But in the past year or more some groups have moved down trails in South Viet-Nam to provinces along the Cambodian border and near Saigon before receiving their unit assignment. Within South Viet-Nam infiltration and supplies are handled by VC units such as the Nam Son Transportation Group.

At the Laos border crossing point infiltrators

are reequipped. Their North Vietnamese army uniforms must be turned in. They must give up all personal papers, letters, notebooks, and photographs that might be incriminating. Document control over the infiltrators has been tightened considerably over the past 2 years. A number of Vietnamese infiltrators have told of being fitted out with Lao "neutralist" uniforms for their passage through Laos.

Infiltration groups are usually issued a set of black civilian pajama-like clothes, two unmarked uniforms, rubber sandals, a sweater, a hammock, mosquito netting, and waterproof sheeting. They carry a 3-5 day supply of food. A packet of medicines and bandages is usually provided.

The size of infiltration groups varies widely. Prisoners have mentioned units as small as 5 men and as large as 500. Generally the groups number 40-50. When they arrive in South Viet-Nam these groups are usually split up and assigned to various VC units as replacements, although some have remained intact.

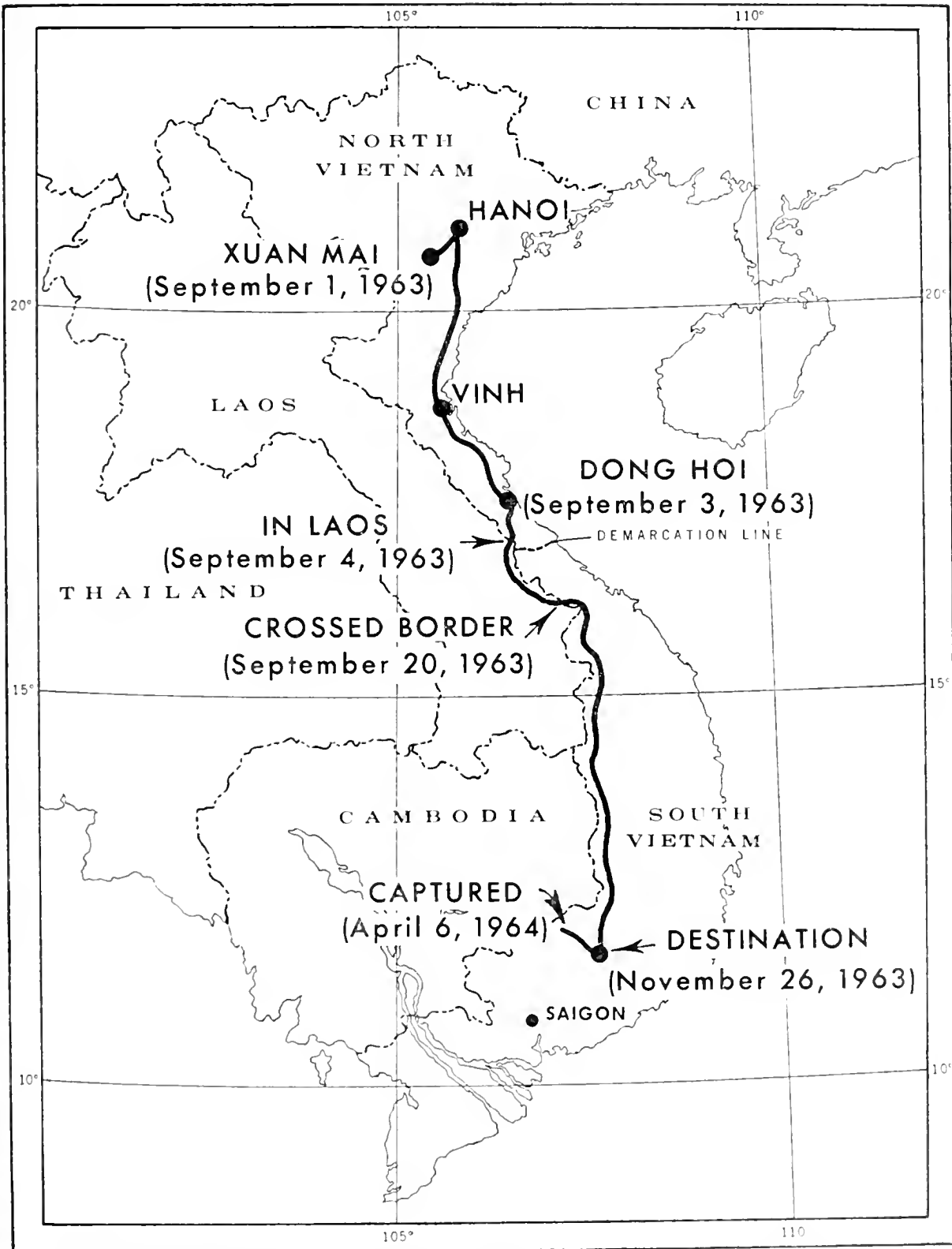
## **B. Military Personnel**

The following are individual case histories of North Vietnamese soldiers sent by the Hanoi regime into South Viet-Nam. They are only an illustrative group. They show that the leadership and specialized personnel for the guerrilla war in South Viet-Nam consists in large part of members of the North Viet-Nam armed forces, trained in the North and subject to the command and discipline of Hanoi.

### *1. Tran Quoc Dan*

Dan was a VC major, commander of the 60th Battalion (sometimes known as the 34th Group of the Thon-Kim Battalion). Disillusioned with fighting his own countrymen and with communism and the lies of the Hanoi regime, he surrendered to the authorities in South Viet-Nam on February 11, 1963.

At the age of 15 he joined the revolutionary army (Viet Minh) and fought against the French forces until 1954 when the Geneva accords ended the Indochina War. As a regular in the Viet Minh forces, he was moved to North Viet-Nam. He became an officer in the so-called People's Army.



Map showing infiltration route from the North by which a group of North Vietnamese troops, including VC Sgt. Huynh Van Tay, entered South Viet-Nam in September 1963.

In March 1962 Major Dan received orders to prepare to move to South Viet-Nam. He had been exposed to massive propaganda in the North which told of the destitution of the peasants in the South and said that the Americans had taken over the French role of colonialists. He said later that an important reason for his decision to surrender was that he discovered these propaganda themes were lies. He found the peasants more prosperous than the people in the North. And he recognized quickly that he was not fighting the Americans but his own people.

With the 600 men of his unit, Major Dan left Hanoi on March 23, 1962. They traveled through the Laos corridor. His group joined up with the Viet Cong First Regiment in central Viet-Nam.

The 35-year-old major took part in 45 actions and was wounded once in an unsuccessful VC attack on an outpost. As time passed he became increasingly discouraged by his experience as a VC troop commander. Most of all, he said, he was tired of killing other Vietnamese. After several months of soul-searching he decided to surrender to the authorities of the Republic of Viet-Nam. He has volunteered to do "anything to serve the national cause" of South Viet-Nam.

## 2. *Vo Thoi*

Sergeant Vo Thoi (Communist Party alias *Vo Bien*) was an assistant squad leader in the VC Tay Son 22d Battalion. On the night of October 7, 1963, his unit attacked An Tuong village in Binh Dinh Province. After overrunning the village, Vo's company was assigned to set up an ambush against Republic of Viet-Nam troops rushing to defend the village. In the ensuing fight Vo was seriously wounded. He was picked up by local farmers and turned over to the authorities.

Vo's life and experiences were similar to those of thousands of Viet Cong. Born in Quang Ngai Province in 1932, he went through 5 years of school and then worked on his parents' small farm. During the war against the French he joined the Viet Minh forces. When the fighting ended, he was transferred to North Viet-Nam with his unit, the 210th Regiment. He remained in the North Vietnamese army until

1960 when he was sent to work on a state farm in Nghe An Province. Vo said 3,000 men and women worked on the farm, of whom 400 were soldiers. In September 1962 Vo was told he must join the newly activated 22d Battalion. All the members of the battalion came from provinces in South Viet-Nam, from Quang Tri to Phu Yen. But it was not an ordinary battalion; two-thirds of its members were cadre with ranks up to senior captain.

The group was put through an advanced training course that lasted 6 months. The training program included combat tactics for units from squad to company and the techniques of guerrilla and counter guerrilla fighting. There were heavy doses of political indoctrination.

On March 5, 1963, the 22d Battalion received orders to move south. They were transported in trucks from Nghe An Province to Dong Hoi in Quang Binh, just north of the 17th parallel. From there the unit was moved westward to the Lao border. Then the more than 300 men began walking to the south following mountain trails in Laos and the Viet-Nam border area. They marched by day, rested at night. Every fifth day they stopped at a way-station for a full day's rest. One company dropped off at Thua Thien Province. Vo and the remainder of the group marched on to Pleiku Province. Two fully armed companies from a neighboring province were assigned to the battalion. The assignment given to the battalion was to harass strategic hamlets in the Hoai An district of Binh Dinh, to round up cattle and rice, to kill or kidnap cadre of the Government forces, and to recruit local youth for service with the Viet Cong.

## 3. *Nguyen Thao*

Nguyen Thao was a VC weapons technician. A native of Khanh Hoa Province in South Viet-Nam, he joined the Viet Minh in 1950. He worked at a secret arsenal manufacturing weapons for use by the guerrilla forces. He went to North Viet-Nam after the Geneva accords were signed in 1954. In North Viet-Nam he attended a technical school specializing in arms manufacture. He received special training in foreign small arms and artillery.

At the end of 1962 he was ordered to Ha Dong to attend a special course of political training

in preparation for infiltrating into South Viet-Nam. On completion of the training course he was assigned to a group of 14 men who would move to the south together. Nguyen Thao said the group was composed of 4 armament specialists, 2 chemical engineers, and 8 middle-level technical cadre.

They left Ha Dong in March 1963, crossed into Laos, and reached their destination in the northern part of South Viet-Nam in May. Nguyen Thao went to work at a secret VC arsenal near the Quang Ngai border. Fifty men, some local workers, manned the arsenal weapons section. The group manufactured mines and grenades for the VC units in the area and repaired weapons.

Nguyen Thao said he soon realized from talking with the local workers at the arsenal that most of what he had heard in the North about conditions in South Viet-Nam was wrong. He said the Communists had deceived him. Two months after his arrival at the arsenal he decided to defect. He asked permission to rejoin his family and to work in a national defense factory and continue his studies.

#### 4. *Nguyen Viet Le*

This VC soldier was born in Quang Nam Province in South Viet-Nam. He served with the 305th Division of the Viet Minh and moved to North Viet-Nam in 1954. In April 1961 Nguyen Viet Le and his unit, the 50th Battalion, moved into Laos. He said the unit remained in Laos for 2 months, during which it fought in four battles alongside the Pathet Lao. During these engagements one of the battalion's four companies was badly mauled and had to be returned to North Viet-Nam.

The other three companies were assigned to South Viet-Nam. They arrived in Quang Ngai Province in the summer of 1961. For a month they rested and waited for orders. They took part in a major action against an outpost of the Government of South Viet-Nam in September. Nguyen Viet Le was captured during a battle in Quang Ngai Province in April 1962.

#### 5. *Nguyen Truc*

Corp. Nguyen Truc was born in 1933, the son of a farmer in Phu Yen Province in South Viet-

Nam. From 1949 to 1954 he served as a courier and then as a guerrilla fighter with the Viet Minh. In early 1955 he boarded a Soviet ship and moved with his unit, the 40th Battalion, to North Viet-Nam. He remained in the army, but in 1959, bothered by illness, he went to work on a state farm.

In August 1962 Nguyen Truc was notified that he was back in the army and that he was being sent to South Viet-Nam. He reported to the Xuan Mai training center and underwent 6 months of military and political reeducation. His unit was the newly activated 22d Battalion. The training course was completed in February 1963, but departure for South Viet-Nam was delayed until April.

For infiltration purposes the battalion was divided into two groups. On April 27, Nguyen Truc and his group boarded trucks at Xuan Mai. They went first to Vinh, then on to Dong Hoi, and finally to the Laos-North Viet-Nam border. There they doffed their North Vietnamese army uniforms and put on black peasants clothing. The march to the south began, sometimes in Lao territory, sometimes in Viet-Nam. They passed through Thua Thien Province, then Quang Nam, Quang Tin, and Quang Ngai, and finally to their destination, Pleiku. Each day they had a new guide, generally one of the mountain people of the area.

Nguyen Truc said that he and most of the troops who were sent north after the Indochina War wanted to return to their homes and rejoin their families. In August 1963 Nguyen Truc was sent out on a foraging expedition to find food for his unit. He took the opportunity to defect to Government forces at An Tuc in Binh Dinh Province.

#### 6. *Nguyen Cam*

Cam is the son of a farmer in Quang Tin Province. Born in 1929, he joined the Viet Minh youth group in his home village in 1946. In one year he became a guerrilla fighter. In 1954, as the Indochina War was drawing to a close, he was serving with the Viet Minh 20th Battalion. In May 1955 he went to North Viet-Nam with his unit.

Ill health caused his transfer to an agricultural camp in 1958. By 1960 he was back in

uniform, serving in the 210th Regiment. In May of that year he was assigned to a small group that was to set up a metallurgical workshop. Early in 1961 he was sent to a metallurgical class in Nghe An Province. They were taught a simple form of cast-iron production, simple blast furnace construction, and similar skills. Their instructor was an engineer from the Hanoi Industrial Department.

Their special course completed, Cam and his group of 35 men prepared to go to South Viet-Nam. They went by truck from their training center at Nghe An to the Lao border. After 19 days marching through Laos, they arrived in the vicinity of Tchepone. There they waited for 3 days until food supplies could be air-dropped by a North Vietnamese plane. Nineteen days of walking took them to the Laos-South Viet-Nam border.

Delayed en route by illness, Cam finally reached his destination in November 1961. It was a secret VC iron foundry in Kontum Province. Several iron ore deposits were nearby, and the hill people had long used the iron to make knives and simple tools. Cam's job was building kilns to smelt the ore. The Viet Cong hoped to use the iron for mines and grenades.

On August 4, 1963, Sergeant Cam went to a nearby village to buy salt for his group. On his return he found his comrades had gone to one of their cultivated fields to gather corn, and he joined them. The group was interrupted at their work by a Vietnamese Ranger company. After a brief fight Cam was taken prisoner.

#### 7. *Nguyen Hong Thai*

Thai, 32 years old, was born and grew up in Quang Ngai Province in South Viet-Nam. After service with the Viet Minh he was moved to North Viet-Nam in 1954. After 3 years of military service he was assigned to a military farm. In December 1961 he was recalled to his former unit, the 305th Division, and went to the special training camp at Xuan Mai in preparation for fighting with the Viet Cong in South Viet-Nam.

Training began in January 1962 and lasted for 4 months. The training group, designated the 32d Battalion, was composed of 650 men who came from various branches of the North

Vietnamese army—engineers, artillery, air-borne, transport, marines, and some factory workers and students. Three-fourths of the training was military (guerrilla tactics, ambushes, sabotage, etc.) and one-fourth was political. In the latter, heavy emphasis was laid on the necessity for armed seizure of power in the South.

Group 32 was divided into sections and began infiltrating to the south on July 14, 1962. It moved in three groups. Thai said it took his group more than 55 days to travel from North Viet-Nam through Laos to Quang Ngai Province in the south. He reported that all the communications and liaison stations on the route to South Viet-Nam are now operated by the army of North Viet-Nam. Soon after his arrival in South Viet-Nam, Thai was promoted to the rank of lieutenant. He was made a platoon leader in the 20th Viet Cong Highland Battalion. In February 1963 the unit moved from Quang Nam to Kontum Province.

Combat conditions and the rigors of guerrilla life began to depress Thai. He said he wanted only to rejoin his family and live in peace. In September he asked and received permission to visit his family in Quang Ngai. When he got home, he surrendered to a South Vietnamese Army post.

#### 8. *Dao Kien Lap*

Lap is a civilian radio technician. He has been a member of the Communist Party in North Viet-Nam since 1955. In February 1963 he was selected for assignment to South Viet-Nam where he was to work with the Liberation Front. He infiltrated into South Viet-Nam with a group of about 70 civilian specialists. They included doctors, pharmacists, union organizers, radio specialists, propagandists, and youth organizers. One of the infiltrators in Dao's group was a man named Binh, publisher of the newspaper *Labor* of the Lao Dong Party. Another was a member of the city soviet of Hanoi.

The specialists in Dao's group received 3 months of basic military training at Son Tay, and then departed for the South in mid-June. Their orders were to report to the Central Office of the Viet Cong in South Viet-Nam where they



would be assigned according to their individual specialties. Dao and Binh were to help run a radio station of the Liberation Front.

They traveled through Laos and along the Viet-Nam border. They had to stop for several weeks in Quang Nam Province to recuperate from their travels. On October 1 they were directed by guides to a VC station in Ban Me Thuot.

Dao said he had by then decided to defect to the Government authorities in the South. He set off with one companion, but they were separated as they crossed a swiftly flowing river. Dao gave himself up at a Government post in Ban Me Thuot on October 13, 1963.

### 9. *Tran Ngoc Linh*

Linh was a Viet Cong senior sergeant, leader of a reconnaissance platoon. He is the son of a middle-class farm family in Tay Ninh Province. He served with the Viet Minh against the French and moved to North Viet-Nam in 1954. He spent the next 7 years in the North Vietnamese army. In September 1962 Linh was assigned to the Xuan Mai training center at Ha Dong to prepare for duty in South Viet-Nam. His group was given a 4-month refresher course in infantry tactics with emphasis on guerrilla fighting. Then he received 6 months of special training in the use of machineguns against aircraft. Antiaircraft training has become an increasingly important part of the preparation of North Vietnamese troops assigned to the Viet Cong.

Linh and about 120 others made up the 406th Infiltration Group commanded by Senior Captain Nguyen Van Do. They were divided into four platoons. During the final 2 weeks of preparation each member of the group was issued new equipment—black, pajama-like uniforms, a khaki uniform, a hammock, mosquito netting, rubber sandals, and other supplies, including two packets of medicine.

In the early morning hours of July 4, 1963, his group started its journey from the Xuan Mai training center outside Hanoi. The convoy of six Molotov trucks moved south along Highway 21 to Nghe An Province and then on to Quang Binh. On July 7 they arrived at the final processing station near the Laos-

North Viet-Nam border. There they turned in their North Vietnamese army uniforms as well as all personal papers and anything else that might identify them as coming from the North. But their departure for the South was delayed for several weeks. In August they set off through Laos.

Twice along the way Linh had to stop at liaison stations because of illness. When the infiltrators recovered from their illnesses, they were formed into special groups to continue their penetration into South Viet-Nam. Linh reported being delayed once for 8 days, and the second time for 10 days.

Finally, in the first week of November 1963, Linh was sufficiently recovered to begin the final leg of his journey to a VC center where he was to be assigned to a combat unit. He and three others who had been similarly delayed by attacks of malaria and other sickness made up a group. They moved through the jungles of Quang Duc Province near the Cambodian border. On the morning of November 9 they crossed the Srepok River. There they ran into a unit of the South Vietnamese Army. One of the infiltrators was killed, Linh was taken prisoner, and the other two Viet Cong escaped.

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These are typical Viet Cong. There are many other officers like Tran Quoc Dan, technicians like Nguyen Thao, and simple soldiers like Nguyen Truc. They were born in South Viet-Nam, fought against the French, and then went north and served in the army of North Viet-Nam. They were ordered by the Communist rulers in Hanoi to reenter South Viet-Nam. Violating the Geneva accords of 1954 and 1962, they used the territory of neighboring Laos to infiltrate into the South. They are the means by which Communist North Viet-Nam is carrying out its program of conquest in South Viet-Nam.

### C. **Infiltration of Native North Vietnamese**

The Communist authorities in Hanoi are now assigning native North Vietnamese in increasing numbers to join the VC forces in South Viet-Nam. Heretofore, those in charge of the infiltration effort have sought to fill their quotas with soldiers and others born in the South. The 90,000 troops that moved from South Viet-Nam to

the North when the Geneva accords ended the Indochina War have provided an invaluable reservoir for this purpose. Now, apparently, that source is running dry. The casualty rate has been high, and obviously many of those who were in fighting trim 10 years ago are no longer up to the rigors of guerrilla war.

In any case, reports of infiltration by native North Vietnamese in significant numbers have been received in Saigon for several months. It is estimated that as many as 75 percent of the more than 4,400 Viet Cong who are known to have entered the South in the first 8 months of 1964 were natives of North Viet-Nam.

Vo Thanh Vinh was born in Nghe An Province in North Viet-Nam in 1936. He was captured by South Vietnamese forces on May 5, 1964. He described himself as a military security officer. He infiltrated into South Viet-Nam in April 1964 with a group of 34 police and security officers from the North.

Another native North Vietnamese captured in the South was VC Private First Class Vo Quyen. His home was in Nam Dinh Province. He was a member of the 2d Battalion of the North Vietnamese army's 9th Regiment. He said the entire battalion had infiltrated into South Viet-Nam between February and May last year. He was captured in an action in Quang Tri Province on July 4. He told interrogators that the bulk of his unit was composed of young draftees from North Viet-Nam.

Le Pham Hung, also a private first class, was captured on July 7 in Thua Thien Province. He is a native of Nam Dinh in North Viet-Nam. Drafted for military service in May 1963, he was in the 324th Division. His group, consisting solely of 90 North Vietnamese draftees, infiltrated into South Viet-Nam in May 1964. He reported that another company of North Vietnamese entered the South at the same time as his unit.

A former member of the 90th VC Battalion reported that his unit had been reinforced by native North Vietnamese troops earlier this year. Le Thua Phuong, an information cadre and a native of Quang Ngai Province in the South, surrendered to Government forces on April 23, 1964. He said that the 90th Battalion had received 80 North Vietnamese replacements in February.

A medical technician named Hoang Thung was captured in Thua Thien Province on July 4, 1964. He said he had infiltrated into the South in late 1963 with a group of 200 Viet Cong, the majority of whom were ethnic north-erners, 120 of them draftees.

These reports destroy one more fiction which the authorities in Hanoi have sought so long to promote—that the fighting in the South was a matter for the South Vietnamese. They underline Hanoi's determination to press its campaign of conquest with every available resource.

#### **D. Infiltration of Viet Cong Agents**

No effort to subvert another nation as elaborate as that being conducted by the Ho Chi Minh regime against South Viet-Nam can succeed without an intelligence-gathering organization. Recognizing this, the authorities in Hanoi have developed an extensive espionage effort. An essential part of that effort is the regular assignment of secret agents from the North to South Viet-Nam.

The heart of the VC intelligence organization is the Central Research Agency in Hanoi (see section IV, C). Communist agents are regularly dispatched from North Viet-Nam, sometimes for brief assignments but often for long periods. Many of these agents move into South Viet-Nam along the infiltration trails through Laos; others are carried by boats along the coasts and landed at prearranged sites. A special maritime infiltration group has been developed in North Viet-Nam, with its operations centered in Ha Tinh and Quang Binh Provinces just north of the 17th parallel.

##### *1. Maritime Infiltration*

The following case illustrates the methods of maritime infiltration of secret agents used by the Communist regime in North Viet-Nam:

In July 1962 a North Vietnamese intelligence agent named Nguyen Viet Duong began training to infiltrate South Viet-Nam. A native southerner, he had fought against the French and had gone to North Viet-Nam after the war ended. Selected for intelligence work, he was assigned to the Central Research Agency in 1959.

After a period of intensive instruction in

radio transmission, coding and decoding, and other skills of the intelligence trade, he was given false identity papers and other supplies and was transported to the South. His principal task was to set up a cell of agents to collect military information. He flew from Hanoi to Dong Hoi, and from there the maritime infiltration group took him by boat to South Viet-Nam. That was in August 1962.

In January 1963 Duong reported to Hanoi that he had run into difficulties. His money and papers had been lost, and he had been forced to take refuge with VC contacts in another province. Another agent was selected to go to South Viet-Nam. One of his assignments was to contact Duong, find out details of what happened to him, and help Duong reestablish himself as a VC agent. The man selected for the task was Senior Captain Tran Van Tan of the Central Research Agency.

Tan had already been picked to go to the South to establish a clandestine VC communications center. Making contact with Duong was one of his secondary assignments. After intensive preparations Tan was ready to move to South Viet-Nam in March. He was transferred to an embarkation base of the maritime infiltration group just north of the 17th parallel.

He was joined by three other VC agents and the captain and three crewmen of the boat that would take them south. All were given false identity papers to conform to their false names. They also were provided with fishermen's permits, South Vietnamese voting cards, and draft cards or military discharge papers. The boat captain received a boat registration book, crew lists, and several South Vietnamese permits to conduct business.

The agents and boatmen were given cover stories to tell if captured. Each man had to memorize not only the details of his own story but the names and some details about each of the others. The agents had to become familiar with simple boat procedures so they could pass as legitimate fishermen.

The expedition left the embarkation port on April 4. In addition to the four agents the boat carried six carefully sealed boxes containing a generator, several radios, some weapons, and a large supply of South Vietnamese cur-

rency. They also carried some chemicals and materials for making false identification papers. Their destination was a landing site on the coast of Phuoc Tuy Province.

Soon after leaving North Viet-Nam the VC boat encountered high winds and rough seas. On April 7 the storm became violent. The boat tossed and threatened to capsize. Strong northeasterly winds forced it ever closer to shore. Finally the boat captain, Nguyen Xit, ordered that the six boxes be thrown overboard. This was done, and the boat then was beached. The eight men decided to split up into pairs and try to make contact with VC forces. They buried their false papers and set out. Six of the eight were captured almost immediately by authorities in Thua Thien Province, and the other two were taken several days later.

## *2. Student Propaganda Agents*

The student population of South Viet-Nam is an important target group for VC propagandists. These agents seek to win adherents for the Communist cause among young workers, students in high schools and universities, and the younger officers and enlisted men in the Armed Forces of the Republic of Viet-Nam.

Typical of the agents sent into South Viet-Nam for this purpose is Nguyen Van Vy, a 19-year-old VC propagandist. He is a native of the Vinh Linh District in North Viet-Nam, just north of the demilitarized zone. He was a member of a Communist Party youth group in his native village. He was recruited for propaganda work in the South in the fall of 1962. He was one of 40 young persons enrolled in a special political training course given by the Communist Party in his district.

The first phase of the training consisted of political indoctrination covering such subjects as the advance of communism, the North Vietnamese plan for winning control of the country, the responsibility of youth in furthering this plan, the war in the South, and the need for propaganda supporting the Liberation Front.

Those who successfully completed the first phase were selected for the second level of training, the so-called technical training phase. In this the trainees were given their mission in the South. Vy was told he should infiltrate into

South Viet-Nam and there surrender to the authorities, describing himself as a defector who was "tired of the miserable life in the North." He was to say he wanted to complete his schooling, which was impossible in the North. He was told to ask to live with relatives in the South so he could go to school. Once his story was accepted and he was enrolled in a school, he was to begin his work of propagandizing other students. He was to wait for 3 or 4 months, however, until he was no longer the subject of local suspicion. He was assigned to work under an older agent to whom he had to report regularly.

A third member of the team was a younger man who was to assist Vy. The three were to infiltrate into South Viet-Nam separately and to meet there at a rendezvous point.

At first Vy was to do no more than to observe his fellow students carefully, collecting biographical data on them and studying their personalities, capabilities, and aspirations. He was then to select those he thought might be most influenced by Communist propaganda and try to make friends with them.

Once he had selected targets, he was to begin to influence them favorably toward the North and to implant Communist propaganda. He was responsible then for bringing into his organization those he had influenced effectively. These individuals were to be given their own propaganda assignments to work on other students.

Students who wanted to evade military service in the Government forces were considered prime targets. Where possible, Vy was to help them get to North Viet-Nam. He was also told to make contact with any students who had been picked up by the authorities for suspected Communist activities. These, too, were to be helped to escape to North Viet-Nam. Any useful information concerning developments in the South or military activities were to be reported through his superior, Nguyen Van Phong.

In case he became suspect, he was either to make his own way back to North Viet-Nam or to go into the jungle and try to contact a VC unit.

Vy entered South Viet-Nam on January 2, 1963, by swimming across the Ben Hai River. He encountered an elderly farmer who led him

to the local authorities in Hai Gu. There he told his story but it was not believed. He then admitted his true mission.

### *3. Other Agents*

The Communist authorities in North Viet-Nam send their agents into South Viet-Nam by a wide variety of means. A few like Nguyen Van Vy cross the demilitarized zone, more infiltrate by sea, and still more along the infiltration routes through Laos. But there are other methods for entering South Viet-Nam. VC espionage agent Tran Van Bui attempted one such method.

Bui was a graduate of the espionage training school in Haiphong, North Viet-Nam. He completed a special 6-month course in July 1962. The training included political indoctrination, but most of the time was spent on such things as use of weapons, preparing booby traps, and methods of sabotage. He was also given instruction in methods for enlisting help from hoodlums, draft dodgers, and VC sympathizers. Once in South Viet-Nam, he was to organize a small unit for sabotage and the collection of information. On specific assignment by his superiors he was to be ready to sabotage ships in Saigon harbor and to blow up gasoline and oil storage points and Vietnamese Army installations. He was told to be prepared to assassinate Vietnamese officials and American personnel.

In September 1962 Bui was given his mission assignment. He was to hide aboard a foreign ship. When discovered, he was to claim to be a refugee who wanted to "escape" to South Viet-Nam. He was given an automatic pistol with silencer, some explosive devices, and a small knife that could inject poison into the body of a victim.

Bui stole aboard a foreign ship in Haiphong harbor. After 3 days at sea—when he was sure the ship would not turn around—Bui surrendered to the ship's captain. When the ship arrived in Bangkok, Bui was turned over to the Thai authorities. They in turn released him to the South Vietnamese as he had requested. But in Saigon his true mission was disclosed and he made a full confession.

## II. HANOI SUPPLIES WEAPONS, AMMUNITION, AND OTHER WAR MATERIEL TO ITS FORCES IN THE SOUTH

When Hanoi launched the VC campaign of terror, violence, and subversion in earnest in 1959, the Communist forces relied mainly on stocks of weapons and ammunition left over from the war against the French. Supplies sent in from North Viet-Nam came largely from the same source. As the military campaign progressed, the Viet Cong depended heavily on weapons captured from the Armed Forces in South Viet-Nam. This remains an important source of weapons and ammunition for the Viet Cong. But as the pace of the war has quickened, requirements for up-to-date arms and special types of weapons have risen to a point where the Viet Cong cannot rely on captured stocks. Hanoi has undertaken a program to reequip its forces in the South with Communist-produced weapons.

Large and increasing quantities of military supplies are entering South Viet-Nam from outside the country. The principal supply point is North Viet-Nam, which provides a convenient channel for materiel that originates in Communist China and other Communist countries.

An increasing number of weapons from external Communist sources have been seized in the South. These include such weapons as 57-mm. and 75-mm. recoilless rifles, dual-purpose machineguns, rocket launchers, large mortars, and antitank mines.

A new group of Chinese Communist-manufactured weapons has recently appeared in VC hands. These include the 7.62 semiautomatic carbine, 7.62 light machinegun, and the 7.62 assault rifle. These weapons and ammunition for them, manufactured in Communist China in 1962, were first captured in December 1964 in Chuong Thien Province. Similar weapons have since been seized in each of the four Corps areas of South Viet-Nam. Also captured have been Chinese Communist antitank grenade launchers and ammunition made in China in 1963.

One captured Viet Cong told his captors that his entire company had been supplied recently

with modern Chinese weapons. The reequipping of VC units with a type of weapons that require ammunition and parts from outside South Viet-Nam indicates the growing confidence of the authorities in Hanoi in the effectiveness of their supply lines into the South.

Incontrovertible evidence of Hanoi's elaborate program to supply its forces in the South with weapons, ammunition, and other supplies has accumulated over the years. Dramatic new proof was exposed just as this report was being completed.

On February 16, 1965, an American helicopter pilot flying along the South Vietnamese coast sighted a suspicious vessel. It was a cargo ship of an estimated 100-ton capacity, carefully camouflaged and moored just offshore along the coast of Phu Yen Province. Fighter planes that approached the vessel met machinegun fire from guns on the deck of the ship and from the shore as well. A Vietnamese Air Force strike was launched against the vessel, and Vietnamese Government troops moved into the area. They seized the ship after a bitter fight with the Viet Cong.

The ship, which had been sunk in shallow water, had discharged a huge cargo of arms, ammunition, and other supplies. Documents found on the ship and on the bodies of several Viet Cong aboard identified the vessel as having come from North Viet-Nam. A newspaper in the cabin was from Haiphong and was dated January 23, 1965. The supplies delivered by the ship—thousands of weapons and more than a million rounds of ammunition—were almost all of Communist origin, largely from Communist China and Czechoslovakia, as well as North Viet-Nam. At least 100 tons of military supplies were discovered near the ship.

A preliminary survey of the cache near the sunken vessel from Hanoi listed the following supplies and weapons:

- approximately 1 million rounds of small-arms ammunition;
- more than 1,000 stick grenades;
- 500 pounds of TNT in prepared charges;
- 2,000 rounds of 82-mm. mortar ammunition;
- 500 antitank grenades;

—500 rounds of 57-mm. recoilless rifle ammunition;

—more than 1,000 rounds of 75-mm. recoilless rifle ammunition;

—one 57-mm. recoilless rifle;

—2 heavy machineguns;

—2,000 7.92 Mauser rifles;

—more than 100 7.62 carbines;

—1,000 submachineguns;

—15 light machineguns;

—500 rifles;

—500 pounds of medical supplies (with labels from North Viet-Nam, Communist China, Czechoslovakia, East Germany, Soviet Union, and other sources).

The ship was fairly new and had been made in Communist China. Documents aboard the ship included three North Vietnamese nautical charts (one of the Haiphong area and one of Hong Gay, both in North Viet-Nam, and one of the Tra Vinh area of South Viet-Nam). The military health records of North Vietnamese soldiers were found. One man had a political history sheet showing he was a member of the 338th Division of the North Vietnamese army.

Also aboard the North Vietnamese ship were: an instruction book for a Chinese Communist navigational device; postcards and letters to addresses in North Viet-Nam; snapshots, including one of a group of men in North Vietnamese army uniforms under a flag of the Hanoi government.

Members of the I.C.C. and representatives of the free press visited the sunken North Vietnamese ship and viewed its cargo. The incident itself underlined in the most dramatic form that Hanoi is behind the continuing campaign of aggression aimed at conquering South Viet-Nam. It made unmistakably clear that what is happening in South Viet-Nam is not an internal affair but part of a large-scale carefully directed and supported program of armed attack on a sovereign state and a free people.

There have been previous seizures of large stocks of ammunition and weapons and other military supplies that could only have come from Communist sources outside South Viet-Nam. In December 1963 a Republic of Viet-Nam force attacked a VC stronghold in Dinh Tuong Province southwest of Saigon. A large

cache of VC equipment was seized. Included in the captured stocks were the following weapons and ammunition, all of Chinese Communist manufacture:

—One 90-mm. rocket launcher;

—2 carbines (type 53);

—120 rounds of 75-mm. recoilless rifle ammunition;

—120 detonating fuzes for recoilless rifle ammunition;

—14,000 rounds of 7.62 (type P) ammunition;

—160,000 rounds of 7.62 carbine ammunition;

—150 fuzes for mortar shells;

—100,000 rounds of 7.92 Mauser-type ammunition;

—110 lbs. (approximate) of TNT;

—Two 60-mm. mortars.

These weapons and ammunition are the same as those used in the North Vietnamese army. Some of the 7.62-mm. ammunition was manufactured as recently as 1962.

Materiel is sent into South Viet-Nam from the North by a variety of methods—overland, by river and canal, and by sea. In one instance Vietnamese troops discovered a cache in which the 75-mm. ammunition alone weighed approximately 1½ tons. It has been estimated that it would require more than 150 porters to carry this quantity of ammunition over rough terrain. However, a few sampans, each manned by a few men, could transport it with little difficulty. It is worth noting, in this connection, that the delta where the cache of materiel was seized has 460 miles of seacoast as well as 2,500 miles of canals navigable by large water craft and another 2,200 miles of canals over which sampans can move easily. Much of the transport of large stocks of ammunition is undoubtedly waterborne for at least much of its travel into South Viet-Nam.

Large quantities of chemical components for explosives have been sent into South Viet-Nam for the Viet Cong. During 1963 there were at least 15 incidents in which boats, junks, or sampans were seized with explosives aboard. More than 20 tons of potassium chlorate or nitrate were captured. All these cases were in the delta area, and the majority were on or near the

## U.S. Submits Report on Viet-Nam to U.N. Security Council

U.S. U.N. press release 4508

*Following is the text of a letter from Ambassador Adlai E. Stevenson, U.S. Representative to the United Nations, to Ambassador Roger Seydour, President of the U.N. Security Council.*

FEBRUARY 27, 1965

EXCELLENCY: For the information of the Members of the Security Council, I am transmitting a special report entitled *Aggression From the North, the Record of North Viet-Nam's Campaign To Conquer South Viet-Nam*, which my Government is making public today. It presents evidence from which the following conclusions are inescapable:

First, the subjugation by force of the Republic of Viet-Nam by the regime in northern Viet-Nam is the formal, official policy of that regime; this has been stated and confirmed publicly over the past five years.

Second, the war in Viet-Nam is directed by the Central Committee of the Lao Dong Party (Communist) which controls the government in northern Viet-Nam.

Third, the so-called People's Revolutionary Party in the Republic of Viet-Nam is an integral part of the Lao Dong Party in North Viet-Nam.

Fourth, the so-called liberation front for South Viet-Nam is a subordinate unit of the Central Office for South Viet-Nam, an integral part of the governmental machinery in Hanoi.

Fifth, the key leadership of the Viet-Cong—officers, specialists, technicians, intelligence agents, political organizers and propagandists—has been trained, equipped and supplied in the north and sent into the Republic of Viet-Nam under Hanoi's military orders.

Sixth, most of the weapons, including new types recently introduced, and most of the ammunition and other supplies used by the Viet-Cong, have been sent from North to South Viet-Nam.

Seventh, the scale of infiltration of men and arms, including regular units of the armed forces of North Viet-Nam, has increased appreciably in recent months.

Eighth, this entire pattern of activity by the regime in Hanoi is in violation of general principles of international law and the Charter of the United Nations, and is in direct violation of the Geneva Accords of 1954. Such a pattern of violation of the treaty obligations undertaken at Geneva was confirmed by a special report of the International Control Commission in 1962 and it has been greatly intensified since then.

These facts about the situation in Viet-Nam make it unmistakably clear that the character of that conflict is an aggressive war of conquest waged against a neighbor—and make nonsense of the cynical allegation that this is simply an indigenous insurrection.

I request that you circulate copies of the Report, together with copies of this letter, to the Delegations of all Member States as a Security Council document.

In making this information available to the Security Council, my Government wishes to say once more that peace can be restored quickly to Viet-Nam by a prompt and assured cessation of aggression by Hanoi against the Republic of Viet-Nam. In that event, my Government—as it has said many times before—would be happy to withdraw its military forces from the Republic of Viet-Nam and turn promptly to an international effort to assist the economic and social development of Southeast Asia.

In the meantime, my Government awaits the first indication of any intent by the government in Hanoi to return to the ways of peace and peaceful resolution of this international conflict.

Accept, Excellency, the assurance of my highest consideration.

ADLAI E. STEVENSON

Mekong River. Red phosphorus made in Communist China has been among the chemicals captured from the Viet Cong.

The Communists have shown extreme sensitivity to exposure of the fact that war materiel is going to the Viet Cong from North Viet-Nam, Communist China, and other Communist countries. A secret document captured from a VC agent last year reflected this sensitivity. The document was sent from VC military headquar-

ters in Bien Hoa Province to subordinate units. It ordered them to "pay special attention to the removal of all the markings and letters on weapons of all types currently employed by units and agencies and manufactured by friendly East European democratic countries or by China." It said incriminating marking should be chiseled off "so that the enemy cannot use it as a propaganda theme every time he captures these weapons."

### III. NORTH VIET-NAM: BASE FOR CONQUEST OF THE SOUTH

The Third Lao Dong Party Congress in Hanoi in September 1960 set forth two tasks for its members: "to carry out the socialist revolution in North Viet-Nam" and "to liberate South Viet-Nam."

The resolutions of the congress described the effort to destroy the legal Government in South Viet-Nam as follows: "The revolution in the South is a protracted, hard, and complex process of struggle, combining many forms of struggle of great activity and flexibility, ranging from lower to higher, and taking as its basis the building, consolidation, and development of the revolutionary power of the masses."

At the September meeting the Communist leaders in the North called for formation of "a broad national united front." Three months later Hanoi announced creation of the "Front for Liberation of the South." This is the organization that Communist propaganda now credits with guiding the forces of subversion in the South; it is pictured as an organization established and run by the people in the South themselves. At the 1960 Lao Dong Party Congress the tone was different. Then, even before the front existed, the Communist leaders were issuing orders for the group that was being organized behind the scenes in Hanoi. "This front must rally . . ."; "The aims of its struggle are . . ."; "The front must carry out . . ."—this is the way Hanoi and the Communist Party addressed the "Liberation Front" even before its founding.

The Liberation Front is Hanoi's creation: it is neither independent nor southern, and what it seeks is not liberation but subjugation of the South.

In his address to the Third Lao Dong Party Congress, party and government leader Ho Chi Minh spoke of the necessity "to step up the socialist revolution in the North and, at the same time, to step up the national democratic people's revolution in the South."

The year before, writing for *Red Flag*, the Communist Party newspaper of Belgium, Ho had said much the same thing:

We are building socialism in Viet-Nam, but we are building it in only one part of the country, while in the

other part we still have to *direct and bring to a close* the middle-class democratic and anti-imperialist *revolution*.

In the same vein, the commander-in-chief of the North Vietnamese armed forces, Vo Nguyen Giap, spoke at the 1960 party congress of the need to "*step up* the national democratic people's *revolution in the South*." Earlier in the year, writing for the Communist Party journal *Hoc Tap* in Hanoi, General Giap described the North as "*the revolutionary base for the whole country*."

Le Duan, a member of the Politburo and first secretary of the Lao Dong Party, was even more explicit when he talked at the party congress about the struggle in the South and the party's role. After noting the difficulties involved in overthrowing the existing order in South Viet-Nam, Le Duan said:

Hence the southern people's revolutionary struggle will be long, drawn out, and arduous. It is not a simple process but a complicated one, combining many varied forms of struggle—from elementary to advanced, *legal and illegal*—and based on the building, consolidation, and development of the revolutionary force of the masses. In this process, *we must constantly intensify our solidarity and the organization and education of the people of the South*. . . .

Another high official of the Hanoi regime, Truong Chinh, writing in the party organ *Hoc Tap* in April 1961, expressed confidence in the success of the struggle to remove the legal Government in South Viet-Nam because: "North Viet-Nam is being rapidly consolidated and strengthened, *is providing good support to the South Vietnamese revolution, and is serving as a strong base for the struggle for national reunification*."

He outlined the steps by which the Communists expect to achieve control over all Viet-Nam as follows: The "Liberation Front" would destroy the present Government in the South; a "Coalition Government" would be established; this government would agree with the North Vietnamese government in Hanoi regarding national reunification "under one form or another." It takes little imagination to understand the form that is intended.

"Thus," wrote Truong Chinh, "though *South Viet-Nam will be liberated by nonpeaceful means*, the party policy of achieving peaceful national reunification is still correct."



The official government radio in Hanoi is used both overtly and covertly to support the Viet Cong effort in South Viet-Nam. Captured agents have testified that the broadcasts are used sometimes to send instructions in veiled code to Viet Cong representatives in the South.

*Hoc Tap* stated frankly in March 1963: "They [the authorities in South Viet-Nam] are well aware that *North Viet-Nam is the firm base for the southern revolution* and the point on which it leans, and that *our party is the steady and experienced vanguard unit of the working class and people and is the brain and factor that decides all victories of the revolution.*"

In April 1964 the Central Committee of the Lao Dong Party issued a directive to all party echelons. It stated: "When the forces of the enemy and the plots of the enemy are considered, it is realized that *the cadres, party members, and people in North Viet-Nam must . . . increase their sense of responsibility in regard to the South Viet-Nam revolution by giving positive and practical support to South Viet-Nam in every field.*"

Nguyen Chi Thanh, writing in a Hanoi newspaper in May 1963, underlined the importance of the role of the North Vietnamese army in Hanoi's plans to unify Viet-Nam under Communist rule:

"Our party set forth two strategic tasks to be carried out at the same time: to transform and build socialism in the North and to struggle to unify the country. *Our army is an instrument of the class struggle in carrying out these two strategic tasks.*"

#### **IV. ORGANIZATION, DIRECTION, COMMAND, AND CONTROL OF THE ATTACK ON SOUTH VIET-NAM ARE CENTERED IN HANOI**

The VC military and political apparatus in South Viet-Nam is an extension of an elaborate military and political structure in North Viet-Nam which directs and supplies it with the tools for conquest. The Ho Chi Minh regime has shown that it is ready to allocate every resource that can be spared—whether it be personnel, funds, or equipment—to the cause of overthrowing the legitimate Government in South Viet-

Nam and of bringing all Viet-Nam under Communist rule.

#### **A. Political Organization**

Political direction and control of the Viet Cong is supplied by the Lao Dong Party, i.e., the Communist Party, led by Ho Chi Minh. Party agents are responsible for indoctrination, recruitment, political training, propaganda, anti-Government demonstrations, and other activities of a political nature. The considerable intelligence-gathering facilities of the party are also at the disposal of the Viet Cong.

Overall direction of the VC movement is the responsibility of the Central Committee of the Lao Dong Party. Within the Central Committee a special Reunification Department has been established. This has replaced the "Committee for Supervision of the South" mentioned in intelligence reports 2 years ago. It lays down broad strategy for the movement to conquer South Viet-Nam.

Until March 1962 there were two principal administrative divisions in the VC structure in the South. One was the Interzone of South-Central Viet-Nam (sometimes called Interzone 5); the other was the Nambo Region. In a 1962 reorganization these were merged into one, called the Central Office for South Viet-Nam. The Central Committee, through its Reunification Department, issues directives to the Central Office, which translates them into specific orders for the appropriate subordinate command.

Under the Central Office are six regional units, V through IX plus the special zone of Saigon/Cholon/Gia Dinh. A regional committee responsible to the Central Office directs VC activities in each region. Each regional committee has specialized units responsible for liaison, propaganda, training, personnel, subversive activities, espionage, military bases, and the like.

Below each regional committee are similarly structured units at the province and district levels. At the base of the Communist pyramid are the individual party cells, which may be organized on a geographic base or within social or occupational groups. The elaborateness of the party unit and the extent to which it operates openly or underground is determined

mainly by the extent of VC control over the area concerned.

### 1. The "Liberation Front"

The National Front for the Liberation of South Viet-Nam is the screen behind which the Communists carry out their program of conquest. It is the creature of the Communist Government in Hanoi. As noted above the Communist Party in the North demanded establishment of such a "front" three months before its formation was actually announced in December 1960. It was designed to create the illusion that the Viet Cong campaign of subversion was truly indigenous to South Viet-Nam rather than an externally directed Communist plan.

The front has won support primarily from the Communist world. Its radio faithfully repeats the propaganda themes of Hanoi and Peiping. When its representatives travel abroad, they do so with North Vietnamese passports and sponsorship. The front's program copies that of the Lao Dong Party in North Viet-Nam.

In late 1961, in still another effort to conceal the extent of Communist domination of the front, the Communists announced formation of a new Marxist political unit, the People's Revolutionary Party (PRP). This mechanism provided a way to explain the Communist presence in the front while at the same time making it appear that the Communist voice was only one of several affiliated organizations in the front. The PRP itself claimed direct descent from the original Indochinese Communist Party and from the North Vietnamese Communist Party in Hanoi.

### B. Military Organization

Military affairs of the Viet Cong are the responsibility of the High Command of the People's Army of North Viet-Nam and the Ministry of Defense, under close supervision from the Lao Dong Party. These responsibilities include operational plans, assignments of individuals and regular units, training programs, infiltration of military personnel and supplies, military communications, tactical intelligence, supplies, and the like. The six military regions are the

same as those of the VC political organization.

The military structure of the Viet Cong is an integral part of the political machinery that controls every facet of VC activity in South Viet-Nam under Hanoi's overall direction. Each political headquarters from the Central Office down to the village has a military component which controls day-to-day military operations. Similarly, each military headquarters has a political element, an individual or a small staff. This meshing of political and military activity is designed to insure the closest cooperation in support of the total Communist mission. It also gives assurance of political control over the military.

Associated with the Central Office, believed to be located in Tay Ninh Province, is a military headquarters. Through this headquarters, as well as through other channels, Hanoi maintains direct contact with its principal military units in the South.

In addition to its supervision of the general military effort of the VC, the military section of the Central Office is believed to have direct command of two regimental headquarters and a number of security companies.

The hard core of the VC military organization is the full-time regular unit usually based on a province or region. These are well-trained and highly disciplined guerrilla fighters. They follow a rigid training schedule that is roughly two-thirds military and one-third political in content. This compares with the 50-50 proportion for district units and the 70 percent political and 30 percent military content of the village guerrilla's training.

The size of the Viet Cong regular forces has grown steadily in recent years. For example, the Viet Cong have five regimental headquarters compared with two in 1961. And the main VC force is composed of 50 battalions, 50 percent more than before. There are an estimated 139 VC companies. Hard-core VC strength now is estimated at about 35,000, whereas it was less than 20,000 in 1961.

The main force battalions are well armed with a variety of effective weapons including 75-mm. recoilless rifles and 81-82-mm. mortars. The companies and smaller units are equally well equipped and have 57-mm. recoilless rifles and

60-mm. mortars in their inventory. It is estimated that the Viet Cong have at least 130 81-mm. mortars and 300 60-mm. mortars. There is no precise estimate for the number of recoilless rifles in their hands, but it is believed that most main force units are equipped with them. In at least one recent action the Viet Cong employed a 75-mm. pack howitzer. This mobile weapon, which has a range of 8,500 yards, will increase the Viet Cong capabilities to launch long-range attacks against many stationary targets in the country.

Supporting the main force units of the Viet Cong are an estimated 60,000-80,000 part-time guerrillas. They are generally organized at the district level where there are likely to be several companies of 50 or more men each. These troops receive only half pay, which means they must work at least part of the time to eke out a living.

Below the irregular guerrilla forces of the district are the part-time, village-based guerrillas. They are available for assignment by higher headquarters and are used for harassment and sabotage. They are expected to warn nearby VC units of the approach of any force of the legal government. They provide a pool for recruitment into the VC district forces.

The record shows that many of the village guerrillas are dragooned into service with the Viet Cong. Some are kidnaped; others are threatened; still others join to prevent their families from being harmed. Once in the Viet Cong net, many are reluctant to leave for fear of punishment by the authorities or reprisal by the Communists.

Lam Van Chuoi is a typical example. He was a member of the Village Civil Defense force in his home village in Kien Giang Province. In March 1960, he was kidnaped by the Viet Cong and kept a prisoner in the highlands for one month. There he was subjected to intense propaganda and indoctrination. He was returned to his village but kept under close observation and steady pressure. Finally, he was convinced he must join the VC. Later, he was transferred to a Communist military unit in another province. After learning of the Government's "Open Arms" program, he decided to defect from the VC. In May 1964, he walked

into a Government outpost and asked for protection.

Money to pay the regular VC units comes from a variety of sources. Funds are sent from Hanoi. "Taxes" are extorted from the local population. Landowners and plantation operators often must pay a tribute to the VC as the price for not having their lands devastated. Similarly, transportation companies have been forced to pay the VC or face the threat of having their buses or boats sabotaged. Officials and wealthy people have been kidnaped for ransom. The VC have often stopped buses and taken the money and valuables of all on board.

For the most part, the VC have concentrated their attention on individuals, isolated or poorly defended outposts, and small centers of population. They have mercilessly killed or kidnaped thousands of village chiefs and other local officials. But over the past year the VC have moved into larger unit operations. Their ability to operate on a battalion level or larger has substantially increased.

### **C. Intelligence Organization**

A key element in the Viet Cong effort is an elaborate organization in Hanoi called the Central Research Agency (C.R.A.) (Cuc Nghien-Cuu Trung-Uong). Though it handles Hanoi's intelligence effort on a worldwide scale, the main focus of its operation is on South Vietnam. This agency is able to draw on the intelligence capabilities of both the Lao Dong Party and the North Vietnamese armed forces for information, personnel, and facilities.

The C.R.A. reportedly operates under the close personal scrutiny of Ho Chi Minh himself. Some of the top officials in the Hanoi government reportedly sit on its directing committee, including Premier Pham Van Dong, Deputy Premier Truong Chinh, and Defense Minister Vo Nguyen Giap.

Considerable information on the organization of the C.R.A. has become available from captured Viet Cong agents and from the work of intelligence agents of the Republic of Viet-Nam. Much of this information cannot be made public for security reasons, but it is possible to describe the C.R.A. organization and its operations in broad outline.

The headquarters of the C.R.A. in Hanoi is divided into six main sections, not including a special code unit. The six sections are responsible for administration, cadres, communications, espionage, research, and training. Each section has units to handle the specialized activities of its particular area of responsibility. The research section, for example, has subsections that handle political, economic, and military affairs respectively.

C.R.A. headquarters directs a number of special centers for overseas operations. One such center maintains intelligence channels to overseas areas. It operates through special units at Haiphong and at Hongay.

A second special center is responsible for VC intelligence operations in Cambodia and Laos. A third center handles activities along the "demarcation line," the border with South Viet-Nam. This unit, based in Vinh Linh in southeast North Viet-Nam, is responsible for sending agents and supplies to the South by sea. It also cooperates with the North Vietnamese army in planning and carrying out infiltration. The C.R.A. maintains intelligence bases in Laos and other countries.

Inside South Viet-Nam the Viet Cong have a large intelligence network. Some of its units are responsible for receiving and sending on agents arriving from the North. They feed and give instructions to groups infiltrating into South Viet-Nam. They take delivery of equipment and supplies received from the North and relay them to Viet Cong units in the South.

Many Viet Cong agents have been captured in Saigon. They have exposed the extensive effort by the C.R.A. to penetrate all Republic of Viet-Nam Government agencies, foreign embassies, and other specialized organizations. Party and military intelligence units and agents work closely with the C.R.A.

Each of the main centers operating under C.R.A. headquarters has its own sections and units designed to carry out its main functions. The center at Vinh Linh, responsible for the main infiltration effort of the Viet Cong, has separate sections for radio communications, coding, documentation and training, and liaison. It also has specialized units for infiltration

through the mountains, infiltration by sea, and "illegal action" in the mountain area.

The C.R.A. maintains a large and expanding radio communications network. Agents also are used to carry messages, usually in secret writing or memorized.

Taken as a whole, the North Vietnamese intelligence operation in support of the Viet Cong is one of the most extensive of its kind in the world.

## **V. A BRIEF HISTORY OF HANOI'S CAMPAIGN OF AGGRESSION AGAINST SOUTH VIET-NAM**

While negotiating an end to the Indochina War at Geneva in 1954, the Communists were making plans to take over all former French territory in Southeast Asia. When Viet-Nam was partitioned, thousands of carefully selected party members were ordered to remain in place in the South and keep their secret apparatus intact to help promote Hanoi's cause. Arms and ammunition were stored away for future use. Guerrilla fighters rejoined their families to await the party's call. Others withdrew to remote jungle and mountain hideouts. The majority—an estimated 90,000—were moved to North Viet-Nam.

Hanoi's original calculation was that all of Viet-Nam would fall under its control without resort to force. For this purpose, Communist cadres were ordered to penetrate official and nonofficial agencies, to propagandize and sow confusion, and generally to use all means short of open violence to aggravate war-torn conditions and to weaken South Viet-Nam's Government and social fabric.

South Viet-Nam's refusal to fall in with Hanoi's scheme for peaceful takeover came as a heavy blow to the Communists. Meantime, the Government had stepped up efforts to blunt Viet Cong subversion and to expose Communist agents. Morale in the Communist organization in the South dropped sharply. Defections were numerous.

Among South Vietnamese, hope rose that their nation could have a peaceful and independent future, free of Communist domination. The country went to work. The years

after 1955 were a period of steady progress and growing prosperity.

Food production levels of the prewar years were reached and surpassed. While per capita food output was dropping 10 percent in the North from 1956 to 1960, it rose 20 percent in the South. By 1963, it had risen 30 percent—despite the disruption in the countryside caused by intensified Viet Cong military attacks and terrorism. The authorities in the North admitted openly to continuing annual failures to achieve food production goals.

Production of textiles increased in the South more than 20 percent in one year (1958). In the same year, South Viet-Nam's sugar crop increased more than 100 percent. Despite North Viet-Nam's vastly larger industrial complex, South Viet-Nam's per capita gross national product in 1960 was estimated at \$110 a person while it was only \$70 in the North.

More than 900,000 refugees who had fled from Communist rule in the North were successfully settled in South Viet-Nam. An agrarian reform program was instituted. The elementary school population nearly quadrupled between 1956 and 1960. And so it went—a record of steady improvement in the lives of the people. It was intolerable for the rulers in Hanoi; under peaceful conditions, the South was outstripping the North. They were losing the battle of peaceful competition and decided to use violence and terror to gain their ends.

After 1956 Hanoi rebuilt, reorganized, and expanded its covert political and military machinery in the South. Defectors were replaced by trained personnel from party ranks in the North. Military units and political cells were enlarged and were given new leaders, equipment, and intensified training. Recruitment was pushed. In short, Hanoi and its forces in the South prepared to take by force and violence what they had failed to achieve by other means.

By 1958 the use of terror by the Viet Cong increased appreciably. It was used both to win prestige and to back up demands for support from the people, support that political and propaganda appeals had failed to produce. It was also designed to embarrass the Government in Saigon and raise doubts about its ability to

maintain internal order and to assure the personal security of its people. From 1959 through 1961, the pace of Viet Cong terrorism and armed attacks accelerated substantially.

The situation at the end of 1961 was so grave that the Government of the Republic of Viet-Nam asked the United States for increased military assistance. That request was met. Meantime, the program of strategic hamlets, designed to improve the peasant's livelihood and give him some protection against Viet Cong harassment and pressure, was pushed energetically.

But the Viet Cong did not stand still. To meet the changing situation, they tightened their organization and adopted new tactics, with increasing emphasis on terrorism, sabotage, and armed attacks by small groups. They also introduced from the North technicians in fields such as armor and antiaircraft. Heavier weapons were sent in to the regular guerrilla forces.

The military and insurgency situation was complicated by a quite separate internal political struggle in South Viet-Nam, which led in November 1963 to the removal of the Diem government and its replacement with a new one. Effective power was placed in the hands of a Military Revolutionary Council. There have been a number of changes in the leadership and composition of the Government in Saigon in the ensuing period.

These internal developments and distractions gave the Viet Cong an invaluable opportunity, and they took advantage of it. Viet Cong agents did what they could to encourage disaffection and to exploit demonstrations in Saigon and elsewhere. In the countryside the Communists consolidated their hold over some areas and enlarged their military and political apparatus by increased infiltration. Increasingly they struck at remote outposts and the most vulnerable of the new strategic hamlets and expanded their campaign of aggressive attacks, sabotage, and terror.

Any official, worker, or establishment that represents a service to the people by the Government in Saigon is fair game for the Viet Cong. Schools have been among their favorite targets. Through harassment, the murder of teachers, and sabotage of buildings, the Viet Cong suc-

ceeded in closing hundreds of schools and interrupting the education of tens of thousands of youngsters.

Hospitals and medical clinics have often been attacked as part of the anti-Government campaign and also because such attacks provide the Viet Cong with needed medical supplies. The Communists have encouraged people in rural areas to oppose the Government's antimalaria teams, and some of the workers have been killed. Village and town offices, police stations, and agricultural research stations are high on the list of preferred targets for the Viet Cong.

In 1964, 436 South Vietnamese hamlet chiefs and other Government officials were killed outright by the Viet Cong and 1,131 were kidnaped. More than 1,350 civilians were killed in bombings and other acts of sabotage. And at least 8,400 civilians were kidnaped by the Viet Cong.

Today the war in Viet-Nam has reached new levels of intensity. The elaborate effort by the Communist regime in North Viet-Nam to conquer the South has grown, not diminished. Military men, technicians, political organizers, propagandists, and secret agents have been infiltrating into the Republic of Viet-Nam from the North in growing numbers. The flow of Communist-supplied weapons, particularly those of large caliber, has increased. Communications links with Hanoi are extensive. Despite the heavy casualties of 3 years of fighting, the hard-core VC force is considerably larger now than it was at the end of 1961.

The Government in Saigon has undertaken vigorous action to meet the new threat. The United States and other free countries have increased their assistance to the Vietnamese Government and people. Secretary of State Dean Rusk visited Viet-Nam in 1964, and he promised the Vietnamese: "We shall remain at your side until the aggression from the North has been defeated, until it has been completely rooted out and this land enjoys the peace which it deserves."

President Johnson has repeatedly stressed that the United States' goal is to see peace secured in Southeast Asia. But he has noted that "that will come only when aggressors leave their neighbors in peace."

Though it has been apparent for years that

the regime in Hanoi was conducting a campaign of conquest against South Viet-Nam, the Government in Saigon and the Government of the United States both hoped that the danger could be met within South Viet-Nam itself. The hope that any widening of the conflict might be avoided was stated frequently.

The leaders in Hanoi chose to respond with greater violence. They apparently interpreted restraint as indicating lack of will. Their efforts were pressed with greater vigor and armed attacks and incidents of terror multiplied.

Clearly the restraint of the past was not providing adequately for the defense of South Viet-Nam against Hanoi's open aggression. It was mutually agreed between the Governments of the Republic of Viet-Nam and the United States that further means for providing for South Viet-Nam's defense were required. Therefore, airstrikes have been made against some of the military assembly points and supply bases from which North Viet-Nam is conducting its aggression against the South. These strikes constitute a limited response fitted to the aggression that produced them.

Until the regime in Hanoi decides to halt its intervention in the South, or until effective steps are taken to maintain peace and security in the area, the Governments of South Viet-Nam and the United States will continue necessary measures of defense against the Communist armed aggression coming from North Viet-Nam.

## VI. CONCLUSION

The evidence presented in this report could be multiplied many times with similar examples of the drive of the Hanoi regime to extend its rule over South Viet-Nam.

The record is conclusive. It establishes beyond question that North Viet-Nam is carrying out a carefully conceived plan of aggression against the South. It shows that North Viet-Nam has intensified its efforts in the years since it was condemned by the International Control Commission. It proves that Hanoi continues to press its systematic program of armed aggression into South Viet-Nam. This aggression violates the United Nations Charter. It is directly contrary to the Geneva accords of 1954

and of 1962 to which North Viet-Nam is a party. It shatters the peace of Southeast Asia. It is a fundamental threat to the freedom and security of South Viet-Nam.

The people of South Viet-Nam have chosen to resist this threat. At their request, the United States has taken its place beside them in their defensive struggle.

The United States seeks no territory, no military bases, no favored position. But we have

learned the meaning of aggression elsewhere in the postwar world, and we have met it.

If peace can be restored in South Viet-Nam, the United States will be ready at once to reduce its military involvement. But it will not abandon friends who want to remain free. It will do what must be done to help them. The choice now between peace and continued and increasingly destructive conflict is one for the authorities in Hanoi to make.

## Our Atlantic Policy

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

Winston Churchill once called the Second World War the "unnecessary war."

He was right. It might have been avoided by grappling with the great problems—of disarmament, reparations, trade, and monetary policy—that the West faced in the 1920's and early thirties. Failure to resolve these problems led to collapse of the postwar order in Europe. Amid that collapse Hitler was able to seize power and to use it ruthlessly for aggressive ends. And the other nations of Europe and the Atlantic were slow in recognizing the threat and late in dealing with it.

These great problems following the First World War were not met because the West approached them within the framework of traditional nationalism.

In the United States, this nationalism took the form of a return to isolation. In Europe, it was reflected in a resumption of traditional rivalries among nation states. In this context of American isolation and European rivalry, none of the great postwar issues proved soluble.

After the Second World War the Atlantic nations resolved not to repeat this error. They

proposed to deal with common problems by common action. To this end, they sought increasing integration among the European countries and a close connection between these countries and Canada and the United States.

This policy has worked.

Close ties between Europe and the United States have been achieved in NATO and the Organization for Economic Cooperation and Development. The external threat to the free nations of the North Atlantic has been held in check. The peace has been kept, and economic growth has been promoted with unprecedented success.

Great strides have been taken toward European economic integration. The vitality of the European Communities is one of the most hopeful aspects of the European scene. It has contributed notably to the current prosperity of Western Europe.

These very successes have caused some—on both sides of the Atlantic—to question whether the policy which brought them about is still necessary. Since the immediate postwar problems have been met, they ask, cannot the United States reduce its commitment to Europe, while the European countries return comfortably to prewar patterns of national action?

<sup>1</sup> Made before the Cleveland Council on World Affairs at Cleveland, Ohio, on Mar. 6 (press release 39).

The answer is to be found in the new and pressing problems which we face as a result of two decades of change:

- in trade and monetary policy;
- in aid to emerging countries;
- in sharing the responsibility for nuclear weapons within the alliance;
- in maintaining an effective and flexible Atlantic defense;
- in encouraging constructive evolution in the Communist world and seeking to resolve outstanding East-West issues.

None of these problems will yield to national approaches. No single country has the capacity to deal with them singlehandedly.

Nor can they be resolved by free Europe acting alone. The resources and energies of the entire Atlantic world are needed.

If these problems remain unsolved—if the developing countries cannot achieve needed progress, if national nuclear programs spread, if a stable military environment cannot be maintained in Europe, if progress cannot be made on German unity and other East-West issues—then some future generation may well look back upon the collapse of another postwar order, followed by still another “unnecessary war.”

That is why the effort on which the United States and its European friends embarked 20 years ago continues to be a central imperative.

### **New Needs**

After the exertions of the war and the immediate postwar period, it is natural that we should feel tempted to question this effort, to rest on our oars, to relapse toward “normalcy.” That is a familiar human tendency. But the penalties we all paid for yielding to it in the 1920's and thirties stand as a terrible reminder that this time we must stay the course.

Staying the course, however, does not mean merely continuing the program of the last two decades. New problems require new measures—new measures geared to enduring purposes.

At Georgetown University last December, President Johnson spoke of these purposes: European unity, close Atlantic ties, and a role of equal partnership for Germany in the affairs of the West. To these ends, he called for joint

ventures among interested countries, “across the whole range of common interests, which is the bedrock of the alliance.”<sup>2</sup>

Today I would like to give you a brief progress report—to tell you where some of these joint ventures stand and where we hope to go.

### **Trade and Monetary Policy**

We are negotiating with the European Community and other nations, in the Kennedy Round, to secure substantial across-the-board cuts in tariffs. This important tariff negotiation is part of the process of knitting together the trading world, and particularly the Atlantic nations, on the basis of efficiency in production. It is an indispensable step toward the building of a richer world.

We are also considering with other interested nations how the international monetary system can be made the vehicle for sustained expansion of world trade. This task takes on special urgency as we move to eliminate our own balance-of-payments deficit. That deficit has been the major source of financing for the growth of trade and investment over the whole postwar period.

We welcome the recent resolution submitted to the International Monetary Fund by its Executive Directors, which would authorize an increase of about \$5 billion in Fund quotas. We shall need further measures to assure that there will be adequate international liquidity. We must build a system that will be expansionist in both concept and practice. We cannot afford to go back to prewar arrangements, which led to periodic depression and bankruptcy. This is not merely an economic problem but an issue of great political and social import. We must insure that it is addressed from this broad standpoint.

### **Aid to Developing Countries**

That Atlantic partnership is not, however, a rich man's club, dedicated only to making its members richer.

One of its main purposes should be to help the developing countries achieve the progress which they must achieve if they are to maintain

<sup>2</sup> BULLETIN of Dec. 21, 1964, p. S66.



themselves in a world of turbulence and change. The Development Assistance Committee of the OECD offers a forum in which coordination of aid programs of the Atlantic nations and other major donors can be undertaken. After the recent United Nations Conference on Trade and Development, the emerging nations themselves indicated a need for the industrial countries to elaborate common measures to increase the developing regions' export earnings. The members of the OECD are considering how best to meet this need.

Forging this common effort—this partnership for progress between the developed and developing countries—is one of the greatest challenges of this present decade.

The Alliance for Progress is the means for such common effort in the Americas. We hope that other Atlantic countries will play an increasing part in the Alliance for Progress. If the European countries should wish to participate in it, possibly as a collective entity, they could surely play a large and constructive role in its affairs.

As the African countries come together in more effective regional efforts, we hope that the Atlantic nations can work fruitfully with them in joint endeavors.

In Asia, too, we stand ready to move toward more cohesive regional efforts. Such regional efforts could have special importance to Southeast Asia, when peace is restored under conditions that safeguard the independence of the countries of this area.

In all these areas we hope that the contribution of other Atlantic nations to economic development will continue to grow in scale and will increasingly be joined with ours in common ventures. To these ends the time may be at hand for the donor countries with largest responsibilities in this field to take a new look at how those responsibilities can best be discharged in common.

### **Nuclear Partnership**

The very existence of nuclear weapons gives the lie to the notion of national self-sufficiency. Their spreading national ownership and operation could threaten both peace and Western unity.

This danger cannot be averted merely by proposing that all these weapons be reserved for the United States and the Soviet Union. Other countries—proud and competent—want a responsible role in their nuclear defense.

The challenge is to devise arrangements which will enable them to play that role through joint, instead of national, programs.

For such a challenge the familiar answers are not adequate. We must build structures as novel as the challenge they address.

To this end, three post war administrations in this country have offered to join other interested NATO countries in creating a seabased missile force, which would help to meet the NATO military requirement for medium-range missiles to offset hundreds of Soviet missiles arrayed against Europe.

The British Government has suggested expansion of this concept into an Atlantic nuclear force, which would include Polaris submarines and V-bombers. President Johnson and Prime Minister Wilson discussed creation of a joint nuclear force when the Prime Minister visited Washington last December.<sup>3</sup>

Since then several governments have been actively discussing these proposals in some detail, and the discussion will be continued during Prime Minister Wilson's forthcoming visit to Bonn. We keep in close touch with the participants in these discussions.

Our own position was made clear by the President when he indicated recently<sup>4</sup> that,

... we think it is highly important to develop arrangements within the alliance that will provide an opportunity for the nonnuclear members to participate in their own defense, while avoiding the spread of national nuclear systems. I strongly hope in these talks there will be progress that will allow us to move on to fruitful multilateral discussions.

### **NATO Defense**

Beyond nuclear sharing lies the wider issue of NATO defense.

We are discussing with our NATO allies how that defense can be adapted to the changing

<sup>3</sup> For text of a joint communique, see *ibid.*, Dec. 28, 1964, p. 903.

<sup>4</sup> At a press conference at the LBJ Ranch, Johnson City, Tex., on Jan. 16, 1965.

threat. NATO must be able to cope not only with a deliberate major attack but also with lesser, even unintended, conflict. This requires a flexible posture which can generate the type and degree of force that is needed. Creation of the Allied mobile force of land and air units from several NATO nations is a beginning and could pave the way for further progress.

We are also ready to discuss how NATO's organization can be adjusted to changing conditions within the West, notably to the growing strength of our European allies. If the European countries wish to play a larger role, possibly as a collective entity, in sharing the burdens and responsibilities of NATO defense, they will find us receptive.

In adapting NATO to change, we should have in mind the basic principle on which it is based: that common action is the key to success in dealing with common problems.

This principle is accepted by a large majority of the alliance. A failure to reinforce it, in meeting new needs, would not only prejudice defense but also open the way for the divisive national pressures that were the undoing of the Atlantic world before the Second World War.

### East-West Relations

We are working with our allies to develop common approaches to the Soviet Union and the nations of Eastern Europe.

Our object is to strengthen the fabric of peace.

The enforced division of Germany stands in the way of a lasting peace. We seek common Atlantic policies in support of peaceful self-determination for the German people.

We and our European allies seek closer contacts with the nations of Eastern Europe and the Soviet Union, not to confirm the *status quo* but to bring about an enduring settlement in Central Europe. The United States is continuing to discuss with the United Kingdom, France, and Germany ways and means of working toward that goal in the interests of European security and the satisfaction of the legitimate aspiration of the German people to shape their own destiny.

In all these matters, political consultation is the means of arriving at common action among the Atlantic nations.

### Political Consultation

In January the NATO Council discussed Africa at a meeting attended by high-level officials from a number of NATO capitals. This week a similar meeting was devoted to South east Asia. Such consultations help to clarify understanding of important problems outside as well as inside, the treaty area.

The annual meetings of NATO Parliamentarians have also contributed to better understanding of the problems and opportunities of the North Atlantic alliance. We support the suggestion for an Atlantic Assembly, which was approved by the NATO Parliamentarians at their most recent meeting.<sup>5</sup>

None of the ventures that I have described will achieve its purpose overnight. Persistence will need to be the order of the day—on both sides of the Atlantic.

The United States has shown that persistence for 20 years, in pursuing the three objectives of which President Johnson spoke.

We have supported the movement toward European integration since 1950. We support it now and are confident that it will achieve still greater progress in the decades ahead. European collective participation in joint Atlantic ventures—economic, political, nuclear—can enhance that progress. The decision taken this very week in Brussels by the six member states to merge the executives of the three European Communities into a single European Commission marks yet another welcome milestone on the road to European integration. We look forward to ever closer relations between the United States and the Commission of the European Economic Community, as this Commission assumes the increased responsibilities that will attend Europe's march toward unity.

The armed forces we maintain in Europe are the best evidence of the importance that we have attached, and continue to attach, to close defense ties between the United States and a uniting Europe. They attest to our abiding conviction that the defense of the North Atlantic community is indivisible. Those troops will

<sup>5</sup> For remarks made by President Johnson before the NATO Parliamentarians at Washington on Sept. 15, 1964, see *ibid.*, Oct. 5, 1964, p. 478.

stay in Europe as long as they are needed and wanted.

But effort by the United States alone is not enough. The responsibilities and the burdens must be shared by all the partners in proportion to their means.

The danger of war has not evaporated. This will remain a hazardous world until every aggressor has learned that aggression or threats of force are unprofitable—and until armaments, and especially the superweapons, are reliably controlled. For the members of NATO to relax, to reduce their defenses in a one-sided way, and to drift apart, would be to invite renewed threats to their common safety.

Moreover, Europe and the North Atlantic community cannot preserve their security merely by holding a line across Europe. Their common security is involved also in what happens in Africa, the Middle East, Latin America, South Asia, and the Western Pacific. They have a vital common interest in the defeat of active aggression in Southeast Asia. They have a common interest with the free peoples of the developing world in putting an end to aggression by the infiltration of arms and trained fighting men across national frontiers.

The North Atlantic nations should recognize those vital common interests and join in supporting them. Above all, they should do nothing to encourage aggressors to believe that aggression will be allowed to succeed on the ground or to reap a reward at the conference table.

The North Atlantic alliance will not thrive by standing still in a changing world. It must adapt to new needs. The joint ventures that I discussed earlier are among the means of doing this.

The United States must be prepared to see Europe, reviving in strength and confidence, play a larger role in joint decisions in these ventures. I hope the European nations will wish to make an increased effort commensurate with their growing power. We recognize the complex obstacles. But the Atlantic partnership will not maintain its cohesion, or fully meet its defensive needs, unless it can go forward to such increased effort in meeting the changing problems of a shifting scene.

In thus adjusting our thinking and our atti-

tudes to new conditions, differences of view among countries are inevitable. That was true in the past when the dangers were more immediate. It is even truer today. Progress is made not by shrinking from differences but by resolving them.

In this spirit the Atlantic nations are tackling the practical issues which now demand action.

The United States does not wish to and cannot dictate to other countries the answers to these issues. But we are ready to play our full part in finding common answers.

Action can then be undertaken by those countries that are ready to proceed. We should seek as wide a consensus as possible. Our relations with those countries that do not join will remain close and cordial.

Progress in Atlantic affairs has traditionally been made by going forward with those who are prepared to act—taking care that the rights and interests of others are fully respected.

In thus taking needed action, we will be working to build an environment in which free societies can survive and flourish. The partnership between the peoples and nations of Western Europe and North America is indispensable to this end. We seek that partnership, not to wage war but to create a viable world order, in which all can live at peace. Only within the framework of such an order can the Great Society we seek to build at home prosper and be secure.

## **Secretary Rusk Meets Informally With Latin American Ambassadors**

*Department Announcement*<sup>1</sup>

Secretary Rusk will hold an informal meeting with the ambassadors from the Latin American Republics at 4:00 p.m., tomorrow [March 5]. The Secretary will bring the ambassadors up to date on world problems including developments in Viet-Nam. He and the two Under Secretaries expect to hold similar, informal group meetings with the ambassadors of other countries.

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<sup>1</sup> Read to news correspondents on Mar. 4 by Robert J. McCloskey, Director, Office of News.

# Pan American Day and Pan American Week, 1965

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

WHEREAS April 14, 1965, will mark the seventy-fifth anniversary of the inter-American system freely established by the American Republics and known as the Organization of American States; and

WHEREAS the United States and the other American Republics have been neighbors for almost two hundred years, and are equal partners and sovereign states within the inter-American system; and

WHEREAS, for decades, differences among members have been settled at conference tables, thus giving proof of the effectiveness of the inter-American system; and

WHEREAS the peoples of the United States consider themselves partners of the peoples of Latin America, sharing with them not only a common continent but a mutual and abiding aspiration for the achievement of a good and full life for every citizen of the Americas; and

WHEREAS the nations of the Hemisphere are embarked, through the Alliance for Progress, in a relentless pursuit of a better life and a quest for the social justice and human rights to which all the peoples of the Hemisphere are entitled:

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, do hereby proclaim Wednesday, April 14, 1965, as Pan American Day, and the week beginning April 18 and ending April 24 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 appropriate officials of all other areas under the United States flag to issue similar proclamations.

The citizens of the free and independent republics of the Hemisphere are a great society of nations, built on ideals of freedom and a tradition of cooperation and friendship. They are united in a mutual effort to root out the ills and injustices that mar our progress, and to enrich and elevate the lives of all our citizens. The inter-American system is the cornerstone of this edifice; I urge all my fellow countrymen individually, and collectively through interested organizations, to reaffirm their faith in the Organization of American States on the occasion of its seventy-fifth anniversary.

I call upon this Nation to rededicate itself during this period to the ideals of the inter-American system as embodied in the Charter of the Organization of American States, and to the goals of economic and social progress of the Charter of Punta del Este which are so firmly based on our common belief in the dignity of men and on our faith in freedom.

IN WITNESS WHEREOF, I have hereunto set my hand

<sup>1</sup> No. 3641; 30 *Fed. Reg.* 2759.

and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this first day of March in the year of our Lord nineteen hundred and sixty-five, and of the Independence of the United States of America the one hundred and eighty-ninth.



By the President:  
DEAN RUSK,  
*Secretary of State.*

## U.S. Asks Departure of Tanzanian Counselor of Embassy

### *Department Statement*<sup>1</sup>

The United States Government has informed the United Republic of Tanzania that it is requesting the departure of Mr. Herbert Katua, Counselor of Embassy in Washington.

This action was taken in the aftermath of the recent expulsion of Mr. Robert Gordon, the Counselor of the American Embassy in Dar es Salaam, and Mr. Frank Carlucci III, the Consul General in Zanzibar.<sup>2</sup>

Mr. Gordon and Mr. Carlucci, now in Washington, were ordered on January 15 by the Government of the United Republic of Tanzania to leave that country within 24 hours on the basis of an allegation that they had been engaged in subversive activities.

A thorough investigation by the United States uncovered no basis for the allegation. The United States Government denied the allegation and provided to the Government of the United Republic of Tanzania on January 25th information which showed the wholly mistaken character of the allegation. At the same time it asked the Government of the United Republic of Tanzania to furnish any information to support the allegation or to join in an examination of all the relevant facts. The Government of the United Republic of Tanzania declined to

<sup>1</sup> Released by the Office of News on Feb. 14.

<sup>2</sup> For a Department statement of Jan. 30, see BULLETIN of Feb. 22, 1965, p. 244.

participate in the inquiry or to provide evidence to substantiate the allegation.

The United States Government, having recalled its Ambassador to Washington, again re-examined all of the facts available to it regarding the allegation against the two officers. It remains convinced of the falsity of the allegation and that the course of action pursued in

this matter by the Government of the Republic of Tanzania was unjustified.

In view of these circumstances, the United States Government felt compelled to ask for the departure of Mr. Herbert Katua, of the Government of the United Republic of Tanzania's Washington Embassy, within a reasonable time.

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## THE CONGRESS

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### President Johnson Recommends Expansion of Peace Corps

*The White House on February 26 made public the following letter from President Johnson to Hubert H. Humphrey, President of the Senate. The President sent an identical letter to John W. McCormack, Speaker of the House of Representatives.*

White House press release dated February 26

FEBRUARY 25, 1965

DEAR MR. PRESIDENT: It is my pleasure to transmit legislation to authorize the appropriation of \$125.2 million for the Peace Corps in Fiscal Year 1966.

The Peace Corps will, in a few days, reach its fourth anniversary. Since its beginning, on March 1, 1961, the Peace Corps has justified the highest hopes of those who established it. The Congress intended that this new agency would help peoples of interested countries and areas "in meeting their needs for trained manpower, and to help promote a better understanding of the American people on the part of the peoples served and a better understanding of other peoples on the part of the American people."

In the early days, the Peace Corps was portrayed by many at home and abroad as an attractive, ever gallant gesture, a token of good

will, and the symbol of a friendly America. But the Peace Corps' success has proven to be deeper. The Peace Corps has a fundamental role abroad above and beyond its symbolic value.

A Peace Corps, 10,000 strong, has been working in 46 countries. Volunteers are now in more than 3,000 different locations around the world. In the countryside of the developing world, the most frequently encountered American is a Peace Corps volunteer. In several nations, there are more volunteers than individuals from all other American agencies and services combined.

Our Peace Corps has become important to the worldwide process of developing human resources in building nations. It is helping nations, not by preaching, but by doing, not by words, but by work.

In Africa, the Peace Corps has made an impressive contribution to secondary education. In six African nations, our volunteers make up at least one-third of the degree-holding teachers; they represent 90 percent of the degree-holding teachers in Malawi; they reach 50,000 Nigerian students each day. In these and other African countries, they have contributed to a great expansion of the school systems—to an increase of tens of thousands of secondary school students.

In India, Peace Corps volunteers are work-

ing with Indians to introduce modern commercial poultry production involving improved breeds, poultry care, feeding and market development. Production of eggs and poultry has increased manyfold and these new approaches, at present, are being adopted in new areas of the country.

More than 3,700 volunteers in Latin America are engaged in a continental effort in community development, helping to bring the citizens and governments of 17 nations together in self-help programs.

Community development does not produce dramatic statistics. But it does change people, and people change nations.

This essential ingredient of progress—the expansion of the will and capacity of man—is hard to achieve and more difficult to measure. It is, nonetheless, basic to development. One encouraging measurement of Peace Corps success in this field has been the emergence of responsive, effective community-development agencies in many Latin American countries. In Colombia, the Government's fledgling agency, "Acción Comunal", which had only a limited plan when the first volunteers arrived in 1961, is now firmly established. It is operating vigorous and effective programs in both isolated rural areas and urban slums. In Peru and Bolivia, volunteers are helping to train personnel for those countries' newly organized development agencies. In the Dominican Republic, the Peace Corps was the energizing force behind that country's "Desarrollo Comunal". Peace Corps participation in El Salvador's "Educational Brigades" has expanded that program from three experimental areas to 18, covering most of that small but significant country.

The task is indeed vast. But in the Peace Corps, we have found a practical way in which Americans—personally, directly, effectively—can play a valuable part. And in doing so, they are encouraging other peoples to mobilize themselves. Over 1,200 university students are now working in the villages of the Andean highlands in a student Peace Corps, known as Cooperación Popular Universitaria. In Chile, 1,500 students are using their vacations to build schools. India is planning a Development Corps of 5,000 to 10,000 organized along Peace Corps lines. In Thailand, the Voluntary Rural

Development Corps awaits final Cabinet approval before beginning its work.

So the Peace Corps can no longer be viewed as just a feather in our Nation's cap. It is an essential part of our democratic program in meeting our world responsibilities and opportunities. It has become a major instrument for economic and social development. And in learning about nation-building, it is providing a corps of dedicated and experienced Americans who, upon their return, will help us continue to strengthen this Nation at home.

The urgent yet prudent requests from host countries for volunteers are growing. There is ample justification and great need to satisfy these requests. To meet these needs we must utilize in the Peace Corps the talents, energy, and enthusiasm of all interested and capable citizens who volunteer in such large numbers.

The requested Peace Corps authorization for Fiscal Year 1966 is an increase of \$21.1 million over the amount appropriated by the Congress for Fiscal Year 1965. This increase will enable the Peace Corps to expand from a level of 15,000 by the end of August 1965, to 17,000 volunteers by the end of August 1966.

It is my belief, therefore, that a growing Peace Corps of increasing capabilities and effectiveness is essential. Our responsibilities to ourselves, to our Country, and to the world require no less.

Sincerely,

LYNDON B. JOHNSON

## **Annual Report of National Science Foundation Sent to Congress**

*Message From President Johnson*

White House press release dated February 15

TO THE CONGRESS OF THE UNITED STATES:

I am pleased to transmit to the Congress the annual report<sup>1</sup> for Fiscal Year 1964 of the National Science Foundation as required by the National Science Foundation Act of 1950.

At the end of the war the advance of science was a source of pervading pessimism in our

<sup>1</sup> H. Doc. 89, 89th Cong., 1st sess.

land—and around the world. There were fears that the onrush of man's knowledge would out-run man's wisdom and speed humanity toward its own extinction. With the establishment of the NSF, we committed ourselves to the development of peaceful science, and now our times are marked and moved by an optimism and hopefulness rare in all the history of mankind. At its source much of our optimism flows from the confidence which both the advance and application of scientific knowledge permits. As science has provided us with new insights into man's antecedents, so science also has unlocked for us new visions of man's possibilities. Science has given us new knowledge of matter and of living things, a better understanding of natural processes, new and unexpected glimpses into what we can achieve in the future. The power over nature which science is giving our generation permits us to look forward with hope toward the solution of many age-old problems, if we apply results of the scientific advance well and wisely.

In the gains and change of these post-war years, American science has played a central role. Science has flourished in America as never before. While human knowledge has never known—and must never know—national boundaries, it is a fact that our nation's resources, stability and political purposes have permitted American science to benefit the world to an extent unique in modern times.

A vital factor in our achievements has been our national effort toward understanding, anticipating, and supporting the creative force and constructive ends of science dedicated to peace, not conquest—to elevating human life, not oppressing it. This responsible approach toward science has come broadly, throughout our society, but a key role has been taken by the Federal Government.

While possessed of no special gift of foresight, the Federal Government has taken a forward-looking role, exercising both desirable initiative and appropriate self-restraint. Support for science has come from the Government without thought of making science subservient to the Government. The virtually undisputed leadership held by America today in the realm of science and technology is a conspicuously

visible testament to the greater compatibility a free society affords to the spirit of free inquiry.

If balance has been approached in our overall support of our free science, credit is abundantly due the unheralded and frequently underestimated role of the National Science Foundation. Under its first Director, Dr. Alan T. Waterman, and now under the outstanding leadership of Dr. Leland Haworth, whose first annual report I am transmitting, the Foundation has fulfilled many times over the intent and hopes of the Congress which established it at the beginning of the last decade.

Close and understanding accord between science and public affairs is an imperative for free societies today. As I am so acutely aware, no national policy or purpose of the United States is unaffected by the present state or prospective scope of our scientific knowledge.

We look to it—

For the technology and industry which will supply us with new products and new jobs to meet our needs.

For the health programs which will eventually conquer disease and disability.

For the purposeful and useful exploration of the seas around us and the space above us.

And, most especially, for the guidance that will permit us to proceed with greater security and greater confidence toward our goals of peace and justice in a free world.

As no other force has contributed more materially to our effective pursuit of happiness in America, so it is true that no other force is now requiring of us the more careful examination and reexamination of the workings, values and aspirations of our society. Science is changing many of the very premises on which our greatly successful American society has been built over the past two centuries. If we are to strive toward our society's continuing success and further greatness, we must not merely commit ourselves to its support—we must involve ourselves in seeking to understand the profound changes which it promises.

For all that has been wrought in this land, we must understand that these are the infant years of a new age—not the aging days of an old era.

Our wisdom must be always the equal of our knowledge and information. For that reason, I commend to you this report from the National Science Foundation, created and supported by the Congress, and encourage your unchanging steadfastness in support of what is required to assure America's continuing leadership in the science and technology of our times.

LYNDON B. JOHNSON

THE WHITE HOUSE,  
February 15, 1965.

**INTERNATIONAL ORGANIZATIONS  
AND CONFERENCES**

**United States Delegations  
to International Conferences**

**22d Session of GATT Contracting Parties**

The Department of State announced on March 1 (press release 33) that John W. Evans, Minister for Economic Affairs, U.S. Mission, Geneva, would head the U.S. delegation to the 22d session of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) at Geneva March 2-26. The agenda will contain a number of items of importance to U.S. commercial and economic policy interests, including several items dealing with various aspects of the expansion of trade of the less developed countries.

In recent years the Contracting Parties have turned their attention increasingly to problems of particular interest to the less developed countries. On February 8 a new part (part IV) of the General Agreement was signed;<sup>1</sup> the purpose of the new part was to provide an in-

<sup>1</sup> For text, see BULLETIN of Dec. 28, 1964, p. 922; for a statement made by Mr. Evans at Geneva on Feb. 8, see *ibid.*, Mar. 8, 1965, p. 355.

stitutional and legal framework for dealing with these problems. In a parallel step, GATT has established a new Committee on Trade and Development to watch over implementation of the new provisions. The Committee will begin its work during the 22d session and is expected to report its initial recommendations. Reports will also be submitted by an expert group on trade information and trade promotion which has reviewed the operation of the new GATT center for information services and trade promotion advisory services for the benefit of the less developed countries.

Two countries, Malta and Malawi, have adhered to the GATT since the 21st session, bringing the total number of contracting parties to 64. Six additional countries continue to maintain provisional accession to the GATT. Discussions as to final accession of some of these states may take place during the 22d session. Six states now apply the GATT *de facto*.

Reports by the European Economic Community, the European Free Trade Association, the Latin American Free Trade Area, the Central American Common Market, and the Equatorial Customs Union will be heard and discussed.

A number of agenda items will be devoted to continuing efforts in the GATT to reduce and remove import restrictions, efforts which have been highly successful in recent years and which are an important aspect of U.S. commercial policy.

The GATT is the principal international forum in which trade policy problems are discussed and resolved among the world's trading nations. The GATT, whose members are responsible for over 80 percent of world trade, is the multilateral trade agreement which replaced the old bilateral trading system existing prior to World War II. The Kennedy Round negotiations for the lowering of trade barriers is also taking place within the framework of the GATT.

Advisers on the delegation are drawn from the Departments of State, Treasury, Commerce, and Agriculture, the Office of the President's Special Representative for Trade Negotiations, and the U.S. Missions at Geneva and Brussels.



## United States and Thailand Sign Income Tax Convention

Press release 34 dated March 1

The Government of the United States of America and the Government of Thailand concluded on March 1, 1965, a convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, to promote trade and financial and technical cooperation between the two countries. A major aim of the convention is to increase incentives for business activity for American and Thai private enterprises.

The convention, signed at the Ministry of Foreign Affairs in Bangkok by the United States Ambassador to Thailand, Graham A. Martin, and by Thanat Khoman, Minister of Foreign Affairs of Thailand, extends new tax benefits to cultural exchanges, investment activities, and business operations conducted in both countries.

Certain provisions of the convention will reduce U.S. taxes and thereby the overall cost of financing with respect to certain business activities in Thailand. U.S. investors holding at least a 25-percent voting interest in qualifying corporations doing the major portion of their business in Thailand are being offered a credit against U.S. taxes amounting to 7 percent of investments made during the tax year. A similar credit is allowed on the taxpayer's pro rata share of annual net earnings in excess of 50 percent which is retained for reinvestment in such corporations. The convention also allows deferral of tax payment on shares received in return for the transfer of technical know-how and the performance of related services. Recipients may postpone payment of both Thai and U.S. taxes on such stock until the shares are disposed of.

The convention permits deductions from U.S. taxes for contributions to Thai organizations qualifying as charities under the laws of both

countries. The convention also provides tax relief with respect to the income of teachers, students, and trainees in educational programs, research projects, technical training, and other activities serving economic development.

The convention also reduces taxes imposed at the source by both countries on certain items of investment income. Dividends paid by a corporation of one country to a corporation of the other country which does not have a permanent establishment in the payer's country will not be taxed at a rate exceeding 20 percent of the gross amount if the recipient has held at least a 25-percent voting interest in the paying firm for 6 months or more. The tax rate on royalties received by a resident or corporation of either country not having a permanent establishment in the payer's country is limited to 15 percent of the gross amount. Interest payments received by the Governments of the United States and Thailand, or their agencies or wholly owned instrumentalities, will be exempt from tax by the payer's country.

In addition, the convention contains a precise definition of the term "permanent establishment" as that term is used in the articles of the convention relating to the taxation of business and investment income.

The taxes covered by the convention are, in the case of the United States, the Federal income tax, including surtax, imposed by the Internal Revenue Code, and, in the case of Thailand, the income tax imposed by the Revenue Code. However, one of the 30 articles of the convention provides for nondiscriminatory treatment for nationals and corporations of either country resident in the other country in regard to taxes of every kind, national, state, or local.

The convention, according to its terms, will be brought into force by the exchange of instruments of ratification. It will be submitted to the United States Senate for advice and consent to ratification.

# Current Actions

## MULTILATERAL

### Nuclear Test Ban

Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. Done at Moscow August 5, 1963. Entered into force October 10, 1963. TIAS 5433.

*Ratifications deposited:* Chad, March 1, 1965; Nicaragua, February 26, 1965.

### 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.

*Ratification deposited:* Brazil, January 25, 1965.

### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Approval deposited:* Denmark, March 3, 1965.

### Telecommunications

Telegraph regulations (Geneva revision, 1958) annexed to the international telecommunication convention of December 22, 1952 (TIAS 3266), with appendixes and final protocol. Done at Geneva November 29, 1958. Entered into force January 1, 1960. TIAS 4390.

*Notification of approval:* Burma, December 11, 1964.

Radio regulations, with appendixes, annexed to the international telecommunication convention, 1959. Done at Geneva December 21, 1959. Entered into force for the United States October 23, 1961. TIAS 4893.

*Notification of approval:* Burma, December 11, 1964.

### Trade

General Agreement on Tariffs and Trade with annexes and schedules and protocol of provisional application. Concluded at Geneva October 30, 1947. TIAS 1700.

*Admitted as contracting party (with rights and obligations dating from independence):* Gambia, February 18, 1965.

## BILATERAL

### China

Agreement relating to the extension of the period of loan of certain naval vessels to China. Effected by exchange of notes at Taipei February 23, 1965. Entered into force February 23, 1965.

### Dominican Republic

Agreement relating to the reciprocal granting of authorizations to permit licensed amateur radio operators

of either country to operate their stations in the other country. Effected by exchange of notes at Santo Domingo January 28 and February 2, 1965. Entered into force February 2, 1965.

### Thailand

Convention for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income. Signed at Bangkok March 1, 1965. Entered into force upon exchange of instruments of ratification.

### Tunisia

Agricultural commodities agreement under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (68 Stat. 454; 7 U.S.C. 1701-1709), with exchange of notes. Signed at Tunis February 17, 1965. Entered into force February 17, 1965.

## PUBLICATIONS

### Department Publishes Foreign Relations Volume on American Republics for 1943

Press release 35 dated March 2, for release March 9

The Department of State on March 9 released *Foreign Relations of the United States, 1943, Volume V, The American Republics*. This volume contains documentation on the regional wartime diplomacy of the American states and on the relations of the United States with Argentina, Bolivia, Brazil, and Chile. Documentation on relations with the other American Republics will be covered in volume VI, to be released shortly.

Of particular interest in volume V are the compilations dealing with the efforts of the United States to assure the defense of the hemisphere, to discourage commercial and financial transactions with the Axis Powers, and to induce the American Republics to declare war on the Axis Powers or, at least, to sever diplomatic relations with them. Considerable attention is given to the wartime problems connected with shipping, strategic materials, and communications facilities.

Copies of *Foreign Relations of the United States 1943, Volume V, The American Republics* (vii, 932 pp.; publication 7813) may be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402, for \$3.25 each.

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33	3/1	Delegation to 22d session of GATT Contracting Parties (rewrite).
34	3/1	U.S.-Thailand income tax convention signed.
35	3/2	<i>Foreign Relations</i> volume released.
36	3/4	Rusk: "Some Fundamentals of American Policy" (as-delivered text).
†37	3/3	Schwartz: statement on amending immigration laws.
39	3/6	Rusk: "Our Atlantic Policy."

†Held for a later issue of the BULLETIN.

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## Aggression From the North

### The Record of North Viet-Nam's Campaign To Conquer South Viet-Nam

President Johnson declared in an address on February 17 that the purpose of the United States in Viet-Nam "is to join in the defense and protection of freedom of a brave people who are under attack that is controlled and that is directed from outside their country." *Aggression From the North* is a 64-page report, illustrated with maps and photographs, which summarizes the massive evidence of that attack and its source of support.

The introduction to the Department's pamphlet closes with these words: "The Government of the United States believes that evidence should be presented to its own citizens and to the world. It is important for free men to know what has been happening in Viet-Nam, and how, and why. That is the purpose of this report."

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THE  
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**BULLETIN**

*Vol. LII, No. 1344*



*March 29, 1965*

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## Secretary Rusk Discusses Viet-Nam Situation on "Face the Nation" Program

*Following is the transcript of an interview with Secretary Rusk on the Columbia Broadcasting System's radio and television program "Face the Nation" on March 7. Interviewing the Secretary were Max Frankel of the New York Times and Marvin Kalb and Paul Niven of CBS News.*

*Mr. Niven:* Mr. Secretary, will the 3,500 U.S. Marines who are going into South Viet-Nam merely defend U.S. installations, or will they also be available for combat duty?

*Secretary Rusk:* The purpose of those Marines is to provide local close-in security for the Marines who are already at Da Nang with the Hawk missiles and other American personnel there in connection with aircraft. It is not their mission to engage in the pacification operations. The fact that they are going in there will make it possible for the South Vietnamese forces, who have been responsible for the local close-in defense of Da Nang, to undertake those missions themselves.

*Announcer:* Live, from CBS News, Washington—"Face the Nation," a spontaneous and un-

rehearsed news interview with Secretary of State Dean Rusk. Secretary Rusk will be questioned by CBS News diplomatic correspondent Marvin Kalb; Max Frankel, diplomatic correspondent of the Washington Bureau of the New York Times; and CBS News correspondent Paul Niven.

*Mr. Niven:* Mr. Secretary, we have more questions on the Marines, on the air raids on the North, on other aspects of the war in Viet-Nam, and some other subjects, and we will begin in just a moment. (*Announcement.*) Mr. Secretary, you indicate the principal mission of the Marines is going to be static defense. Do you exclude the possibility of their getting into action against the Viet Cong?

*Secretary Rusk:* Oh, I think there is no doubt, Mr. Niven, that if they are shot at, they will shoot back. But their mission is the security of the Da Nang Air Base.

*Mr. Frankel:* Mr. Secretary, when our troops first went into South Viet-Nam, we described them as advisers and teachers, instructors, and so on. Now at least our fliers have gone into

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DEPARTMENT OF STATE BULLETIN VOL. LII, NO. 1344 PUBLICATION 7851 MARCH 29, 1965

The Department of State Bulletin, a weekly publication issued by the Office of Media 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 Depart-

ment, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, United Nations documents, and legislative material in the field of international relations are listed currently.

The Bulletin is for sale by the Superintendent of Documents, U.S. Govern-

ment Printing Office, Washington, D.C., 20402. PRICE: 52 issues, domestic \$10, foreign \$15; single copy 30 cents.

Use of funds for printing of this publication approved by the Director of the Bureau of the Budget (January 19, 1961).

NOTE: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the Department of State Bulletin as the source will be appreciated. The Bulletin is indexed in the Readers' Guide to Periodical Literature.

combat. Why don't we send some of our ground troops into combat?

*Secretary Rusk:* Well, as a matter of fact, the South Vietnamese themselves have felt that ground combat personnel is not what is needed. They have very substantial armed forces that are fighting with effectiveness and with gallantry.

There is a problem about foreign ground forces undertaking the kind of pacification effort that is required in South Viet-Nam. Therefore, we have felt that we should supplement, advise, do things which the South Vietnamese cannot do for themselves.

But the South Vietnamese Government has not asked for international ground forces to support their effort in South Viet-Nam.

### **The Military Situation in Viet-Nam**

*Mr. Kalb:* Mr. Secretary, the Marines are moving into Da Nang, and just south of that there have been reports that the Communists are close to cutting the country in two. How serious is that possibility, sir?

*Secretary Rusk:* Well, the military situation at the moment is a mixed picture. There has been a greater Viet Cong effort in the north-central portion of Laos, in those provinces that seem to be fed by infiltration through Laos. In other parts of the country, for example in the Saigon area, where the Hop Tac [pacification]—so-called Hop Tac programs are moving ahead, there has been another kind of picture. But we still have a situation in which Viet Cong organized units are not in position to engage in defeating organized units of the South Vietnamese forces.

It is true that south of Da Nang and down as far as Binh Dinh Province, for example, they have stepped up their activity. And this is a part of the increased infiltration which we reported in our white paper<sup>1</sup> and which has caused some increase of activity all along the line on both sides.

<sup>1</sup>*Aggression From the North: The Record of North Viet-Nam's Campaign To Conquer South Viet-Nam*, Department of State publication 7839, for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20402 (40 cents). For the text of this pamphlet (without pictures and appendixes) see BULLETIN of Mar. 22, 1965, p. 404.

*Mr. Kalb:* Well, sir, is this possibly their answer to all of the signals that we have been passing on to North Viet-Nam—an intensification on their part?

*Secretary Rusk:* No, I think that we have to get back to rockbottom on questions of that sort.

In 1959 Hanoi decided that it would make a go at South Viet-Nam. In 1960 this became publicly known and proclaimed. Since that time, they have infiltrated militarily trained personnel and substantial quantities of arms to accomplish that purpose.

Now, the increased effort that the United States has made, and that the South Vietnamese have made, has been a direct result of that strong impulsion from the North to solve their problem, that is, to achieve their ambitions in South Viet-Nam by military means.

### **Increasing Aggression From North Viet-Nam**

*Mr. Niven:* Mr. Secretary, North Viet-Nam started this in 1959, made it clear publicly in 1960. Why did we have to wait until 1964 to begin bombing?

*Secretary Rusk:* Well, there has been a considerable increase, both in the scale and the character of the Viet Cong effort as it has been fed from the North. For example, that ship that came down from North Viet-Nam and was captured in Vung Ro Bay the other day with some 80 tons of ammunition, weapons aboard.

*Mr. Niven:* Well, we started—

*Secretary Rusk:* That would have equipped a force of some 6,000 or 7,000 men, if you look at all of the components in it, look at what sort of force they could supply.

We have had attacks aimed specifically at American installations, at key South Vietnamese installations. We had the Gulf of Tonkin affair.<sup>2</sup>

Now, these do not involve policy questions. I would like to underline that. Because the policy has been very simply set forth by the President on many occasions and by the Congress in its resolution of last August,<sup>3</sup> within which specific actions fall as required by the circumstances.

<sup>2</sup> For background, see *ibid.*, Aug. 24, 1964, p. 258.

<sup>3</sup> For text, see *ibid.*, p. 268.

For example, the Congress itself, last August, if I can just refer back to that resolution, declared that:

The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia.

And it said that

. . . the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

Now, as the character of the aggression changes, then the countermeasures themselves change.

*Mr. Niven:* But how is the character of the aggression changed when you yourself were saying, back in 1961, North Viet-Nam was making a determined effort to take over South Viet-Nam?

*Secretary Rusk:* By a substantial increase in infiltration, by increasing acts of terror against the civilian population, by a concentrated effort to hit directly at the Americans who have been in South Viet-Nam. In other words, there has been an increase on the other side right along the line.

#### U.S. Purposes in Southeast Asia

*Mr. Frankel:* Mr. Secretary, the raids against North Viet-Nam are being challenged, as I see it, from two quite different sides. I would like to hear your answer to those two.

On the one side there are people saying, "Well, all right, if for good reason or ill you have decided now to punish North Viet-Nam directly, why do you do it so gingerly? Why do you space these raids out, at first describe them as retaliatory and then acknowledge them to be more than that, and then really have one a week, or maybe even fewer than that—what are you waiting for?"

*Secretary Rusk:* The President has indicated on several occasions that the steps which he feels he must take under the congressional resolution which was passed by a combined total of 502 to 2 votes in the Congress—the steps are measured and adequate and fitting.

Now, it is quite true that we ourselves do not wish a great war in that part of the world.

What we want is the security, the safety, of these independent countries of Southeast Asia. Therefore, we feel that the steps that have to be taken are those that seem to be necessary to make it quite clear to the other side that their attempt to solve this problem by military means that is now on will not work and that they must find a way to come to the conclusion that they must leave their neighbors alone.

Now, this is the essence of the problem.

Our purposes there are very simple. We don't want any dominion, control, position—the President has indicated this many times. We want no bases, no permanent military presence. All that we want is the right of these independent countries of Southeast Asia to live at peace, without forcible interference from the outside. And this is something on which—which more than a hundred small nations all over the earth have a fundamental interest, because it affects their capacity to exist as independent nations.

*Mr. Frankel:* And on the other side you hear the argument that is what North Viet-Nam is doing to South Viet-Nam really very different from what we tried to do in Cuba, and are we trying to apply a double standard here that wouldn't Cuba have had, after the Bay of Pigs, a right to attack us the way we are attacking North Viet-Nam?

*Secretary Rusk:* Well, in Cuba you had a regime that seized power on the promise of elections, that never submitted itself to the wishes of the people and embarked upon systematic interference by aggressive means in the affairs of its own neighbors in the hemisphere.

In other words, this was a base and point of aggression in the hemisphere. And the foreign ministers of the hemisphere have repeatedly met to deal with that situation, and in their last meeting in July of last year they brought to bear all of the peaceful sanctions that were available under the Rio Pact.<sup>4</sup>

Now, again the question is this all-important matter of leaving your neighbors alone.

Now, on the Communist side they have declared their commitment to world revolution with specific reference to Peiping, they have a

<sup>4</sup> For background, see *ibid.*, Aug. 10, 1964, p. 174.



ounced this doctrine with a militancy that has caused great difficulties even within the Communist bloc, quite apart from difficulties for the free world. They have proclaimed a doctrine that says, "We are not going to leave our neighbors alone."

Well, this is something that affects the peace of the entire world. And surely, if we have learned anything in the last 30 or 35 years, we have learned that a course of aggression which is allowed to proceed unchecked merely leads to greater catastrophe and undermines the possibilities of a peaceful structure on the international scene.

### "It Takes More Than One To Negotiate"

*Mr. Kalb:* Mr. Secretary, we seem to be in the middle of a very high-priced poker game with the Communist world over Viet-Nam right now. I was wondering, sir, in view of the fact that we seem to be in a period of continuing response to continuing aggression, and in view of the fact, as I get it, that as yet you have received no indication from the Communist world that they are prepared to negotiate some kind of honorable solution, do you then look forward to additional months of this kind of high tension?

*Secretary Rusk:* Well, I cannot be a prophet here and predict the future accurately, Mr. Kalb, because the future is being written also by the other side. But the essential elements of the situation are the infiltration of large numbers of men and large quantities of arms into South Viet-Nam, our commitments to support the safety and the independence of these countries of Southeast Asia, and, thus far, the absence of any indication from Hanoi or Peiping that they are prepared to stop doing what they are doing against their neighbors in the South.

Now, this is the present situation.

Of course, we would like to see a peaceful solution that is consistent with the independence and the safety of these countries of Southeast Asia. But if you talk about negotiations, it takes more than one to negotiate.

*Mr. Niven:* Are you saying that the North Vietnamese will have to stop supplying the Vietcong before we will sit down?

*Secretary Rusk:* I am not getting into the details of what are called preconditions, because we are not at that point—we are not at that point. Almost every postwar negotiation that has managed to settle in some fashion some difficult and dangerous question has been preceded by some private indication behind the scenes that such a negotiation might be possible. That is missing here—that is missing here.

*Mr. Niven:* Mr. Secretary, half a dozen foreign governments, third parties, have talked about peacemaking efforts. When a foreign ambassador comes in to you and says, "My government is trying to bring about peace in South Viet-Nam," do you say, "I don't want to know anything about it right now, but keep me informed," or do you say, "We strongly disapprove of these activities"?

*Secretary Rusk:* No. What we say is we do not find yet in all of the contacts that we know about—by them, our own talks with Peiping, any other means that are available—we do not see any indication on the part of Hanoi, backed as they are by Peiping, that they are prepared to leave their neighbors in Southeast Asia alone.

Now, so long as that is true, then the question of negotiation takes on a very special characteristic. We are not going to negotiate to reward aggression. And there is the problem—a negotiation which simply is undertaken and fails adds to the danger. There is no indication thus far that a negotiation can point to the security and the independence of these countries of Southeast Asia.

*Mr. Niven:* Well, do you then try to discourage third-party efforts or merely remain aloof from them?

*Secretary Rusk:* No, I think these political channels should remain open. We are not trying to block political channels. Our problem here is not, I assure you, Mr. Niven, an absence of contact between the two sides in a variety of ways. We ourselves have talked to, I think, every signatory of the Geneva agreements except Hanoi, directly ourselves, and others have talked to Hanoi. The problem is not a lack of contact. The problem is that with contact you do not see—you do not see the solution that will provide the safety and the independence of these countries of Southeast Asia.

*Mr. Frankel:* Mr. Secretary, do we feel, or perhaps even know, that the Soviet Union is trying very hard to bring North Viet-Nam around to something that they think we could accept?

*Secretary Rusk:* Well, I would not want to complicate our problems by trying to comment personally and officially on the attitude of the Soviet Union in this matter.

As far as Laos is concerned, you know, we do have an agreement there with them, at least by Mr. Khrushchev and Mr. Kennedy in Vienna in 1961,<sup>5</sup> that the solution for Laos would be that everyone should leave it alone and that that country would be allowed to work out its own problems for itself. That was the essence of the 1962 agreement.

Now, there has been, as you know, a considerable debate inside the Communist world about tactics with regard to the world revolution. Certainly in 1961, for example, there was a lively debate on this very subject of sending military personnel and arms across national frontiers. The position taken in Moscow at that time was that this would create very large risks of war with the imperialists, as they call it. In Peiping they took the view that this would not involve risk of war with the imperialists.

Well, in that debate I would suspect that Moscow is right.

*Mr. Frankel:* And we are trying to prove that they were right.

*Secretary Rusk:* It is not just that we are trying to prove that Moscow is right. We feel very strongly, based upon our own experience in the last 30 or 35 years, that a course of aggression left unchecked simply grows and feeds upon success and presents us at the end of the trail with an even greater catastrophe and an even more serious problem. The way to stop this course of aggression is at the beginning.

*Mr. Kalb:* Mr. Secretary, do we have any indication over the last couple of weeks that the Russians are now in the process of supplying military equipment to North Viet-Nam?

*Secretary Rusk:* We have no direct tangible information of the arrival of equipment in

<sup>5</sup> For text of a U.S.-U.S.S.R. communique, see *ibid.*, June 26, 1961, p. 999.

North Viet-Nam. They have supplied the North Vietnamese with many items over the past, and it is possible they might again.

#### **Domestic Aspect of Viet-Nam Policy**

*Mr. Niven:* Could we get for a moment to the domestic aspect of the Viet-Nam policy? The debate continues. Senators [Gale W.] McGee and [George] McGovern, for example, are going to be debating at 10 o'clock tomorrow night [March 8] on this network our policy in Viet-Nam. Does this kind of argument embarrass the Department of State and the President, or is it welcomed?

*Secretary Rusk:* Well, I think it is impossible in our society to say that debate should not go on. This debate has been going on for the last 4 or 5 years.

Let me say that this resolution that was passed last August by the Congress was not one of those things that just occurs overnight without consideration, as has sometimes been suggested. There have been literally dozens upon dozens of the closest consultations between the executive and the legislative branches, the President and congressional leaders, the Secretary of State and the Secretary of Defense with the key committees of Congress, both before and after this resolution of the Congress. There has been the fullest congressional consideration in all aspects of this, in great detail. And as far as the public is concerned—

*Mr. Niven:* Have the speeches of Democratic Senators since then, saying we should get out of Viet-Nam, confused our allies and encouraged our opponents, perhaps?

*Secretary Rusk:* Well, I think that there are those abroad who lean heavily upon those speeches, if they find those speeches convenient to their point of view. But I think that is not so important as the fact that this country, in the Congress, and after long and full consideration has made a clear commitment to the security of South Viet-Nam—and that on that I believe the country is solid and fully recognizes the importance of the issues concerned.

Let me also say, Mr. Niven, that I have had many discussions recently with our friends in Europe, visitors and otherwise, and although there may be an impression here that our Eur

ean—some of our European friends do not commit themselves strongly enough to this problem, they make it very clear that, if we were to pull out in South Viet-Nam, they would look upon that as a very serious development for the free world and that they would then turn right around, some of them, and say, what does that mean about our commitments under NATO?

*Mr. Frankel:* But, Mr. Secretary, you just suggested yesterday in a speech<sup>6</sup> that the allies ought to help us more, and also that they ought not, by what they say, undermine what we are doing. That was widely interpreted as suggesting that you are worried about the degree of support.

*Secretary Rusk:* Well, we would like to have as strong international support as possible for the security and the safety of South Viet-Nam. There are 12 or 15 countries now that have personnel in South Viet-Nam, another dozen or so that have contributed resources in some other way.

I would suppose at the present time there are about 2,000 personnel of other countries of the free world in South Viet-Nam in the field, helping them to get on with this job. It is important to the South Vietnamese. But it is also important as a signal to Hanoi that they must not expect that the rest of the world is going to be indifferent if they try to overrun South Viet-Nam.

So we do believe that political support, economic support, and personnel are really all quite important in stopping this course of aggression and trying to lay the basis for the organization of peace in Southeast Asia.

#### **Problems in Indonesia and the Middle East**

*Mr. Niven:* Mr. Secretary, South Viet-Nam is not your only problem, as you well know. We will get to some of the others in just a moment.

*Secretary Rusk:* Thank you.

(*Announcement.*)

*Mr. Niven:* Mr. Secretary, how long are we going to continue to maintain relations with Egypt and with Indonesia in view of their attacks upon our property and their assaults verbally on our officials and policy?

*Secretary Rusk:* Well, let's draw a distinction here between the maintenance of diplomatic relations in the traditional sense—where on the whole it is important to maintain diplomatic relations in order to have channels of communication, even with those with whom you might be in serious disagreement on particular points—and the other problem, which is the richness, the depth, the extent of those relationships across the board.

Now, in the case of Indonesia, we have as you know, recently announced that we were withdrawing our information libraries and our information activities there.<sup>7</sup>

*Mr. Niven:* They threw us out, didn't they?

*Secretary Rusk:* They made it practically impossible for those in libraries to operate. They did not throw us out. We withdrew under the conditions in which they were forcing us or trying to force us to operate.

Now, we would like to see good relations with countries like Indonesia. But this requires some effort on both sides.

I think at the present time it is fair to say that our relations are being reduced; they are becoming, to use a diplomatic word, simplified.

We think that Indonesia needs to make a real effort on its side if our relations are to be improved in the months ahead. We hope that it can be, but I cannot assure you that they will be.

*Mr. Kalb:* Mr. Secretary, in the Middle East our policy has always been, if I interpret it correctly, that we are trying to maintain a rather delicate balance of power between Israel and the Arab states. I wonder, sir, in view of recent developments if you think that policy is in any way jeopardized.

*Secretary Rusk:* No, I think the notion that the military situation in the Near East should be one which does not encourage any side to become aggressive or to start a military action is basically sound.

Where we have been disappointed, Mr. Kalb, is that we have not been able over the years—for many, many years now, running through several administrations—to achieve some sort of ceiling on the arms race in that part of the world.

<sup>6</sup> *Ibid.*, Mar. 22, 1965, p. 427.

<sup>7</sup> See p. 448.

I myself, for example, raised this question in the Geneva Disarmament Conference, pointing out that it was not just the arms race between the Soviet Union and the United States that was a problem; that there are other arms races in other parts of the world that need the attention of the Disarmament Conference.

We discussed this with the governments involved. Unhappily, we have not been able to make as much progress on this as we should like.

Now, we believe that these countries of the Near East, again, as in Southeast Asia, have a right to be secure and independent and free from interference from their neighbors, and that means we have a very important interest in the security of Israel. We have tried to work with other Arab states to work out the same basis for their national security. But it is still a tangled situation.

We have been in touch with the governments of that area recently. I cannot report today on the effects—the results of those talks. But we believe that these countries must find a way over time to live at peace with each other without interference.

We would like to see a turning down of the spiraling arms race in that area. Thus far we have not been able to accomplish it.

*Mr. Niven:* Mr. Secretary, you are now in your fifth year in your high office. You are now one of the senior foreign ministers of the world. A year or two ago you used to talk about getting out of Government service before long. Are you still talking and thinking along those terms, or are you going to stay a while now?

*Secretary Rusk:* Well, I am at the disposal of the President. He has been generous enough to ask me to serve. This is a matter primarily for him. I have thoroughly enjoyed this work. I think I will be around for a while.

*Mr. Niven:* Well, if it suits his convenience,

do you plan to stay on through this administration?

*Secretary Rusk:* Well, this is for the President to determine. It would be, I think, improper for me to comment on that kind of question.

*Mr. Niven:* Thank you, Mr. Secretary, for being with us on "Face the Nation."

## **U.S. Closes Libraries and Reading Rooms in Indonesia**

U.S. Information Agency Director Carl T. Rowan announced on March 4 that the United States was closing immediately all USIA libraries and reading rooms in Indonesia, and that USIA personnel involved would be withdrawn promptly from that country.

"This is a decision that we take most reluctantly," said Mr. Rowan. "These libraries have been a symbol of man's search for knowledge, and for the mutual understanding with which peace is difficult, if not impossible to achieve. That they were valued and appreciated is indicated by the fact that attendance at these libraries rose from 24,000 in 1948 to more than half a million in 1964. We have made it clear that we regard book burnings and the banishing of films and music as a step backward.

"In this instance, however, the Indonesian Government has left us no choice but to close these libraries. Not only has it failed to restrain those who have attacked the libraries periodically, but it has now seized the libraries and placed the whole USIA operation under conditions that we find intolerable. Until such time as our libraries and personnel can function under conditions that meet an acceptable standard of international conduct, USIA will cease to operate in Indonesia."

## Communist China as a Problem in U.S. Policymaking

by Marshall Green

Deputy Assistant Secretary for Far Eastern Affairs<sup>1</sup>

Our topic today is American policy toward Communist China. I should perhaps begin by noting that there are very strict and serious limits within which that policy must be pursued.

We—and the outside world, for that matter—have little leverage on the course of developments in Communist China. The mainland of China is tightly controlled by a small group of men singularly impervious to ideas from abroad, and the continental scale and mass of mainland China lessens its reliance upon external relationships.

Our policy toward Communist China is not policy toward that one country alone. It is inextricably connected with our policies toward China's neighbors, some of whom are very directly threatened by Communist expansionism. We have responsibilities toward these nations, and, having had a role of leadership thrust upon us, we must give clear and unwavering evidence as to our intentions, for those who seek our support. An effort to show flexibility and to better relationships with Communist China would be disastrous if not accompanied by a clear willingness to stand by our friendships, our principles, and our commitments in the Far East.

Finally, Peiping's policy toward the United States is very simple. It is one of avowed hostility. It does not allow even for the working out of lesser problems in our relations, to say nothing of an exploration of fundamental solutions of issues between us. As a Chinese

Communist document puts it: "We do not wish to settle our disputes with the United States on a piecemeal basis; else we will undermine the revolutionary fervor of our own people. When the time comes for a settlement, it will be done all at once."

This is not a climate in which one may look for quick or easy solutions.

### Outlook of Chinese Leaders

We can be fairly certain that mainland China's fate today is largely controlled by some 70 top Communist leaders, most of whom have much in the way of common experience, who have gone through the cruel and annealing experience of the long march, the Yen-an Caves, and the struggle against the Japanese, the Chinese Nationalists, and the United Nations in Korea. These are men who have grown tough and hard and intransigent in the course of this long struggle. They are men who are dedicated Maoists, who are Sinocentric in their outlook, and whose suspicions and inherent xenophobia have been fed by deep resentment of the indignities which China suffered at the hands of the West in the 19th century. In the course of this long common struggle the leaders of Communist China have experienced what in their eyes has been a triumphant success, and this flush of success has contributed to the absolute certainty they feel that the course on which they are embarked is the only one for China. They have a monumental conviction as to the rectitude of their position.

Through violence they successfully made a revolution; and they brought their revolution

<sup>1</sup> Address made before the Princeton University Conference on the United States and Communist China at Princeton, N.J., on Feb. 26.

to success in the countryside and in locales isolated from the interchange of modern ideas. Perhaps this helps to explain their narrow, almost primitive division of the world into what they see as "good, rising progressive forces" like themselves and "bad, decadent imperialist forces" led by ourselves. For them the world is divided into two hostile camps. There is no tolerance of neutrals except insofar as neutrals may be moving in the direction desired by the Peiping leadership.

These leaders have publicly proclaimed a dogma which demands that all non-Communist states must be communized, that this process must be done violently, and that the "bourgeois state machine" must be "smashed." They argue that all the self-proclaimed Socialists who are not Communists are "bourgeois" and marked for destruction, though they may be used for a time to further the Communists' policies. All means are justified, and legal means are presumably the least attractive, since the Chinese say that they are the least likely to succeed. I am not making this up; I am paraphrasing Communist sources.

Being a simple man, I am prone to simplicity of formulations. Hence I am attracted to the "concentric circles" definition of Communist China's ambitions in foreign affairs. You will recall that this formulation sets forth three concentric circles, the innermost of which is China's desire to restore Peiping's control over all areas China regards as her own. The second circle represents Peiping's objective to regain control over areas adjacent to China's borders which at certain times in the past have been under Chinese dominion. Southeast Asia would be a case in point. The third and outer of the concentric circles would be the achievement of great-power status complete with nuclear weapons and becoming the dominant force in the world tomorrow. These objectives are simultaneously pursued.

Of course, such a pattern does not fully establish China's foreign policy goals, for obviously they transcend such narrow definition. For one thing, Peiping is bent upon redressing past indignities imposed on China. It aspires to leadership of the Socialist camp as well as the defeat of "modern revisionism," which it sees as corrupting the world Communist movement. In-

creasingly it craves leadership of the Afro-Asian world, identifying China with that majority of the world's population living in less privileged circumstances. Because China sees all these ambitions as challenged one way or another by American policy and American design, it is a fundamental objective of China's foreign policy to expel American power and presence from Asia and the West Pacific.

Peiping's tactics in pursuing the foregoing objectives are too well known—indeed painfully well known—to require review. The pursuit of its objectives is of course greatly facilitated by the many basic differences, divisions, and discords amongst China's neighbors. Peiping is also in a good position to exploit the many disappointments and frustrations of our times and to associate itself as the leader of less developed nations in a world where the gap between the have and have-not countries seems unfortunately to be growing.

#### **Current U.S. Policy Toward Communist China**

It is difficult to separate out United States policies toward Communist China from United States policies toward Asia. China makes up a large slice of Asia, and it is China's central threat to its neighbors that poses such a problem for our policy there. Some of our policies, such as assisting nations to achieve economic and social progress, would be pursued even if China did not exist, but the presence of Communist China undoubtedly makes our programs larger and more urgent. These policies could be, for purposes of our discussion today, put under two general headings.

First are the policies directed toward strengthening the security of free-world countries, especially those menaced by Communist China; and of promoting the stability and economic growth of these countries; and of promoting unity and cohesion to the extent we can among the countries comprising the free world.

Then there are the policies that we pursue directly toward Communist China itself. In essence, these policies boil down to seeking to make clear to Communist China that its external adventures are risky and expensive, while at the same time doing what we can to make possible and attractive a process of change whereby

mainland China will come to adopt a less intolerant view of others.

We avoid those actions which would tend to strengthen Communist China's position or contribute to the realization of its expansionist goals. Thus, we refuse to establish diplomatic relations with Communist China or to promote its seating in the United Nations. We see little to gain and much to lose through such action.

As to trade with mainland China, we maintain a complete embargo on trade and financial dealings. We do not prevail on others not to trade with mainland China, but we try to hold the line against trade in strategic items and we have urged our friends not to extend trading terms that amount to aid to Communist China.

A significant but oftentimes overlooked aspect of our current policy toward Communist China is the fact that, while opposing Communist Chinese expansionism, we nevertheless would improve some of our contacts with Communist China. Under this general heading we have held more than 120 diplomatic-level talks with Peiping representatives in Geneva and Warsaw; we have participated with Peiping in international gatherings such as the Geneva talks of 1954 and 1962; we have authorized virtually every newspaperman who has so desired to travel to Communist China; we have authorized a number of other visits to Communist China by Americans for humanitarian or national interest reasons. The United States Post Office accepts letters for delivery to mainland China. There is no prohibition on correspondence to and from China or even on the export of films.

We are holding out the possibility and prospect of expanding such contacts. I for one would greatly hope that they could be expanded and that Peiping would not continue to reject this overture from our side, for I believe it would be in our common interest to have wider knowledge of each other.

Is it possible simultaneously to pursue a policy, on the one hand, of seeking to thwart Chinese Communist ambitions and, on the other hand, of seeking to moderate those ambitions? I see the two as entirely complementary. Peiping is not likely to deviate from a course of expansionism if it feels that that course is succeeding. The laws of bureaucratic behavior

suggest that no politburo group is likely to suggest a change if Peiping is moving from what it regards as success to success. Only if the costs and risks of expansionism are evident whilst alternative opportunities are available to devote themselves to purposes more at harmony with the rest of the world, only then are the Chinese Communists likely to decide to live in peace in a world with other peoples and other ideas.

### **Is This All We Can Do?**

Is this all we can do?

It takes two to tango. In part, our relationship is inescapably established by Communist China's attitude toward us, and this attitude at this particular point of history is embedded in a singularly fierce and inflexible mood in Peiping. There is very little "give" to permit improvement in relations with these men.

It is argued that Communist China wants to trade with us. Yet, in 1961, when there was starvation in China, President Kennedy carefully avoided a flat refusal of foodstuffs for the Chinese. He simply observed that there must be some indication of need. The only response from the Chinese Communists was a much-delayed offhand statement by a Chinese Communist official to Japanese reporters, alleging that America was trying to use food for subversion and to open the way for American occupation. Last year, when an American chamber of commerce official advocated trade with Communist China, the Chinese Communists stated, "We will not trade with the U.S. because its government is carrying out a two-Chinas plot."

As to personal contact, they have avoided it. They will not exchange journalists nor allow American journalists to visit China, with one or two favorite exceptions.

When an American medical doctor was given a validated passport to travel to Communist China to respond to a Chinese Communist invitation, the invitation was rescinded.

They have set their terms for entry into the United Nations, and they have set their terms for disarmament talks. In 1962 and again in 1963 we asked the Chinese Communists for their views on specific disarmament problems and re-

ceived no answer other than the demand that we forthwith agree to a destruction of all nuclear stocks—unverified—and to send our President to participate in a gigantic conference of heads of state (this latter a device to divert the world's attention from their refusal to sign the partial nuclear test ban agreement).

Given this evidence of their views, I see little reason to hope that the Chinese Communists would be interested in closer contacts of any sort with the United States. So long as they are obsessed with keeping their Marxism "pure," the Chinese Communists have more to fear from the exchange of ideas than does the outside world. If we are faithful to our heritage, we can admit new ideas and allow them to compete in the marketplace. If the Chinese Communists hold to their dogma, they cannot allow such unfettered competition.

### **Is Eventual Moderation in China's Outlook a Real Possibility?**

Neither Mao Tse-tung nor his enemies claim to know which direction change will take in Communist China. But we may be confident that behind that monolithic front there are differences and there are the seeds of change.

There have been changes in the past. In the mid-1950's, emboldened by their conquest of the mainland and by the relative success of the first 5-year plan, the Chinese Communists were confident and, in a sense, outgoing. The year 1957 may have been a crucial turning point. The year before, the uprisings in Hungary and Poland suddenly made the Communist leaders everywhere aware that beneath the forced agreement there might be a ferment of unrest. Mao, it would now seem, elected first to meet this danger through internal liberalization. The ill-starred period of the "100 flowers" ensued, and frank opinions were solicited from all. No dictators brook criticism, and perhaps they forget that the flattery they hear does not always flow from the heart. When the "100 flowers" unleashed the bitterness pent up in China, the Communists were terrified. The reaction was a wave of enforced conformity, the suppression of all criticism and complaint, and the punishment of those who had dared to criticize.

Perhaps the disastrous "great leap forward" of 1958 resulted from that decision. Without the brake of criticism, the leaders did not learn till too late of the errors they were committing. Those who were skilled enough to tell them dared not do so.

The trend in mainland China since 1957 has been not toward freedom but toward suppression. Yet suppression usually generates its own resistances, and Mao's fears of his country's youth perhaps reflect the discontent brought about by enforced conformity.

Mao and his cohorts are old. Today, in Communist China, they are running a "rectification campaign" to stamp out "revisionism" among the young. What are the oldsters afraid of? They are afraid because the young know something that they don't know. The young know that some of the most interesting work on economic planning is being done in the United States. Some of the leading work in high-polymer chemistry is being done in West Germany; in the U.S.S.R. there is interesting basic research being pursued on elementary particles and on lasers. India is a leader in pure mathematics, and Japan in electronics. I could extend the list. What is true of the sciences is true of philosophy and the humanities. Mao thought the world was explained by Marx. I would venture to guess that, all over China, minds are developing which know that reality is too complicated and too diverse to be explained simply by Marxism, that truth comes from many sources, and that it is best received by minds not chained to a dated dogma.

If China is to be modern, if inquiry is to be free and successful, those who inquire must come to learn that Marxism is not the only source of ideas, and not necessarily right. Mao cannot understand this; he sees the process only as the dilution of Marxism, and he is afraid. He is afraid because the world seen today by a young Chinese intellectual may not look the same as it did in 1919 to a young Chinese librarian.

We do not know in which direction change will move, nor how fast. There may be grounds for hope, however. Communism may create the seeds of its own destruction. Education and industrialization call for new ideas, and I have described a change whereby already



Marx or any similar dogma may seem less satisfactory and less complete to China today than it did to Mao.

Moreover, communism is a religion of hatred. It is founded upon an assumption that men of different walks must hate each other. Where hatred exists, communism is most successful. Yet there is in the Chinese tradition a very strong and deep streak of humanity, which communism submerges. The Communist regime takes erst while prosperous peasants—long since bereft of their possessions by “land reform”—and attempts to set them up still as the objects of hatred, to divert anger from itself to them. This is a new thing in Chinese government. Perhaps, to paraphrase a Chinese proverb: One can conquer the kingdom with communism, but it is a poor basis upon which to organize society.

If communism appealed to many Chinese intellectuals because, in the postwar disorganization and decay, it offered national strength and freedom from corruption, these problems have tended to disappear. The problems which must now bedevil the intellectuals are the stifling controls, the absence of freedom, the pervading conformity. These are the problems which must now seem to cry for solution to the people in China. One does not lose hope that the people will be successful and communism moderated.

Against all this background, I can only recommend a posture of strength with patience. We must remain loyal to our friends and be ready to extend support and encouragement to China's neighbors and even distant lands in Africa and Latin America threatened by a system which they do not want. Our bilateral relations will continue to be circumscribed by the Chinese Communist attitude, and a change in that attitude will come only with the passage of time. Time could bring about a more dangerous Communist China. Right now it is still on the upward rise of a militant revolutionary dynamic. On the other hand, and in the longer run, I sense that time is more likely to bring about an erosion in the rigid, the doctrinaire, and the dangerous. We can advance that process through our firmness and yet willingness to remain patient and civil. We may thereby hasten the day when mainland China rejoins the ranks of those who are fallible and recog-

nize they are fallible, who recognize that sharing this planet in peace is more important than any transient dogma.

## **President Pleased With Voluntary Support of ICY**

*Statement by President Johnson<sup>1</sup>*

On October 2, I proclaimed this 20th anniversary year of the birth of the United Nations as International Cooperation Year in the United States.<sup>2</sup>

I am highly pleased by the extent of voluntary support being given to this observance by citizens throughout the country. Mr. Benjamin's progress report this morning was inspiring. I believe Americans today fully recognize that international cooperation is the one sure way toward peace. The depth of such citizen support is a source of strength for all of this nation's policies and purposes.

Over the two decades since San Francisco, we have taken long strides toward organizing common enterprises across national frontiers—at both governmental and private levels. I believe it is time now to take stock of what we have accomplished and what we have learned—and look ahead to identify the purposes and aims of our continuing efforts in this century.

This is not a job for government to do alone. Citizen participation and understanding is the sure base on which we build.

I am hopeful that the White House Conference on International Cooperation which I have called for November 29 to December 1 can be a landmark session. I hope the conference and the preliminary discussions leading toward it can be a source of new and thoughtful evaluations of what we can do in every major field of international cooperation.

<sup>1</sup> Made on Mar. 4 following a meeting at the White House with Robert Benjamin, chairman of the board, United Nations Association of the United States of America (White House press release).

<sup>2</sup> For background and text of proclamation, see BULLETIN of Oct. 19, 1961, p. 555.

## The Chapter That Keynes Never Wrote

by *W. W. Rostow*

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I made notes today reflecting on my travels in Latin America and on the work that I've been doing in CIAP; and I decided to talk tonight about a problem which I believe is fundamental to the future of democracy and the future of economic development in almost every part of the world. A title for what I have to say might be: "The Chapter That Keynes Never Wrote."

Briefly, the problem is this: The Keynesian revolution taught us all that unemployment is an act of man and not of God; that it is within our own powers to prevent the terrible discipline of depression, or recession, which was a means of keeping a certain order in growth during the 19th century. This was the period and the problem I first studied. But what Keynes did not teach us was how in a democracy you maintain full employment without inflation.

At the moment, in the postwar world, there is—and I believe there properly is—a feeling among our people that they will not accept severe depression any longer as a fact of political life. Out of this feeling arises the problem that confronts us all. It is not a problem of underdeveloped countries, nor a problem of Latin America alone. It is a problem for the United States and for all economically advanced democracies. It is: How do we maintain full employment without inflation and without the kind of stop-and-go policies that we have seen, for example, in England and in Argentina and in the United States of the 1950's?

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<sup>1</sup> Address made before an Argentine student group at Buenos Aires, Argentina, on Feb. 24.

One must first establish why it is that democratic political and economic procedures tend to yield inflationary pressures.

The answer arises from the fact that prices and wages are set in two separate operations in our society, neither of which conforms to classic competition as we all learned it in our textbooks. We have moved—and there are good reasons why we have moved—toward collective bargaining. In a collective bargaining arrangement between industry and labor there are limits and disciplines on both sides. But those are the disciplines of the situation in that industry. If labor has good bargaining leverage and presses hard, and if the situation of industry is such that it feels that it cannot get a lower level of wages, it does two things: It accepts a wage increase which goes beyond the increase in productivity in that industry; and then, to protect its profits and its viability, it raises prices.

The second part of the process is, of course, in price-setting itself, independent of labor bargaining. In many countries industrial prices are not set on the simple model of competitive operations which we learn in our textbooks. You do not necessarily have pure monopolies; but you do have groups of industries setting prices on what we economists call oligopolistic terms, which means, simply, that each firm takes into account the effect of its own actions on the market.

Moreover, in an inflationary situation, where people have come to expect prices to rise and wages to rise, business then proceeds to anticipate these rises; and by its anticipating them.

prices in fact do rise. This forces up the cost of living. Thus the case for an increase in wages in the next round of negotiation is very strong.

The banking system, faced with this kind of collective bargaining, where there is no relation between wages and productivity, and faced with price-setting which may anticipate inflation, has the choice either of checking the process at the cost of unemployment and slowing down the rate of growth, or of simply validating the process and permitting growth and inflation.

The problem as I've roughly defined it, as I say, is not a problem for Argentina alone or for Latin America alone. It's a problem in the United States. It's a problem—the central economic problem now—in Western Europe.

Before I discuss how one deals with this problem in more specific terms, I might say briefly what the answer is that we have begun to find in some countries—and that I think we must find in the second half of this century in all countries if democratic methods are to prove viable. The answer is to make, in effect, a kind of social compact in the society, in which the setting of wages is disciplined in terms of productivity, protecting the real wages of labor and permitting labor to share in productivity increases but keeping wages from going beyond that norm; a compact in which prices are set in terms of the real cost situation and do not seek to anticipate inflation and thereby set in motion a circular process. (I may say that in many countries where I have observed the process of inflation I have the feeling that a large part of the process resembles a dog chasing its tail.)

#### **U.S. Acceptance of Wage Guidelines**

That was precisely the problem President Kennedy faced when he came to responsibility in Washington in January of 1961.

In the latter years of the 1950's, although it is not generally understood abroad, we in the United States had our own version of what we can see quite often in Latin America: namely, unemployment and rising prices. President Kennedy understood that, unless he could solve this problem, his two most important objectives and responsibilities were endangered.

Our rising prices were weakening our bal-

ance-of-payments position. That meant, in turn, that our ability to maintain military forces and to meet our commitments around the world might be endangered and that foreign aid programs might be endangered. There was the danger of our being forced by balance-of-payments pressures to retract from our commitments and responsibilities on the world scene.

And there was a second danger. If we tried to meet those international commitments under this kind of inflationary pressure, we would have to forgo doing in the United States those things President Kennedy had set his heart on doing. We would have had to maintain such high interest rates and monetary restraints that we would continue to have severe unemployment and a low rate of growth. It would have been impossible to get from the Congress, under those circumstances, the resources we wanted for urban reconstruction, for education, and for those other domestic objectives of both President Kennedy and President Johnson.

Certain key industrial leaders were brought together with labor leaders and with representatives of the consumer and agriculture. Out of those White House talks emerged what we call wage guidelines, which is, simply, that we try to keep the wage increase in the United States—that is, real wages—at a level no higher than the average increase in our productivity.

This means, of course, that industry also had to avoid price increases. It could not try to take advantage of this new wage discipline. It had to follow price policies that fitted these guidelines.

This acceptance of wage guidelines without formal legislation was a *tour de force*, an act of extraordinary leadership in our society. And, in the end, after some rather famous difficulties with the steel industry, wage and price guidelines have come to be built into our country's economy. But it will take endless vigilance and self-discipline on all sides to maintain them. But that is always the way with a democracy.

Of course, we in the United States are not the only ones to face this problem. Italy, in the great adjustment after 1962, when at last there was no longer a surplus of labor from the south, has had to face exactly this problem; Britain now faces it; France faces it; Germany

in time will face it. The Netherlands and Scandinavia for some time have conducted interesting experiments in this kind of basic social compact which permits the reconciliation in a democratic society of the imperatives of both full employment and relatively stable prices.

### **Experience With Inflation in Latin America**

In Latin America the problem is, perhaps, more difficult than it has been for the United States and Western Europe. Latin America is, as I have said on other occasions, at the end of its first generation of sustained industrialization. That process has brought new people into the cities from the countryside. It has brought a shift of political, social, and economic power from the countryside to the cities. These events in the first generation—this coming into a new circumstance, the beginnings of modern industrial life—have led the people in the cities to push hard for their advantage, since they did not have many advantages in the earlier historical situation.

At the same time, for technical reasons, industry has been governed by monopolistic pricing. The technical reasons are two. First, private industry has worked behind high tariff barriers with small markets. This meant almost inevitably in the early stage, when there weren't many firms, that they found themselves in a monopolistic situation. Then, of course, the governments took over and operated a certain number of industries which were inherently monopolistic; and that was one of the reasons why they felt nationalization might be socially necessary and justified.

But the problem is that there is a resultant tendency—a systematic tendency—to move toward inflation. And inflation endangers the whole future modernization of Latin America.

In the first generation inflation was, in a sense, bearable, not because it helped Latin American development but because it was not

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<sup>2</sup> For a statement by President Johnson regarding the report, see BULLETIN of Dec. 7, 1964, p. 804. Copies of the report (CIAP-170) are available from the office of the Assistant Secretary for Economic and Social Affairs of the Organization of American States, Pan American Union, Washington, D.C.

inconsistent with a boom based on import substitution. The fact that you could have an import substitution boom under inflationary conditions led some to believe that inflation was some kind of special device which avoided the normal disciplines of economics and politics and social organization. But the experience of Latin America in recent years—in Uruguay the experience goes back almost a decade—the experience of a combination of inflation and stagnation, and sometimes inflation and severe unemployment, has led to a profound rethinking of this problem in Latin American.

### **The CIAP Report**

We in CIAP [Inter-American Committee on the Alliance for Progress] have taken this matter seriously. CIAP is, as you know, a group which consists of a chairman, who is Carlos Sanz de Santamaría of Colombia, and seven other members, all of whom are Latin American except myself. We have all agreed that we must try, within our possibilities, to help the nations of Latin America reconcile stability with development. Our report in October, which went to the ministers meeting at Lima, has a long section on inflation.<sup>2</sup> It represented the most serious and systematic thought that all of us, representing very different experiences, could bring to bear on the problem of Latin American inflation.

We began by listing the damage that inflation does. Inflation distorts the direction of investment; it sets up exchange rates which tend to lag behind their real level and make exports difficult; it tends to make men seek in business not to maximize their output at lowest prices but to find that type of output and that price level which is the best hedge against inflation. It creates an atmosphere among devoted laborers, with great skills and a desire to do something for their country, in which they lose the sense of the relationship between productivity and their income; and they, too, struggle, like businessmen, to hedge against inflation.

The last of the eight points we made is, I think, the most profound and serious. It is the one that I wish to talk about now.

The last point we made was that inflation sets

every element in the society against the other. It prevents that coming together of people around a national objective and a national program which is essential for the serious modernization of the whole society. This is not a question of one group's being more wicked than the other. When you live in an inflationary environment, and you are uncertain about the possibilities of stabilization, you are driven inevitably to take out the best insurance policy you can for yourself, your family, your group. The fact that this effort to take out insurance policies leads and forces further inflation is a fact that each individual and group, operating alone, is in no position to take into account.

In the CIAP report, which you can all get from the OAS [Organization of American States] (Report No. CIAP-170), we then set out a three-point program to bring inflation to a halt. I summarized it at a press conference today; it's available to you, and I'll just list the headings and we can go on.

### **Program To Halt Inflation**

The first heading is, of course, that you must cut the government deficits and bring the budgets into balance. Deficits are a direct inflationary impulse; but, beyond that, when the government does not move toward balance, the confidence that inflation can be controlled is lost in the society. Men assume inflation and, by assuming it, bring it about. So you have two effects: a direct monetary effect of the deficit and what you might call a confidence effect.

To end these deficits means getting greater efficiency in the government-owned corporations, the *antarquías*, the railroads, and so on. And it means more people must pay their taxes. There is no way for a truly modern society to develop if men don't pay their taxes. It also means thinking about rates which really represent the cost of the service provided by a government corporation.

The second category is less familiar (and we in CIAP have been crusading for it because we think there are so many unfamiliar, unexploited possibilities): it is to attack the cost of living from the supply side by improving the marketing arrangements between the countryside and the city.

You know in Latin America—perhaps not so much in your country, but generally in Latin America—the farmer often gets only 15 percent of the price of food in the city, due to the existence of five or six intermediaries. This means food prices are high, but what the farmer gets is low. We must try to help governments and private organizations cut this margin. A reduction in this margin could play an important role in damping down inflation.

On the industrial side there are possibilities of getting industrialists to begin to produce with a mass-market mentality rather than a small-market mentality; that is to say, they must seek to accept small profit margins and seek big turnovers.

I remember saying this to a group of businessmen in Venezuela. This was a good group who had put out a proclamation in support of the Alliance for Progress. I told them that I was pleased to see their support for the social objectives of the alliance: health, housing, education, and so on. But I felt that, as businessmen, they had an additional and distinct obligation. Their obligation as businessmen is to stop regarding the poor folk in their country as a social problem and begin to look at them as potential customers, and to end the game of big markups and low turnovers and begin to become modern businessmen who play for small profit margins and high turnover.

### **Social Compact for Efficient Use of Resources**

Now for the third part of the CIAP program. In addition to the attack on the deficit from as many directions as is necessary; in addition to the government's setting a good example of efficiency in its operations, in the government corporations and elsewhere; in addition to the attack on the cost of living from the supply side, a social compact must be sought.

Now what is the substance of this compact? For each country it may be difficult to negotiate, but its essence is quite simple.

Labor must be given confidence that its real wage will be protected and that it will get a fair share of the increases in productivity. Now labor struggles in an environment of inflation to get a wage increase beyond the last increase in the cost of living. But I don't think there is

any member of a working class family who, in his heart, doesn't know that further inflation will take that away and the trend of his real wage will decline. There is no group in the population of a country which has a greater stake in price stability than the working class. The systematic history of inflation is that the working class is least able to defend itself in an inflationary environment.

In return for a firm link between wages and cost-of-living changes, labor must accept the fact—which every serious workingman knows—that what he will get in real terms over a period of time depends on how much work he does; that is, he must also accept a link between productivity and wages. I myself was brought up close to working people. I worked in my father's small factory. I have never believed that workingmen were too ignorant to know their own interest and to know it with great wisdom. I believe that, if this compact could be put to them in a way in which they had confidence, they would accept it.

Now on the side of industry. Industry must be given confidence that the level of wages will not rise beyond productivity increases. It must also develop confidence that the wage guidelines will be held and that it will be able to operate in a stable environment. In return, industry must, of course, pay its taxes, which is necessary as part of monetary stabilization; and it must follow price policies that do not anticipate increases in wages: industry must forgo inflationary price policies. Industry must also play its part in the attack on the cost of living from the supply side. And this goes not only for men of industry but also for men of commerce.

Then, finally, there is the question of government. In all this, government must, of course, lead the way. It must, where it is involved in negotiations with labor, show that the line linking wages to increases of productivity will be held. The government must be resolute in collecting taxes. And, as I said earlier, it must, above all, set an example of efficiency where it has production responsibilities and in government expenditures so as to demonstrate at the heart of national life that the objective of the economy is to use resources efficiently.

The most basic definition of economics re-

mains, I think, still the best: it is the art of allocating scarce resources with alternative uses, in the light of individual and communal objectives. All of our countries, no matter how rich, are dealing with the problem of scarce resources. If these resources are not expanded, the society cannot really benefit. And no group really can benefit for long, even though it may think, in the short run, it has got a pretty good deal. There is no substitute for increased productivity in economic development.

### **Stabilization and Economic Development**

Now I know very well that it is not easy for political parties in the United States and in Western Europe to make this kind of social compact. Our political parties have tended to build up, between the opposition and the government, a dialog sometimes based on ideological slogans and concepts out of the past. It is hard in the United States and Western Europe to get the degree of consensus that is required, in the face of outmoded political concepts and commitments.

What is the consensus we seek? It says, "Yes, we shall have competitive political parties, we shall debate, we shall argue; but we shall argue within an agreed framework in the society which permits us to reconcile stability and full employment."

In Latin America the development of this great continent with enormous potentials and a great destiny on the world scene hinges on finding an answer to that question. And the Latin American political parties, of course, like our own, have their roots in old quarrels and old debates that go back, some of them, to the French Revolution and to ancient local quarrels. (For example, I was well educated today at lunch about the jockeying between Buenos Aires and La Plata.) Every country has a basis for its party structure in the issues of the past—in its own country and elsewhere. But the modern problem, the problem of developing a foundation in a society which will reconcile stabilization and growth, is the problem of finding a consensus on these critical issues and having politics go forward within that frame.

People often ask what the relationship is be-

tween stabilization and development. We have tended to put the two parts of our work in economics in separate chapters. The monetary experts generally talk about the money supply, exchange rates, and prices, while the others talk about investment, capital output ratios, and GNP. That split in economics was never sound. But now it leads us in the wrong direction; for when one goes deeper into the problem either of development or of inflation, he finds both stabilization and development hinge on the same kind of compact in a society. On the stabilization side, it is a compact of the kind I described, in which each one is given an incentive to do the thing he knows to be in his longrun interest and to forgo the thing he is tempted to do in his shortrun interest. And he can only do that if each element in the society plays its part. But equally, as I was saying today at the press conference, development also requires a deep social compact. Economists have a proud role to play in economic development. But I would say about economists and development what Clemenceau said about generals. He said that war was too serious a matter for generals: just so, economic development is too serious a matter for economists—at least, for economists alone.

In the end a development plan has got to be an agreed vision of where a country wishes to be in 5 or 10 years. It must be understood by each sector and each region of the country; it must be debated by each sector and region until each part of the society comes to an understanding and an acceptance of where its own part fits in the total scheme; and then the society can go forward.

We can see in many Latin American countries the beginning of an important effort to take the national development plans out of politics. I don't know enough about Argentina to say whether this is possible or wise. Every nation's politics is uniquely its own. An outsider should not try to be too wise about it. But I

also know that the struggle is going forward in many nations to do just that—that is, take the development plan out of economics and out of conventional politics and put it into the nation. This requires also a consensus and a social compact.

And this is right; because we economists are and should be rather humble people.

I quoted today the medieval story of *Le Jongleur de Notre Dame*. We're jugglers. But we're juggling for a great purpose. That purpose is to generate the material resources, the social institutions, which will provide a better life for the men and women and children of the countries with whom we work.

All of us who work in the Alliance for Progress are conscious that whether we are playing with statistics or arguing capital output ratios, or doing other technical things, this is really what the game is about.

I began by saying that these were rough notes for a chapter that Keynes never wrote. But I should like to end by reminding you of the statement Keynes made in his toast to the Royal Economic Society in 1945. What I have tried to say to you tonight is in the spirit of that toast.

Keynes said: "To economics and economists who are the trustees, not of civilization, but of the possibility of civilization."

Thank you very much for coming.

## **Members of Advisory Commission on Cultural Affairs Confirmed**

The Senate on March 9 confirmed the nominations of Homer Daniels Babbidge, Jr., Walter Johnson, Roy E. Larsen, and Arnold M. Picker to be members of the U.S. Advisory Commission on International Educational and Cultural Affairs. (For biographic details, see White House press release dated February 13.)

## Department Officers Address Foreign Policy Conference at Dallas

*Following are the texts of addresses made by Joseph J. Sisco, Deputy Assistant Secretary for International Organization Affairs, and Ellsworth Bunker, U.S. Representative on the Council of the Organization of American States, at a five-State regional foreign policy conference conducted by the Department of State at Dallas, Tex., on February 27 and sponsored jointly by Southern Methodist University and the Dallas Council on World Affairs. Also featured on the program were remarks made at a luncheon meeting by Under Secretary George W. Ball and addresses by Fred L. Hadsel, Director of the Office of Inter-African Affairs, and Peter Solbert, Principal Deputy Assistant Secretary of Defense, International Security Affairs. The moderator of the conference was Richard I. Phillips, Deputy Assistant Secretary for Public Affairs.*

### ADDRESS BY MR. SISCO

#### HARD CHOICES AT THE U.N.

Press release 31 dated February 26

For weeks the newspapers have been reporting on the latest crisis at the U.N. Just last week the 114-nation General Assembly adjourned until September<sup>1</sup> without dealing with its annual agenda—an agenda loaded with new issues and hardy perennials. The news weeklies and cartoonists have had time to size up the situation and again raise the question: Will the U.N. survive?

This is not the first time this question has been asked in the 20-year history of the United Nations. And it won't be the last. Just the

<sup>1</sup>For background, see BULLETIN of Mar. 8, 1965, p. 354.

other night, for example, I was checking something in the 1948 volume of *United States and World Affairs*, published annually by the Council on Foreign Relations. Chapter 10 was entitled "Crisis at the U.N." That was after the first 2 years of the life of the organization.

Since then the United Nations has been sanctified and buried more times than any institution in history. Somehow we Americans seem to have an affinity for characterizing problems as crises. At the same time, we tend to expect each problem and crisis to be resolved by some single convulsive act—a summit meeting—some kind of a showdown with a yes-or-no, fish-or-cut-bait answer. We tend to expect the U.N. to usher in perpetual peace or collapse to the ground. We oversold the U.N. at its birth; and today we tend to underestimate its resilience and adaptability as it faces new problems.

But usually the world doesn't work that way. The showdown doesn't necessarily come. The fish-or-cut-bait situation does not too often arise. We keep saying that this or that situation can't continue any longer—and somehow it manages to continue for quite a bit longer. The U.N. neither rises to heights of greatness nor crumbles to ashes. In other words, it's a political organization.

In the past 20 years the United Nations has faced a whole series of external and internal crises. It is a reflection of our times. In one way or another, it has survived them all. And in the process we have learned that neither the U.N. nor any other instrument of diplomacy can provide a quickie answer to our international problems. The job of peace is a hard, day-by-day, nuts-and-bolts process that requires patience and prudence, firmness and resolve.

None of this is meant to deprecate the fact that the United Nations is, in fact, in the throes



f a constitutional crisis. Critical decisions lie ahead for the United Nations. The mere fact that it has survived crises in the past does not in itself prove that the present issue will be resolved in a satisfactory way.

Obviously the United Nations *could* falter—could slip back on the road toward a workable system of world order which we and most of the members have been trying to construct out of the concepts and principles of the charter and out of the institutional framework it established. This would not be in our national interest. So plain talk requires us to say that the United Nations is once again in trouble.

### Not a Life-or-Death Issue

But the point I want to make here is that the present crisis at the United Nations is not presently and need not be a life-or-death affair for the organization.

Twenty years after World War I the League of Nations was dead. Twenty years after World War II the U.N. is in difficulty but far from dead.

I believe we have learned the lesson of the failure of the League of Nations. But it is well to remind ourselves that this lesson must be constantly relearned; it must be nurtured by the day-to-day effectiveness of the organization, or the U.N. may well become less relevant to our times.

The disability at the U.N. today is in the General Assembly. The Assembly is an important part but by no means all of the organization.

The Security Council, which the charter says is the "primary" organ for dealing with peace and security problems, is still functioning. As a matter of fact, the Council had one of its busiest years in the life of the U.N. in 1964. In those 12 months, it had over 100 meetings, about one for every 3 days in the year.

It successfully organized the difficult peace-keeping operation in Cyprus. As a result, we have avoided, for the time being at least, a direct military confrontation between two of our closest NATO allies, Greece and Turkey.

The Security Council gave the Secretary-General a mandate to assist the United Kingdom and Yemen to resolve their differences over the Yemen-Aden border.

It sent a commission to look into the Cambodian-South Viet-Nam situation.

It recently called for a stop to outside interference in the Congo and is trying to help promote a peaceful solution there.

It let some steam out of the Kashmir dispute and the question of *apartheid* in South Africa by handling two new rounds in these bitter disputes.

Meanwhile, those U.N. soldiers of peace in the blue berets are on duty right now between warring ethnic communities in Cyprus—and on the truce line in the Gaza Strip—and on the borders between Israel and its Arab neighbors—and in Kashmir between India and Pakistan—and on the armistice line at the 38th parallel in Korea. These important field operations of the U.N. remain largely unaffected by the U.N. crisis. And we can all sleep more securely tonight because they are there.

What's more, about 80 percent of all the personnel of the U.N. and its affiliated agencies are working in the economic and social and technical fields in a range of specialized agencies and commissions and projects in over a hundred countries and territories.

Many of these agencies are deeply involved in the long-term task of helping the lesser developed nations move toward modern societies—by surveying resources, developing teaching skills, and transferring technology and know-how in agriculture, fishing, industry, transportation, public health, education, administration, and other fields.

And still others are engaged in operations and regulatory work which is either done at the international level or not at all—like creating safety standards for international aviation and allocating radio frequencies for international use—like the global elimination of malaria and the design of a World Weather Watch.

However the General Assembly sorts out its present problems, these extensive parts of the United Nations system are going on without interruption. In an interdependent world in which peace—politically, economically, and socially—is indivisible, such activities continue to serve the national interest of the United States. An inactive Assembly does not mean the end of such activities.

So in plain fact the United Nations is not dead. And its demise is not in our interest.

What, then, is going on?

### **A Period of Pause**

On the surface, the crisis in the United Nations is about money. But only on the surface. Arrearages up to \$133 million, of which the Soviet Union owes \$62 million, are nothing to be sneezed at.

But the issue is primarily political. It's been our view, not entirely shared by a number of other U.N. members, that the issue is not primarily between the Soviet Union and the United States. It is an issue between the Soviet Union, France, and a few other countries on one side, and the rest of the members who have shared a general view about world order and the role of the United Nations in creating and sustaining a system of world order.

At first blush the problem is as simple as this:

1. The charter says in perfectly plain language, in article 17, that "the expenses of the Organization shall be borne by the Members as apportioned by the General Assembly."

2. The charter says in perfectly plain language in article 19 that any member more than 2 years in arrears in its assessments "shall have no vote in the General Assembly."

3. For several years the Soviet Union has refused to pay for the Middle East or the Congo peacekeeping operations. Later the Soviets said they did not have to pay because peacekeeping expenses are not proper expenses of the organization and therefore the Assembly does not have the authority to levy assessments to pay for them. Thus they raised a constitutional issue—a question of law.

4. This constitutional question was put to the constitutional court of the United Nations—the International Court of Justice. The question was asked whether costs of peacekeeping in the Middle East and the Congo were "expenses of the Organization" within the meaning of the article 17 of the charter. The Court said yes, these peacekeeping expenses are expenses of the organization within the meaning of the charter.

5. By an overwhelming majority, the General Assembly formally accepted the opinion of

the Court—thus explicitly making the statement of law the policy of the Assembly as well.

Most members who were within the reach of article 19 accepted this and paid up their back assessments—or at least enough to remove them from the penalty of losing their votes in the Assembly. But not the Soviet bloc, France, and a very few others.

It was up to the General Assembly to decide whether to apply the loss-of-vote sanction of article 19 against the delinquents or whether to abandon the sanction and thus undermine the authority of its own assessment function. Yet this is precisely what the General Assembly declined to do. The General Assembly decided not to decide—at least for the time being.

Clearly the General Assembly did face a fork in the road. If the Assembly moved down one branch and applied article 19 to the delinquents two major powers might get up and walk out of the Assembly with unforeseeable consequences and possible damage to the organization. Looking down this road, it seems fair to say that a number of members did not like what they saw ahead.

If the Assembly moved down the other road and set aside article 19 to allow the delinquents to vote, this would undermine its assessment authority. Looking down this road, it seems fair to say that most members did not like what they saw in that direction either.

It was a disagreeable, hard choice, like so many in international politics today. No one interested in the future of the Assembly could face it with any relish.

The Assembly could not bring itself to make a choice. It neither applied article 19 nor relinquished it. It was neither willing to enforce the concept of collective financial responsibility in practice nor abandon it in principle. While the Assembly retains its residual right under the charter to organize and finance peacekeeping operations, it has not been willing to date to force two major powers to pay for peacekeeping operations which these powers disapprove. It did what limited business it could without taking a vote. Then it decided to put the Assembly on ice for the time being—to recess, to buy more time for further negotiations.

So, the plain fact is that there is now a period

pause in the affairs of the General Assembly of the United Nations.

A pause is not a retreat—nor yet an advance. It is time—time that has to be used well if it is not going to work against the building of an effective, operational United Nations. What Emerson said about saving money can be adapted to the pause in the U.N.'s affairs: "Economy does not consist in saving the coal, but in using the time while it burns."

### Some Hard Decisions About Conflicting Principles

Yet the issue remains. Some time has been gained to work on the critical constitutional and financial problems, but the shape of the problem is unchanged.

Both sides of this dispute insist that they stand on principle. And this is important to understand because the conflicting principles involved stem from conflicting views about the United Nations—which is to say conflicting views about the elements of international order.

The United States view is that the Charter of the United Nations is a treaty obligation and affords the framework for an evolving system of international law and order which should be upheld and expanded by custom and by extension as world conditions permit. Our view is that while the Security Council is the *primary* organ for keeping the peace, this overriding duty of the organization must not be limited to occasions when unanimity prevails among the five major powers and that the General Assembly therefore must be free to exercise its residual rights in the peacekeeping field in emergency situations when the Security Council is unable to act because of the veto. In our view, the charter did not intend to have the veto inhibit voluntary peacekeeping operations of the kind the U.N. undertook in the Congo and in the Middle East—where troops were supplied by members voluntarily and deployed on the territory of a member with its consent.

Our view is that the road to a workable system of world order is lined with international institutions with independent executive capacities for carrying out operations authorized by their memberships according to their own agreed procedures. Our view is that in any healthy international institution all the mem-

bers must be willing to apply the ground rules—whatever they may be—consistently and impartially to all.

The Soviet view is, and has been, quite different. It contends the United Nations should act to keep the peace only when the five major powers agree on what to do and how to do it and how to pay for it; that the Security Council therefore has exclusive authority in the peacekeeping field; that the function of the General Assembly should be limited to the role of static conference machinery; and that the rest of the U.N. system should do very little by way of operational programs or acquiring executive capacity.

For 20 years the United States and the Soviet Union and the United Nations and its members have been able, one way or another, to live with conflicting views and conflicting principles about the proper role of international organization in creating and maintaining a system of world order. The issue has been circumvented or submerged or put off during all this time; now it has been joined in a serious way.

If there were only one principle involved, it wouldn't be such a difficult problem—but then it wouldn't be world politics either. But there is another problem—how to reconcile the almost sacred principle of "one nation, one vote" with the earthly reality of vastly unequal resources and responsibility for what happens in the world. As a prominent statesman from a small country said recently, "Arithmetic power must not be mistaken for actual power."

The United States is continuing throughout the entire U.N. system to seek ways to assure that the major supporters have a comparable voice in the management of its operations, whether they are political or economic in nature.

We have suggested, for example, that a finance committee be established by the Assembly on which the major resource contributors would have a greater proportionate representation than they have in the Assembly as a whole. Under this plan, the Assembly could decide how to apportion expenses for future U.N. peacekeeping operations only upon the recommendation of this committee.

The Soviets have been unwilling to accept this. They continue to insist on the Security

Council's *exclusive* role. We cannot accept this negation of the Assembly's power. The Assembly's escape hatch must be available if the Council is hamstrung by the Soviet veto. On the contrary, our aim is not to cancel the Assembly's power but to work for procedures which will promote the most responsible exercise of that power.

For this reason, also, we welcome the action recently taken by the Assembly which encourages the new U.N. trade machinery, whose job will be to deal with the trade problems of the less developed countries, to proceed by conciliation rather than by voting on issues dividing advanced and newly emergent countries. If used in good faith, this procedure should further the interests of both the advanced and developing countries. For the resolutions of the new trade machinery will be recommendations only. And it serves nobody's interest to pass resolutions by a majority of less developed countries addressed to a defeated minority with the real economic power which is not prepared to carry them out.

So in plain fact the U.N. is faced with a double constitutional problem. One involves the principle of collective financial responsibility. The other is an apportionment problem: how nations with highly unequal capabilities for dealing with world problems can effectively work together on those problems on the basis of sovereign equality.

In any event, the General Assembly cannot stand forever—or for long—at this complex intersection looking at the road signs. Perhaps negotiations will show the road to take. For its part, our Government stands ready, as it has for months, to work toward an acceptable solution of the issue.

### **The United Nations in Transition**

This rather painful but professionally fascinating exercise is forcing a lot of people to think hard about the system of world order we have been trying to create—about the role of the United Nations and the meaning of its charter, and about how well this organization has served the fundamental aims of our foreign policy as it was rushed into the danger spots to put the lid on explosive conflicts, as it has

begun to work at the job of knitting together the developed and underdeveloped areas of the world in constructive and common enterprise, as it has performed essential international functions in an age made international by our science and technology.

And as we ponder all this, let us remember that the United Nations system of agencies, like national societies and institutions, inevitably is caught up in a process of transition—the main question being the direction in which it is going to evolve in the near future.

Remember, if you will, that the United Nations has taken on unprecedented tasks and that many of them represent the most difficult and intractable problems which the world has inherited over centuries of less than perfect management.

Remember, if you will, that the United Nations and its family of agencies has for 20 years been in the process of very rapid and sustained growth—an experience which often leads to periods of pause for reassessment and adjustment.

Remember, too, that the United Nations includes within its membership an extremely disparate range of societies—disparate in power and wealth, in size and experience, in political, social, and economic systems, in cultural heritage and the value systems by which they live. This is inevitable in a near-universal organization, and it just makes life that much more difficult in it.

Finally, remember that this organization is not a world government. It is an organization of governments participating by consent. It can move forward only as fast as its members want it to move. It can move only in the direction in which its members want it to move.

So the plainest thing I can say to you about the United Nations is that it is in another crisis; that the stakes are important; that the General Assembly is now in a period of self-imposed pause; that hard choices may still have to be made between conflicting principles; that the organization is somehow involved in a process of transition; and that we cannot know at this point how fast or in what direction it will move in the near future, but the pace and the direction will be limited and controlled by a will of its members.

It is too early to draw any stark conclusions. Both the overzealous admirers and critics of the U.N. tend to state their conclusions in boldface type. One group regards any criticism of the U.N. as desecration of a religious shrine; the other never fails to point out the yawning chasm between aspirations and accomplishments. Neither group looks at the U.N. for what it is—a reflection of a turbulent and divided world, an arena for the interplay of national power and national interests.

We have been the firmest supporters of the United Nations because, whatever its weaknesses, it has promoted our interests and the cause of peace. Two World Wars, I hope, have taught all of us that world organization is a vital imperative. Peace—political, economic, and social—is too interconnected to do away with international machinery. The problems are worldwide. They require a worldwide attack.

Our influence in the U.N. will be exerted on the side of steady progress within the framework of the charter—under a single set of ground rules impartially applied, by reasonably orderly procedures, and in the direction of workable agencies with reliable capacity to act; for this is the way to promote and protect our national interests, to move toward world order and the world peace which President Johnson has characterized as the “assignment of the century.”<sup>2</sup>

#### ADDRESS BY AMBASSADOR BUNKER

##### COOPERATING FOR PROGRESS IN LATIN AMERICA

Sometimes when I have been asked to speak about certain aspects of our foreign relations, I recall signs in two tailor shops in different parts of the world which seem somehow descriptive. On the second floor of a shop in Shanghai there was a sign which said, “Respectable Ladies Has Fits Upstairs,” and in riding through Jammagar in western India one day, I saw a tailor shop with the name “Satisfy & Company.”

In our foreign relations the pendulum seems

to swing between these two extremes. It is rarely at rest, and it is the “fits,” of course, which get the headlines.

When we are faced with the problems of Viet-Nam or Castro's attempts to subvert and overthrow the governments of his Latin neighbors, adrenalin pumps into our bloodstream and we become emotionally involved.

These are indeed crises that demand our attention and require more than emotion for their solution. Through this historic evolution which the world scene is undergoing, when the winds of change are blowing with a force never attained before, we shall undoubtedly face other crises, and we must hope that we shall find the means, through wise and experienced leadership and an informed public opinion, to cope adequately with them.

But there is another aspect of our foreign relations, the other swing of the pendulum, which is less spectacular, rarely gets the headlines, yet in the long run can be far more significant. This has to do with the revolutionary transformation of society which is taking place which is affecting the lives of 2 billion people, half of them in the non-Communist world—indeed in one way or another affecting all of us.

How this revolution is guided and channeled seems to me the all-important question of our time. More specifically, how are we in the United States to use the great power we possess to achieve the world we envision—where government by consent of the governed prevails, where the rule of force gives way to the rule of law, where people live under conditions offering the widest scope for the use of their powers?

It involves for us much more than the building up of an arsenal of weapons for the “overkill,” more than the creation of a balance of terror. Mere deterrence is a sterile, though necessary, use of power. Imagination, vision, forbearance, sensitivity, a willingness to take risks, love, are things which must guide and inform our use of power.

These are qualities we must bring to bear as we look beyond the events of the day to the longer vistas ahead—to the vast problems posed by the material and social transformation of the emerging nations; to the threat of the population explosion; to the evolution and eventual

<sup>2</sup> *Ibid.*, Oct. 19, 1964, pp. 555.

harmonizing of conflicting ideologies; to the development of conditions which will insure permanent peace in the world; above all, to the wise use of our power.

Certainly the United States has neither the resources nor the desire to attempt alone to grapple with these complex problems—nor indeed the pride to think that we could do so. The key to their eventual solution will be found only through the mutual cooperation of men of good will, acting with wisdom and patience through their governments and as individuals.

As President Johnson said some months ago,<sup>3</sup>

. . . we have . . . learned in this century, and we have learned it at painful and bloody cost, that our own freedom depends on the freedom of others . . . that we draw increased strength from the strength of others.

### Development of Inter-American Cooperation

It is about the cooperative effort which has the longest history of any similar international undertaking that I should like to talk tonight.

The first germ of the idea of inter-American cooperation was implanted at the Congress of Panamá convened by Simón Bolívar in 1826.

During the next century or more, through a series of meetings and conferences, a fabric of regional cooperation, developing through the adoption of conference resolutions, was slowly being created.

Given impetus by World War II, the system of collective security that had taken form in the 120 years since the Congress of Panamá had become so important a part of inter-American relations that during the drafting of the U.N. Charter in San Francisco the representatives of the 20 Latin American countries insisted on recognition of the role of regional arrangements in the maintenance of peace and security.

It was the next two steps, taken within 8 months of one another, which were of transcendent importance in the development of the modern inter-American system. These were the Inter-American Treaty of Reciprocal Assistance, known as the Rio Treaty, adopted in September 1947, and the Charter of the Or-

ganization of American States (the Bogotá charter) adopted in May 1948.

The Rio Treaty embodies the principles of collective responsibility for the maintenance of peace and security. The charter of Bogotá in addition to enunciating the purposes, principles, rights, and obligations of member states established the present-day organizational framework for cooperation and collaboration within the inter-American system. These together constitute a codification of the pattern of collective action which had been woven through 120 years of trial and error, advance and recession, forming the foundation for the operations of the present-day OAS. Together they have provided the framework within which it has developed and expanded—first in the political and, more recently, in the economic and social fields.

I should like to touch briefly on what has been done in these two principal areas—the political on the one hand, the economic and social on the other—in cooperating for progress.

Since the Rio Treaty was concluded in 1947 the OAS has intervened some 30 times in situations which involved threats to the peace and security of the hemisphere. A few instances will illustrate the manner in which the member governments have demonstrated a common will to utilize the machinery of the OAS for far-reaching concerted action.

At the time of the Korean war the fourth meeting of foreign ministers, in Washington in 1951, marshaled the moral and tangible force of the continent in support of U.N. action in Korea.

A second example of resolute action by the OAS occurred in August 1960 at the meeting of foreign ministers in San José, Costa Rica, as the result of the attempted assassination of President [of Venezuela Rómulo] Betancourt by Trujillo's agents. The meeting imposed strong diplomatic and economic sanctions against the Dominican Republic. This action of the OAS had a great psychological impact on the hemisphere and particularly within the Dominican Republic. There is little question but that the train of events which followed—the assassination of Trujillo, the efforts of President [Joaquín] Balaguer toward democ-

<sup>3</sup> For an address by the President before the Associated Press at New York City on Apr. 20, 1964, see *ibid.*, May 11, 1964, p. 726.

ating the Dominican Government, and finally the casting out of all persons closely associated with the Trujillo regime—were related in varying degrees to the OAS action.

### **Collective Actions Against Castro Regime in Cuba**

A third example is the series of actions taken against the Castro government in Cuba. In November 1961 Peru initiated a move in the OAS against Cuba because of certain acts of the Castro regime. Her complaint was turned over to the Inter-American Peace Committee, whose excellent report served as the major documentation upon which action was taken at the meeting of foreign ministers in Punta del Este, Uruguay, in January 1962 to exclude Castro Cuba from participation in the inter-American system. This type of action was not specifically provided for in the OAS Charter or the Rio Treaty and revealed the flexibility of the inter-American system to adapt itself to situations not envisioned when these two documents were drafted.

The details of the Cuban missile crisis in 1962 are almost too well known to need repetition, but it may be well to recall the amazingly quick, strong, and unanimous action of the OAS Council at the time. President Kennedy announced the crisis to the world at 7 p.m. on October 22. By midafternoon of the next day the Council had unanimously called for the immediate dismantling and withdrawal of all missiles and other weapons with offensive capability.<sup>4</sup> It recommended that member countries take all individual and collective measures, including the use of armed force, which they deemed necessary to prevent military materials and supplies from reaching Cuba and to prevent the missiles from ever becoming a threat to the peace and security of the Continent.<sup>5</sup>

Again, in July 1964, the foreign ministers took collective action to further isolate the Castro regime. They resolved not to maintain diplomatic relations with Cuba and to suspend all trade except shipments to Cuba of food, medicine, and medical supplies for humanitarian purposes.<sup>6</sup> Cuba was warned also that continu-

ance of actions similar to those directed against Venezuela would lead to further action on the part of member governments, including, if necessary, the use of armed force.

A significant result of the meeting was establishment of the principle that subversive actions such as those carried out by Castro constituted aggression.

These resolutions have been followed up by action by the United States and its partners of the inter-American system to reduce the capabilities and the will of Castro Cuba to disrupt the political order and economic progress of the countries of Latin America.

Severe limitations on communications between Cuba and the hemisphere countries have made Castro's efforts to recruit and train cadres in the techniques of subversion and guerrilla warfare increasingly difficult. Unilateral and multilateral measures have been taken to stem the flow of propaganda material from Cuba to other Latin American countries, to control subversive travel, to uncover and seize clandestine shipments of arms and other equipment to terrorists and insurrectionists, and to impede the movement of funds for subversive purposes from Cuba to the other countries.

Our bilateral programs in support of the OAS action, in the military and public safety fields, are designed to enhance the internal security capabilities of the military and police forces of Latin America so that they may be better able to cope with threats of violence and subversion.

Today, 19 of the 20 OAS countries—including the United States, of course—no longer maintain diplomatic relations with Cuba. Air links between Cuba and Latin America, and for that matter the entire free world, have been drastically reduced. Many Latin American countries have been taking steps to limit the travel of their citizens to Cuba or to maintain close surveillance over those who do go there. Trade of Western Hemisphere countries with Cuba is dwindling to insignificance. Our allies elsewhere in the free world also have been cooperating in depriving Castro of the tools and strength he needs to pursue his aggressive policies. This cooperation has been much greater than we might be led to believe from news ac-

<sup>4</sup> For text of resolution, see *ibid.*, p. 722.

<sup>5</sup> For a statement by Secretary Rusk and text of the final act, see *ibid.*, Aug. 10, 1964, p. 174.

counts. For example, the number of calls by free-world ships to Cuban ports in 1963 and 1964 was 60 percent lower than in 1962.

Of course, no measures of the type that I have been referring to can properly be termed as fool-proof. I believe we have sound reasons, however, to be confident that the steps we have taken have had a very pronounced beneficial result thus far.

### **Sino-Soviet Intervention in Hemisphere**

But this is not all. At Punta del Este the OAS Council was directed to maintain constant vigilance against acts of aggression or subversion resulting from the intervention of Sino-Soviet powers in this hemisphere. To carry out this request, the Council has established a committee of its own members and has set up a special consultative committee on security, composed of experts on security matters, to advise member states.

We know that a secret meeting of the Latin American Communist parties was held in Havana last November. We believe that this meeting constituted a major effort to reorganize and reorient these parties after a year of sharp reverses and increasing factionalism. They were urged to increase their efforts to form national popular fronts, to organize hemisphere-wide campaigns of protest and agitation, and to give active aid to insurgent groups. In the communique issued several weeks after the meeting, Venezuela, Colombia, Guatemala, Honduras, Panama, Paraguay, and Haiti are specifically mentioned as countries for which "active support" in the "fight against imperialism" is recommended.

Since this meeting in Havana, there has been a renewed emphasis in the Castro regime's propaganda on violence to achieve political power, with particular attention being paid to guerrilla forces operating in Venezuela, Colombia, and Guatemala—added evidence, if any were needed, of Castro's intention to continue aiding and abetting subversive elements seeking to overthrow established governments.

It still remains to be seen how effective this renewed Communist effort will be. In any case, the OAS is alert to the events I have mentioned and to others in the hemisphere in order to be

prepared to counter as appropriate any intensified Communist effort.

But recent OAS actions in the political field have not been limited to measures against Cuba. In the dispute between Panama and the United States, touched off by the incidents of January 1964, the good offices of the OAS, through patient efforts of the Peace Committee, of a Special Committee, and through bilateral negotiations between the parties, resolved the dispute, and diplomatic and friendly relations were restored.

### **Economic Growth and Social Betterment**

I have mentioned these few instances to indicate how the OAS through cooperative action and in various ways—and I may say animated invariably by good will on the part of its members—is contributing significantly to the political stability of the continent. This has been an essential factor in creating an atmosphere and climate which have made possible the great undertakings now underway in the economic development and social transformation of the countries of the hemisphere.

While political stability is an important condition for economic growth and social betterment, the reverse is also true. Without economic growth and social development, there can be no political stability nor hope for the growth of a viable democracy. It was the growing awareness of this fact that led the nations of the hemisphere in recent years to marshal the collective forces of America to combat a different threat to its security—the threat of hunger, poverty, ignorance, and disease—through a cooperative effort of unparalleled magnitude.

The meeting of the American Presidents in Panamá in 1956 marked a turning point in the evolution of the inter-American system and the role of the OAS. In emphasizing the necessity for strengthening the economic and social life of the hemisphere so that "dignity and freedom for all peoples of the hemisphere would be guaranteed" they set in motion the train of events which led to cooperation between the nations and peoples of the Americas for economic growth and social progress on a scale and to a degree never before attempted.

Operation Pan America, proposed by Pres



ent [Juscelino] Kubitschek of Brazil in 1958 dramatically awakened the conscience of America to the need for action. This led to the establishment by the Council of the OAS of a committee composed of the representatives of 21 member states, known as the Committee of 21.

Two years of intensive work by this committee resulted in the "Act of Bogotá—Measures for Social Improvement and Economic Development Within the Framework of Operation Pan America,"<sup>6</sup> destined to become within less than a year the foundation upon which the Alliance for Progress was established.

### The Alliance for Progress

To translate the Act of Bogotá, which President Kennedy called "our charter for economic and social advance,"<sup>7</sup> into action, President Kennedy requested a special meeting of the IACOSOC [Inter-American Economic and Social Council], which was held at Punta del Este in August 1961. Here the American Republics took the momentous decision to establish the Alliance for Progress, an effort in cooperative action unprecedented in size and scope.<sup>8</sup>

The program of action adopted at Punta del Este envisages an investment of \$100 billion over a 10-year period. Eighty percent of the total sum required is to be provided by the 19 Latin American countries belonging to the alliance. The United States Government has committed itself to put up \$10 billion, and \$10 billion more is expected to come from other external sources.

The objectives of the alliance are both economic and social.

Its goal is to raise the standard of living in each country by achieving a rate of economic growth of not less than 2.5 percent per capita per year.

It aims at the maintenance of stable price levels for Latin American exports.

It encourages and stimulates regional eco-

nomie integration to expand markets and trade within the Latin American countries.

It proposes the reconstruction of centuries-old economic and social patterns by rational and democratic methods. This involves such things as sound agrarian reforms, tax policies in order to achieve a more equitable distribution of income, development in the fields of education, health, and housing, and in all the things which go to improve the quality of life.

The self-help efforts to which the Latin American countries pledged themselves in the Charter of Punta del Este call for the mobilization of their manpower and economic resources to the fullest extent. These involve the formulation of long-term national planning for development to enable each country to realize its maximum potential.

What were the conditions which brought the governments, the peoples, and all the major international organizations with agencies in the Western Hemisphere to cooperate in this great adventure?

As one finds today diversity in Latin America's people, in its culture, geography, history, and economics, one finds also that it faces a diversity of staggering problems. Here one might expect E. B. White's saying that he foresaw "a bright future for complexity" to come true.

Population in many countries is outpacing development of resources; each year more people have less to live on. Total population of the region today is approximately 236 million. By the year 2000—only 35 years from now—if the present growth rate is maintained, the area will have over 600 million people.

Extreme poverty exists in many parts of Latin America. Per capita income ranges from less than \$75 a year to a high in only one country in excess of \$700. Even these figures are poor indices because of the extremes one finds in the distribution of income.

Poverty breeds disease, resulting in a life expectancy as low as 46 years in some countries.

Illiteracy goes hand in hand with poverty and disease. Between 40 and 50 percent of the people cannot read or write, meaning that some 80 to 100 million people are illiterate.

<sup>6</sup> For text, see *ibid.*, Oct. 3, 1960, p. 537.

<sup>7</sup> For remarks by President Kennedy on Pan American Day, Apr. 14, 1961, see *ibid.*, May 1, 1961, p. 615.

<sup>8</sup> For background and text of the Charter of Punta del Este, see *ibid.*, Sept. 11, 1961, p. 459.

Another crucial problem concerns the region's basic export commodities. Severe economic strains have resulted from an overdependence in almost every country on one or two agricultural or mineral products—wool, wheat, coffee, bananas, sugar, tin, oil, or copper.

### The Alliance Comes of Age

What has been done and what progress has been made in meeting these complex, longstanding problems?

The first task was to develop the organization to handle a multilateral program so vast and complex in its proportions.

Country representation on the IA-ECOSOC was raised to the ministerial level, and the statutes were revised in order more effectively "to promote the economic and social well-being of the American states, through cooperation among them."

To make available technical assistance for the formulation of development programs, the Charter of Punta del Este provided for a panel of "nine high-level experts." The Nine (or *Nomina*, to give them their Spanish name) have reviewed 10 comprehensive country plans and will have reviewed the plans of all member countries by the end of this year, if available.

A further improvement in organization occurred at the second meeting of IA-ECOSOC, November 1963, through the creation of the Inter-American Committee on the Alliance for Progress (CIAP).<sup>9</sup> Its purpose is to coordinate and promote the implementation of the alliance while giving emphasis to its multilateral character. The resolution creating CIAP gave it broad powers, including the review of national and regional plans, estimates of the resources available and required for carrying out programs and recommendations for their distribution, cooperation with financial institutions and agencies in securing the needed resources, the coordination of efforts toward integration and in trade policies, and in general to promote multilateral action toward achieving alliance goals.

With the organization of CIAP it is fair to say that the alliance has come of age. It was

<sup>9</sup> *Ibid.*, Dec. 16, 1963, p. 937.

only natural that, at the initiation of the program, expectations of progress more rapid than was possible in the early stages of an undertaking so vast and complex should be aroused. There were consequent disappointments and frustrations. But with the organization completed and functioning, progress is accelerating. Earlier doubts have been replaced by an atmosphere of growing confidence stimulated by the evidence of tangible achievement.

This includes the construction of some 269,000 houses: by the end of June the number is estimated to be 327,000.

By the end of 1964 approximately 20,000 classrooms had been built, over 78,000 teachers trained, and a total of 8,330,000 schoolbooks produced.

In the field of health and welfare 746 mobile health units, hospitals, and health centers have been constructed and nearly 11 million benefited thereby. Twenty-two million people have benefited under Food for Peace programs. Nearly 1,200 water systems have been constructed which by mid-1966 will have benefited more than 27 million people. And by the end of 1964, 8,000 miles of roads had been constructed.

Other developments include the granting of more than 200,000 agricultural credit loans, the establishment of development banks, credit unions, and savings and loan associations.

In the field of structural reforms there has also been progress.

Major tax reform programs have been undertaken in nine countries: Chile, Colombia, Brazil, El Salvador, Ecuador, Guatemala, Honduras, Panama, and Mexico. Four of these countries and three others have also undertaken tax collection improvement programs. In the other countries there have been improvements in the tax system and administration. In a number of the countries United States Internal Revenue Service teams are assisting in the self-help efforts.

Considering the far-reaching impact of agrarian reform on centuries-old economic and social patterns, the record, I think, is encouraging. Twelve countries have introduced agrarian reform legislation. Agrarian reform institutions or land reform agencies in these countries have greatly strengthened their technical resources

Credit facilities have been made available to new and expanding industries through the establishment of development banks and intermediate credit institutions. The Central American Bank for Economic Integration is facilitating the development of the private sector in Central America. Progress, too, has been made in building a Central American Common Market and in economic integration.

#### **Future Demands and Opportunities**

Progress in many other ways continues to accelerate. Much remains to be done in the next years if the alliance is to achieve its goals, but we have reason to be encouraged. Confidence in its potentialities and in its success has grown.

The people of America are joined together in the great and historic adventure of building a new and just society. This is no simple or easy

task. It demands the mobilization of our resources on a massive scale. It requires intelligent planning for their use. It requires competence and integrity and training for government, industry, and the social sciences on a vast scale. It requires a sense of responsibility and dedication to the common good too often lacking in the past. Above all, the acid test of our character is our staying power and our will to see it through.

The difficulties are great, but the opportunities and rewards are incalculable. Let us recall the words of a great American President at another time of trial. In the impending shadow of the First World War Woodrow Wilson said:

“Men’s hearts wait upon us; men’s lives hang in the balance; men’s hopes call upon us to say what we will do. Who shall live up to the great trust? Who dares fail to try?”

## **Refugee Provisions of Administration’s Proposals to Revise Immigration Law**

*Statement by Abba P. Schwartz  
Administrator, Bureau of Security and Consular Affairs*<sup>1</sup>

As the Secretary of State indicated in his statement before the committee on February 24, 1965,<sup>2</sup> I shall address myself particularly to the refugee provisions of S. 500 and a few important technical amendments affecting the Department of State’s administration of the law.

#### **Background of Refugee Problem**

Since the end of World War II, there have been countless refugees who have been driven or have fled from their home countries as a result of political upheavals or persecution. The United States has provided a large share of the world’s assistance to these refugees through its contributions to the United Nations

Relief and Rehabilitation Administration, the International Refugee Organization, the United Nations Korean Reconstruction Agency, the United Nations Relief and Works Agency, the Intergovernmental Committee for European Migration, and the United Nations High Commissioner for Refugees; through United States unilateral programs such as the United States Escapee Program and the Far East Refugee Program; and through the admission of over 1 million refugees into the United States, where

<sup>1</sup> Made before the Subcommittee on Immigration and Naturalization of the Senate Committee on the Judiciary on Mar. 3 (press release 37).

<sup>2</sup> BULLETIN of Mar. 15, 1965, p. 384.

REFUGEE ADMISSION TO THE UNITED STATES

Admitted to the United States From 1945 to  
December 31, 1964

Program	Duration	Number
President's Directive of 1945 . . . . .	1945-48	*40, 234
Displaced Persons Act . . . . .	1948-52	*406, 026
Refugee Relief Act . . . . .	1953-56	*188, 950
Hungarian Parolee . . . . .	1956-58	*31, 915
P.L. 85-316 . . . . .	1957-62	*18, 311
P.L. 85-892 (Indonesia and Azores) . . . . .	1958-62	*22, 213
Other . . . . .	1946-62	1, 000
P.L. 86-648 (Fair Share Act) . . . . .	1960-64	16, 322
Chinese Parolee . . . . .	1962-64	12, 307
Cuban Refugee . . . . .	1959-64	**270, 000
Regular Quotas . . . . .	1945-64	**190, 000
TOTAL . . . . .		**1, 197, 278

\*Terminated programs.

\*\*Approximate.

they have found new homes and opportunities for a livelihood.

Unfortunately, continued political instability in the world results in a steady flow of refugees from Communist and other countries and creates new refugee situations which the United States cannot ignore. United States policy interests require the United States Government to continue an appropriate amount of assistance to new and current groups of refugees. The United States is providing financial and material assistance to refugees overseas under the provisions of Public Law 87-510, the Migration and Refugee Assistance Act of 1963; by supplying Public Law 480 surplus commodities to refugees; and by continuing to accept refugees into this country as immigrants.

**Past Refugee Legislation**

The desperate situation of the large masses of refugees and displaced persons resulting from World War II made it imperative that the United States accept a substantial proportion of the refugees as immigrants. However, the normal immigration laws could not accommodate the great numbers of refugees who were seeking admission to this country. A Presidential directive and special refugee immigration laws were required to provide admission

for the refugees to the United States. There is attached as an annex to this statement a list of various programs adopted since 1945 and the numbers admitted under each.

**Present Refugee Immigration Legislation**

At the present time, small numbers of refugees are being admitted to this country under the quota provisions of the regular immigration law. For example, practically all of the Czechoslovak refugees currently admitted to the United States enter under the Czechoslovak quota. Substantial numbers of Cuban refugees have entered the United States under the provisions which permit persons from the Western Hemisphere who are otherwise admissible to enter as legally admitted immigrants with non-quota visas.

Still another provision of the Immigration and Nationality Act (212(d)(5)) permits the Attorney General to parole aliens into the United States. At the present time, this authority is being exercised in favor of Cuban refugees who escape from Cuba and seek entry into the United States without having previously obtained nonquota visas and of approximately 15,000 Chinese refugees from Hong Kong who are being paroled by the Attorney General under the President's program initiated after the large influx of Chinese refugees into Hong Kong in 1962. This is a program which will terminate by the end of June 1965.

Other legislation currently in effect under which refugees and escapees may enter the United States is the so-called "fair share law" of 1960 (Public Law 86-648). This law provided that the Attorney General might, prior to July 1, 1962, parole into the United States in any 6-month period up to one-fourth of the number of refugee-escapees who have been resettled in countries outside the United States in the previous 6-month period. The law was to serve as a United States contribution to the World Refugee Year and was directed toward the closing of the last refugee camps in Europe. Because refugees continued to flow into Europe after the passage of the act, the law was extended indefinitely in 1962 by section 6 of Public Law 87-510. These refugee-escapee

must have fled because of persecution or fear of persecution on account of race, religion, or political opinion (a) from a Communist, Communist-dominated, or Communist-occupied area, or (b) from any country from the general area of the Middle East. They must apply for parole while physically present within the limits of a non-Communist country of which they are not nationals and must also be within the mandate of the United Nations High Commissioner for Refugees. Up to December 31, 1964, 16,322 refugee-escapees had been paroled into the United States under the provisions of Public Law 86-648, as amended.

### **Provisions of the Proposed Legislation**

There are two principal provisions of the bill which affect refugees. Section 3 of the bill provides that the President may reserve annually not to exceed 10 percent of the quota reserve (pool) numbers for allocation to persons oppressed or persecuted or threatened with oppression or persecution because of their race, color, religion, national origin, adherence to democratic beliefs, or their opposition to totalitarianism or dictatorship and to persons uprooted by natural calamity or military operations who are unable to return to their usual place of abode. This section provides that the Secretary of State, after consultation with the Attorney General, shall establish by regulation the requirements for qualification with reference to current world conditions.

This provision would give the President the means to deal with refugee emergencies promptly. Most refugees are uprooted or flee from persecution suddenly, with no opportunity to plan for movement to a new home through normal immigration procedures. In crises which create large numbers of refugees, the political interest of the United States may make it desirable that this country take a share of these new refugees. In such cases, prompt action is usually essential without having to await the passage of special refugee legislation. This provision will give the President an opportunity to determine whether refugees should be admitted without awaiting their turn under the regular procedures and permit him to act

promptly in admitting special groups of refugees when he considers that their admission will further the traditional United States policy in offering asylum and refuge.

The definition of "refugee" provided in this provision adopts some language of earlier refugee legislation, particularly from the Refugee Relief Act of 1953, in that it provides for the admission of persons uprooted by natural calamity or military operations who are unable to return to their usual place of abode.

Two other sections of the act amend the "fair share law" of 1960 (Public Law 86-648). Section 13 removes the requirement that the refugees eligible for parole into the United States under the act be within the mandate of the United Nations High Commissioner for Refugees and extends the definition of the "general area of the Middle East" to include Algeria and Morocco. Previously, the western boundary of the Middle East area for the purposes of the law was Libya. Section 14 eliminates a special provision of the "fair share law" for the parole of 500 "difficult to resettle" refugees.

### **Justification for the New Legislation**

#### *1. "Fair Share Law" Amendments*

The "fair share law" is providing satisfactory means for the United States to admit up to one-fourth of the current flow of escapees from the Communist countries and the Middle East. However, two proposed amendments to the law would achieve desirable improvements.

The first amendment eliminates the requirement that refugees eligible for admission must be within the mandate of the United Nations High Commissioner for Refugees. The removal of this limitation would free the United States to determine unilaterally which refugees may be admitted under the law without regard to determination by an authority external to U.S. controls.

The second amendment to the "fair share law" extends the definition of the "general area of the Middle East" to include Algeria and Morocco. Thus, persons from any of the areas referred to who are now displaced in other countries and are unable to return to their country of former nationality would be potentially

eligible to benefit from the provisions of the law.

A minor amendment to the "fair share law" eliminates the provision for the parole of not to exceed 500 refugee-escapees identified by the United Nations High Commissioner for Refugees as difficult to resettle. This provision is considered no longer necessary since this class of refugee-escapees have been satisfactorily resettled.

## *2. Presidential Authority To Allocate Reserve Quota Numbers to Refugees*

The bill gives the President authority to reserve up to 10 percent of the numbers in the pool for the admission of refugees. This provision is designed essentially to permit the prompt entry into this country of special groups of refugees created by a political calamity, or military operation, or natural disaster when such persons do not fall within the provisions of Public Law 86-648 ("fair share law").

Flexibility in the authority of the President to admit groups of refugees without delay is important to our foreign policy interests. The United States occupies a unique position in the world as a country to which the persecuted and oppressed, regardless of their race, creed, or national origin, may turn for haven and the chance for a new life. We feel that provision for admission of refugees should be embodied in our basic immigration law to reflect our traditional and continuing concern for refugees. S. 500 provides a degree of presidential discretion and authority in meeting special refugee situations without the delay occasioned by the passage of special legislation.

There must, of course, be standards and limitations governing the admission of these refugees. Provision is made in the proposed legislation for the Secretary of State, after consultation with the Attorney General, to set up suitable regulations for this purpose. The presence of a statute in our laws which clearly defines the principles under which the United States admits refugees is effective from a foreign policy standpoint. It will also permit this country to act promptly in putting these principles into effect in relieving human need.

## *1. Maximum Use of Quota Numbers*

Section 7 amends section 207 of the Immigration and Nationality Act by deleting the language of that section which prevents the issuance of visas in lieu of those issued but not actually used, or found to have been issued to a nonquota immigrant. Such a result is inconsistent with the aim of the bill that all authorized quota numbers shall be used. The amended section 207 specifically authorizes the issuance of a quota visa in lieu of one issued to a nonquota immigrant or not actually used utilizing the same quota number.

## *2. Time and Manner of Visa Fee Payment*

Section 15 amends section 281 of the Immigration and Nationality Act relating to the amount, time, and payment of visa fees.

With regard to the amount of the visa fee it reduces the fee for the issuance of an immigrant visa from \$20 to \$10 whenever a fee of \$10 has been paid in a particular case to the Immigration and Naturalization Service for the filing of a nonquota or preference petition. The purpose of this is to equate the overall fee paid in petition cases with the fee paid by a non-preference visa applicant.

The Secretary of State is granted discretionary authority to specify the time and manner of payment of application and visa fees. This authority will allow the Secretary of State to control two situations:

First, many people in countries with over-subscribed quotas register their names on visa waiting lists even though they have no present intention of emigration; they regard the registration as "insurance" for possible future use. Such registrations have the effect of creating a distorted picture of visa backlogs and make efficient administration difficult. The amendment, therefore, would allow the Secretary of State to require a registrant to deposit a fee at the time of registration. While not unduly burdensome on those who wish to come here, such a procedure would serve to discourage registrations which are not bona fide.

Second, otherwise admissible immigrant

who are refugees are sometimes unable to pay the required visa fee. Rather than bar them from obtaining a visa, the Secretary is given authority to postpone payment.

### *3. Termination of Certain Registrations*

Section 16 amends section 203(e) of the Immigration and Nationality Act to permit the secretary of State in his discretion to terminate registrations on quota waiting lists of aliens who fail to evidence a continued intention to emigrate to the United States. This amendment is also directed to the problem of "insurance" registrations.

This amendment is also important in connection with a contemplated reregistration of applicants in certain oversubscribed quota areas designed to ascertain whether registrants have lied, emigrated elsewhere, or changed their minds: the Secretary is authorized to terminate the registration of all persons who fail to reregister.

### *4. Departure Bond*

Section 19 amends section 221(g) of the Immigration and Nationality Act to grant consular officers discretionary authority to require bonds insuring that certain nonimmigrants will depart voluntarily from the United States when required. This amendment, by providing an additional safeguard against a later refusal to depart, would allow the issuance of visas in many borderline cases in which visas are now refused to students and visitors.

## **Congressional Documents Relating to Foreign Policy**

### **89th Congress, 1st Session**

- Importation of Foreign Agricultural Workers. Hearings before the Senate Committee on Agriculture and Forestry. January 15-16, 1965. 369 pp.
- Ninth Special Report of the National Advisory Council on International Monetary and Financial Problems. H. Doc. 60. January 29, 1965. 81 pp.
- To Amend Further the Arms Control and Disarmament Act. Hearings before the House Committee on Foreign Affairs on H.R. 2998. January 26-27. 88 pp.
- Message from the President transmitting a report and review of the significant successes of the Nation's aeronautics and space efforts in the calendar year of 1964. H. Doc. 65. January 27, 1965. 161 pp.
- Inter-American Development Bank Act Amendment. Hearings before the House Committee on Banking

- and Currency on H.R. 45, February 3-5, 1965. 322 pp.; hearings before the Senate Committee on Foreign Relations on S. 805, February 5-8, 1965. 127 pp.
- Foreign Assistance Act of 1965. Hearings before the House Committee on Foreign Affairs. Part I. February 4-16. 172 pp.
- Increased U.S. Participation in the Inter-American Development Bank. Report to accompany S. 805. S. Rept. 67. February 11, 1965. 11 pp.
- Message from the President transmitting the Report on Activities and Accomplishments Under the Communications Satellite Act. H. Doc. 87. February 15, 1965. 8 pp.
- Message from the President transmitting the 7th Annual Report Covering United States Participation in the International Atomic Energy Agency for the Year 1963. H. Doc. 88. February 15, 1965. 17 pp.
- Message from the President transmitting the Fourteenth Annual Report of the National Science Foundation for Fiscal Year 1964. H. Doc. 89. February 15, 1965. 128 pp.
- Amending the Peace Corps Act. Communication from the President transmitting a draft of proposed legislation entitled "A bill to amend further the Peace Corps Act (75 Stat. 612), as amended, and for other purposes." H. Doc. 96. March 1, 1965. 7 pp.

### **INTERNATIONAL ORGANIZATIONS AND CONFERENCES**

## **United States Pledges Funds to U.N. Development Program for 1965**

*Following is a note to correspondents released by the U.S. Mission to the United Nations on March 2, together with the text of a letter of the same date to the Secretary-General from U.S. Representative Adlai E. Stevenson.*

### **Note to Correspondents**

U.S./U.N. press release 4509 dated March 2

The United States on March 2 informed the Secretary-General that it will contribute up to \$60 million for 1965 to the Expanded Program of Technical Assistance and Special Fund, the total U.S. contribution not to exceed 40 percent of the total contribution for 1965.

The United States had deferred its pledge to the Expanded Program of Technical Assistance and the Special Fund, since a complex series of constitutional and financial discussions were underway at the time. It was our hope that the questions before the General Assembly would be quickly resolved. It now appears that

a further period of time will be needed for more extended discussions looking toward a satisfactory solution to the financial problems of the organization. Since we would not wish this further delay to impair the orderly operations of the United Nations development program, which we believe is one of the most important activities carried on by the United Nations system, the United States is making its pledge for 1965 at this time.

### Letter From Ambassador Stevenson

U.S./U.N. press release 4510 dated March 2

MARCH 2, 1965

DEAR MR. SECRETARY-GENERAL: I have the honor to inform you that the United States pledges a contribution of up to \$60 million to the Expanded Program of Technical Assistance and the Special Fund for calendar year 1965, provided that the total amount made available by the United States does not exceed 40 percent of total contributions for 1965, including assessed and audited local costs.

Sincerely yours,

ADLAI E. STEVENSON

## 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 December 15 from the Representative of Malaysia regarding a further series of incursions into Malaysian territory by Indonesian military and other personnel. S/6111. December 16, 1964. 3 pp.
- Letter dated December 17 from the Representative of Pakistan regarding a recent announcement by the Home Minister of India concerning the Indian-occupied part of the State of Jammu and Kashmir. S/6114. December 17, 1964. 2 pp.
- Note verbale dated December 17 from the Representative of Bulgaria supporting the views expressed by Czechoslovakia (S/6070) with regard to the problems of U.N. peacekeeping operations. S/6120. December 18, 1964. 3 pp.
- Letter dated December 23 from the Deputy Representative of the United Kingdom regarding the charges made by Yemen (S/6105). S/6124. December 24, 1964. 3 pp.
- Letter dated December 26 from the Representative of India replying to the letter from the Representative

of Pakistan (S/6114) regarding application of certain provisions of the Indian Constitution to the State of Jammu and Kashmir. S/6125. December 26, 1964. 3 pp.

- Letter dated December 28 from the Representative of the Democratic Republic of the Congo transmitting the text of a message from Prime Minister Tshombe concerning the policy statement recently made by President Nasser regarding his intention of giving military assistance to the rebels. S/6126. December 28, 1964. 2 pp.
- Letter from the Representative of Cambodia regarding a violation of Cambodian territorial waters by a Thai police launch. S/6132. December 31, 1964. 1 p.
- Letter dated December 31 from the Representative of Malaysia regarding a further series of Indonesian attacks on Malaysian territory. S/6134. January 4, 1965. 4 pp.
- Letter dated January 4 from the Representative of Cambodia further protesting the violation of Cambodian territorial waters by a Thai police launch and demanding immediate release of the Cambodian fishermen and their vessel taken into custody by the Thai police. S/6136. January 4, 1965. 1 p.

### General Assembly

- Appointments of members of the Peace Observations Commission. Note by the Secretary-General. A/5793. November 23, 1964. 1 p.
- Letter dated December 2 from the Deputy Representative of Mexico submitting the text of the Final Act adopted at a preliminary meeting on the denuclearization of Latin America, held at Mexico City November 23-27. A/5824. December 3, 1964. 9 pp.
- Letter dated December 7 from the Minister for Foreign Affairs of the U.S.S.R. submitting the text of memorandum by the Soviet Government on measures for the further reduction of international tension and limitation of the arms race. A/5827. December 7, 1964. 10 pp.
- Housing, Building and Planning. Report of the Secretary-General on the implementation of Resolution 1917 (XVIII). S/5828. December 8, 1964. 12 pp.
- Report of the United Nations Conference on Trade and Development. Report of the Secretary-General on administrative and financial implications of the recommendations in the Final Act relating to institutional machinery. A/5829. December 8, 1964. 3 pp.
- World Campaign for Universal Literacy. Report of the Secretary-General. A/5830. December 8, 1964. 39 pp.
- United Nations International School. Report of the Secretary-General. A/5834. December 9, 1964. 1 pp.
- Activities in the Field of Industrial Development. Note by the Secretary-General submitting the text of a letter dated November 27 from the Director General of the International Labor Office, together with the first report of the International Organizations Committee of the ILO. A/5835. December 14, 1964. 34 pp.
- Report of the Committee for the International Cooperation Year. A/5836. December 17, 1964. 33 pp.
- Report of the Special Committee on the Situation With Regard to the Implementation of the Declaration of the Granting of Independence to Colonial Countries and Peoples. South West Africa. A/5800/Add. December 18, 1964. 78 pp.
- Information on non-self-governing territories transmitted under article 73e of the Charter of the United Nations. Report of the Secretary-General. A/5837. January 4, 1965. 5 pp.



## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Atomic Energy

Agreement for the application of safeguards by the International Atomic Energy Agency to the bilateral agreement between the United States and Portugal of July 21, 1955, as amended (TIAS 3317, 3899, 4519, 5111, 5679), for cooperation concerning civil uses of atomic energy. Signed at Vienna February 24, 1965. Enters into force on the date on which the Agency accepts the initial inventory.

*Signatures:* International Atomic Energy Agency, Portugal, United States.

Agreement for the application of safeguards by the International Atomic Energy Agency to the bilateral agreement between the United States and South Africa of July 8, 1957, as amended (TIAS 3885, 5129), for cooperation concerning civil uses of atomic energy. Signed at Vienna February 26, 1965. Enters into force on the date on which the Agency accepts the initial inventory.

*Signatures:* International Atomic Energy Agency, South Africa, United States.

##### Consular Relations

Vienna convention on consular relations. Done at Vienna April 24, 1963.<sup>1</sup>

*Ratification deposited:* Yugoslavia, February 8, 1965.

##### Diplomatic Relations

Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Entered into force April 24, 1964.<sup>2</sup>

*Ratification deposited:* Iran, February 3, 1965. Optional protocol to Vienna convention on diplomatic relations concerning the compulsory settlement of disputes. Done at Vienna April 18, 1961. Entered into force April 24, 1964.<sup>2</sup>

*Ratification deposited:* Iran, February 3, 1965.

##### Health

Constitution of the World Health Organization. Done at New York July 22, 1946. Entered into force April 7, 1948; as to the United States June 21, 1948. TIAS 1808.

*Signature:* Zambia, February 2, 1965.

*Acceptance deposited:* Malta, February 1, 1965.

##### Law of the Sea

Convention on the territorial sea and the contiguous zone. Done at Geneva April 29, 1958. Entered into force September 10, 1964. TIAS 5639.

*Ratification deposited:* Finland, February 16, 1965.

Convention on the high seas. Done at Geneva April 29, 1958. Entered into force September 30, 1962. TIAS 5200.

*Ratification deposited:* Finland, February 16, 1965.

Convention on the continental shelf. Done at Geneva April 29, 1958. Entered into force June 10, 1964. TIAS 5578.

*Ratification deposited:* Finland, February 16, 1965. Convention on fishing and conservation of the living resources of the high seas.<sup>1</sup> Done at Geneva April 29, 1958.

*Ratification deposited:* Finland, February 16, 1965. Optional protocol of signature concerning compulsory settlement of disputes. Done at Geneva April 29, 1958.<sup>2</sup>

*Ratification deposited:* Finland, February 16, 1965.

##### Marriage

Convention on consent to marriage, minimum age for marriage, and registration of marriages. Done at United Nations Headquarters, New York, December 10, 1962. Entered into force December 9, 1964.<sup>2</sup>

*Ratification deposited:* Philippines (with a declaration), January 21, 1965.

##### Safety of Life at Sea

International convention for the safety of life at sea, 1960. Done at London June 17, 1960. Enters into force May 26, 1965.

*Acceptances deposited:* China, Yugoslavia, February 23, 1965.

##### Satellite Communications System

Agreement establishing interim arrangements for a global commercial communications satellite system. Done at Washington August 20, 1964. Entered into force August 20, 1964. TIAS 5646.

*Notification of approval:* Italy, March 10, 1965.

##### 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.

*Accessions deposited:* Cambodia, February 23, 1965; Malawi, February 19, 1965.

##### Wheat

International wheat agreement, 1962. Open for signature at Washington April 19, 1962. Entered into force July 16, 1962, for part I and parts III to VII, and August 1, 1962, for part II. TIAS 5115.

*Accession deposited:* Southern Rhodesia, March 9, 1965.

#### BILATERAL

##### Mexico

Agreement for continuation of operation of the tracking and communication station at Empalme-Guaymas, Sonora. Effected by exchange of notes at México February 27, 1965. Entered into force February 27, 1965.

Agreement for participation by Mexican scientists in certain programs of space research by the National Aeronautics and Space Administration. Effected by exchange of notes at México February 27, 1965. Entered into force February 27, 1965.

##### Thailand

Amendment to the agreement of March 13, 1956, as amended (TIAS 3522, 3812, 4533, 5122), for cooperation concerning civil uses of atomic energy. Done at Washington June 8, 1964.

*Entered into force:* March 5, 1965.

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

<sup>2</sup> Not in force for the United States.

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on March 9 confirmed the following nominations:

Angier Biddle Duke to be Ambassador to Spain. (For biographic details, see White House press release dated January 27.)

Robert C. Good to be Ambassador to the Republic of Zambia. (For biographic details, see White House press release dated January 27.)

Raymond R. Guest to be Ambassador to Ireland. (For biographic details, see White House press release dated February 11.)

W. Averell Harriman to be Ambassador at Large. (For biographic details, see Department of State press release 50 dated March 18.)

Geoffrey W. Lewis to be Ambassador to the Islamic Republic of Mauritania. (For biographic details, see Department of State press release 46 dated March 18.)

Douglas MacArthur II to be an Assistant Secretary of State. (For biographic details, see Department of State press release 52 dated March 19.)

Thomas C. Mann to be Under Secretary of State for Economic Affairs. (For biographic details, see Department of State press release 49 dated March 18.)

C. Robert Moore to be Ambassador to the Republic of Mali. (For biographic details, see Department of State press release 47 dated March 18.)

Jack Hood Vaughn to be an Assistant Secretary of State. (For biographic details, see Department of State press release 55 dated March 22.)

## PUBLICATIONS

### Recent Releases

*For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C., 20540. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Office of Media Services, Department of State, Washington, D.C., 20520.*

**Agricultural Commodities—Sales Under Title IV.** Agreement with Ecuador, amending the agreement of April 5, 1963. Exchange of notes—Signed at Quito October 6, 1964. Entered into force October 6, 1964. TIAS 5673. 6 pp. 5¢.

**Agricultural Commodities.** Agreement with Viet-

Nam—Signed at Saigon September 29, 1964. Entered into force September 29, 1964. With exchange of notes. TIAS 5674. 9 pp. 10¢.

**Education—Commission for Educational Exchange and Financing of Exchange Programs.** Agreement with Paraguay—Signed at Asunción August 20, 1963. Entered into force October 1, 1964. TIAS 5675. 1 pp. 10¢.

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Brazil, amending the agreement of August 3, 1955, as amended—Signed at Washington September 1, 1964. Entered into force November 2, 1964. TIAS 5676. 3 pp. 5¢.

**Atomic Energy—Cooperation for Civil Uses.** Agreement with the Philippines, amending the agreement of July 27, 1955, as amended—Signed at Washington August 7, 1963. Entered into force November 4, 1964. TIAS 5677. 2 pp. 5¢.

**General Agreement on Tariffs and Trade.** Declaration on Provisional Accession of Yugoslavia to agreement of October 30, 1947—Done at Geneva November 1, 1962. Entered into force with respect to the United States and Yugoslavia November 21, 1964. TIAS 5678. 10 pp. 10¢.

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Portugal, amending the agreement of July 21, 1955, as amended—Signed at Washington August 11, 1964. Entered into force November 6, 1964. TIAS 5679. 5 pp. 5¢.

**Trade in Cotton Textiles.** Agreement with Spain, amending the agreement of July 16, 1963, as amended—Exchange of notes—Signed at Washington October 3, 1964. Entered into force October 30, 1964. With exchange of letters. TIAS 5680. 11 pp. 10¢.

**Weather Stations—Continuation of Cooperative Meteorological Program.** Agreement with Jamaica. Exchange of notes—Signed at Kingston November 1, 1964. Entered into force November 3, 1964. Operative July 1, 1963. TIAS 5681. 8 pp. 10¢.

**Air Transport Services.** Agreement with India, amending and implementing the agreement of February 3, 1956, and replacing the related exchange of notes—Exchange of notes—Signed at New Delhi October 2, 1964. Entered into force October 26, 1964. TIAS 5682. 6 pp. 5¢.

### Check List of Department of State Press Releases: March 8-14

Press releases may be obtained from the Office of News, Department of State, Washington, D.C., 20520.

Releases issued prior to March 8 which appear in this issue of the BULLETIN are Nos. 31 of February 26 and 37 of March 3.

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†38	3/9	Rusk: statement on foreign aid.
*40	3/11	Rusk: statement before House Subcommittee on Immigration and Nationality.
*41	3/12	Foreign policy conference for non-governmental organizations.

\*Not printed.

† Held for a later issue of the BULLETIN.

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