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# THE DEPARTMENT OF STATE BULLETIN

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*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and 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 on treaties of general international interest.*

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## Secretary Kissinger Holds News Conference at Brussels

*Following is the transcript of a news conference held by Secretary Kissinger at Brussels on December 13 at the conclusion of the ministerial meeting of the North Atlantic Council.*

Press release 530 dated December 13

*Secretary Kissinger:* Ladies and gentlemen, let me simply say that I thought this was a most useful, very amicable meeting. The new format of restricted sessions makes for a better dialogue and less formal statements. I recognize it also makes for more erratic briefings, since not all delegations interpret the restrictions in a similar manner; and we will sort that out by the next NATO meeting. So, for those of you who have suffered from an excessive scrupulousness by our spokesman, my apologies.

Let me take your questions.

*Q. Mr. Secretary, there is a lot of confusion on this side of the Atlantic about a very important matter which bears on what you discussed here, which is—exactly what is the American policy now with regard to the price of oil? I refer, of course, to the reports on the Enders [Thomas O. Enders, Assistant Secretary for Economic and Business Affairs] statement at Yale?*

*Secretary Kissinger:* My colleague Enders makes so many statements that when you say “at Yale” you imply that this is a very clearly circumscribed event. The American policy on the price of oil is that we believe that the present oil prices are too high and that, for the sake of the stability and progress of the world economy, it should be reduced and that this is also in the long-term interest of the producers.

In the absence of these price reductions, it is our policy that the consuming nations

should improve their cooperation in order to withstand the impact of these high prices and also to provide incentives for an ultimate reduction of prices. One of these efforts to mitigate the impact of high oil prices is to develop alternative sources of energy, and there have been some studies on whether an incentive should be created for these alternative sources of energy by creating a floor price so that if the price of oil sinks below that of the alternative sources of energy, there won't be massive economic dislocation. But at this point, this is a subject of study and consideration. It is not a governmental decision, and as I said, I think my colleague Enders was speaking in an academic environment academically.

*Q. Concerning the energy problem, Mr. Secretary, do you think that there is any contradiction between the way the United States wants to start cooperation and the French way; and after your meeting with Mr. Sauvagnargues [Jean Sauvagnargues, Minister of Foreign Affairs of the French Republic], do you think that agreement can be reached on the problem between both President Ford and Giscard d'Estaing in Martinique?*

*Secretary Kissinger:* We are approaching the meeting in Martinique with the attitude of intending to find a solution to the differences that may exist. In principle, we do not believe that there is a contradiction; in fact, we believe that consumer cooperation is the prerequisite to producer dialogue, because otherwise the consumer-producer dialogue is going to turn into a repetition on multi-lateral basis of the bilateral dialogues that are already going on.

So we believe that solution is possible and that the two approaches, which are not contradictory, can be reconciled; and I would

like to point out that at the Washington Energy Conference last year [February 1974] the United States proposed that consumer cooperation should be followed by consumer-producer dialogue. In short, we are going to Martinique with the attitude that a solution is possible in the common interest of all of the consumers and, ultimately, in the common interest of both consumers and producers.

*Q. I would like to know [after] the Atlantic Council, if you [feel] that there are yet major differences to overcome in the oil strategy, and second, if you are concerned about the present status of the alliance in the Mediterranean and if you ask of your allies an extra effort in this area?*

*Secretary Kissinger:* On oil strategy, I think there is agreement—or I had the impression that there is agreement—about the sequence of moves that should be undertaken. Whether the definition of what constitutes consumer cooperation is as yet homogeneous, I am not sure; but we will try to work that out in Martinique. We certainly do not believe that the consumers should exhaust their energy in disputes among themselves. We are going to Martinique with a positive attitude and with the intention of finding a solution to the problem of the sequence, which I think will be relatively easy, and the definition of consumer cooperation, which we believe to be possible.

With respect to the Mediterranean, this is of course an area of concern. It was discussed in the NATO Council, and I do not think that there were significant differences of opinion.

*Q. We heard that in the ministerial meeting you mentioned to your colleagues that you are pessimistic regarding a peaceful settlement in the Middle East. Is it because of the Arab-Israeli conflict, or is it because of the oil crisis?*

*Secretary Kissinger:* It is totally untrue. I did not express pessimism about the possibility of a peaceful settlement. My sentence structure is so complicated that my colleagues sometimes miss the end of the sentence and

concentrate on the beginning [laughter]. So I would like to make absolutely clear that I am not pessimistic about the possibility of a peaceful settlement. The United States is making a major effort to produce progress toward a peaceful settlement, and I am not at all pessimistic about it. Quite the contrary.

*Q. Can you put an end to these rumors that there is an American special army which is training now to occupy Arab oilfields as one of your ways to get—*

*Secretary Kissinger:* There is no American army that is being trained to take over Arab oilfields.

*Q. Do you see any hope of further political progress in the Middle East before Brezhnev's visit to Cairo?*

*Secretary Kissinger:* The United States cannot make its actions dependent on the travels of the General Secretary of the Communist Party of the Soviet Union, and therefore we will do our best to make progress as rapidly as possible. As you know, I have had talks with the Foreign Minister of Israel, and I expect to see him again in January, but we are not following a timetable which is dictated by the travels of Mr. Brezhnev nor, may I say, have we been asked by any Arab government to gear our actions to the travels of Mr. Brezhnev.

*Q. I understand that the major part of the discussions held here this week dealt with questions of defense. What part of the Council time was devoted to the humanitarian problem of alleviating the suffering of 200,000 Greek Cypriot refugees who are spending the winter in tents?*

*Secretary Kissinger:* As you know, I have spent personally a great deal of time with the Foreign Ministers of Greece and Turkey, seeing each of them several times each day with the intention of narrowing the differences and finding an acceptable basis for negotiation. I did this because ultimately the alleviation of the suffering of the refugees in Cyprus, with which the U.S. Government is profoundly concerned, can best be achieved through a political solution of the Cyprus



problem. While I do not want to make any comments about these conversations, I am more hopeful than I was before I arrived that progress is possible and may become visible as events unfold.

In addition to this, the U.S. Government is profoundly concerned with the fate of the refugees and will in the interlude between now and a political settlement do its utmost to ease their plight. Moreover, the U.S. Government is prepared to use its influence with the parties to bring about a settlement which is just and equitable.

As far as the NATO meeting itself is concerned, it was thought best not to turn it into a confrontation, and I must say the Foreign Ministers of Greece and Turkey both spoke with restraint and wisdom and in a manner which I think contributed to the hopes for a peaceful solution which we all share, and which may have been brought somewhat closer.

*Q. Do you think that your talks with the two Ministers contributed to moderation between the two countries and that after your talks with them that the intercommunal talks in Cyprus will start soon?*

*Secretary Kissinger:* I think that with respect to the intercommunal talks that any announcement with respect to that would have to come from Nicosia. And this is a matter for the two communities to decide and not for the American Secretary of State to determine or to announce. It is my impression that the talks—I don't know whether the talks contributed to an atmosphere of moderation or could build on an existing atmosphere of moderation. As I said, I am more hopeful than I was when I came here that progress can be made.

*Q. I am a little puzzled by your expression of hope. A senior American official said earlier that very little could come out of these discussions in view of the American Congress' action to cut off aid to Turkey. Doesn't that still pertain?*

*Secretary Kissinger:* That still pertains to the substance of the talks. The question concerns procedures. I believe that conditions

exist for progress and negotiations. I also believe that the actions of the American Congress, if they are maintained, will impede this progress. I have said so repeatedly.

*Q. What are your views on the anxiety of Mr. Brezhnev for the European summit—for the summit of the European Security Conference—and the recent talks in France where France in some way endorsed the European Security Conference summit next year in Helsinki?*

*Secretary Kissinger:* The United States has maintained the position, which it adopted together with its other allies, that the decision on whether there should be a summit should await the determination of the results of the second stage of the conference. This has been the American position and it remains the American position, and it is that if the results justify it we are prepared to go to a summit, and there has been no change in our position. I can't interpret the Franco-Soviet communique because it has been explained to me that there are subtleties in the French language that are untranslatable into English [laughter]. If that is so, it may be that they follow the same principles that I have just announced.

*Q. Mr. Secretary, after your conversation with the Greek and Turkish Ministers, you are a little bit encouraged. Do you have the impression that a solution can be achieved if you could, for example, make a trip to Athens, Ankara, and Nicosia?*

*Secretary Kissinger:* None of you will ever know whether I understand French or not [laughter], but it is not necessary for my answer [laughter]. I would like to repeat what I said in reply to Mr. Freed [Kenneth J. Freed, Associated Press]. Whether substantive progress can be made depends in part on certain domestic legislative issues that are yet to be resolved in the United States. I would also like to emphasize again what I have said repeatedly—that the United States supports aid for Turkey not in order to take sides in the Greek-Turkish dispute and not as a favor to Turkey, but because it believes it is essential for the security of the

West. Now, if I understood the question correctly—whether it involves travels to Ankara, Athens, and Nicosia—we believe that the major problem is to get the talks started. And once the talks are started with the right attitude, the United States will be prepared to do what the parties request to accelerate them and to help them along. But I think we cannot determine this until the talks have been started. But I hope that progress can be made, and fairly soon.

*Q. Mr. Kissinger, you speak French without subtlety. Very simply, it seems that some time ago you were very concerned about the internal Italian political situation. Are you still so concerned?*

*Secretary Kissinger:* I do not believe that I have stated any public views on the interior situation of Italy. It is always complicated and always seems to get solved, and I think that I have so much difficulty conducting foreign policy that I don't want to get involved in the domestic politics of the country that produced Machiavelli [laughter].

*Q. Mr. Secretary, you said that you were not familiar with the subtleties of the French language, but I heard yesterday that you asked Mr. Sauvagnargues for his interpretation of the paragraph of the Rambouillet communique on the European Security Conference. Mr. Sauvagnargues gave it to you. He said that it had the same meaning as the Vladivostok communique, and you said that you did not agree. Is this true?*

*Secretary Kissinger:* I think as a matter of principle we should not begin the practice of restricted sessions by then discussing what went on in restricted session. If, as I pointed out before, the communique from Rambouillet has the same meaning as the communique in Vladivostok, then, of course, we agree with it [laughter]. If it has a different meaning, then we would obviously have that degree of disagreement with it, since only two weeks before we found another formulation better. But I am willing to accept the French statement that it has exactly the same meaning.

*Q. You are the representative of the most powerful and the richest nation in the world. You therefore have an enormous influence to which is added your own well-known personal dynamism. However, a number of countries and people are concerned because your power gives you the appearance of an elephant. When an elephant turns around, he sometimes does damage—even when making a gesture of friendship. What are you doing personally, Mr. Kissinger, to see to it that the elephant retains his goodness but is not too heavy when he leans in a certain direction [laughter]?*

*Secretary Kissinger:* I think that this is a serious question actually, and it is a problem that the United States, because of its scale, can produce consequences with the best of intentions that are out of scale for some of its allies and partners. Now, knowing the problem doesn't necessarily mean that you know how to solve it, and as I pointed out yesterday to some of my colleagues, in the economic field, for example, we are prepared to discuss with our friends our long-term intentions and to hear their views before we make any irrevocable decisions. And the best solution we have is, one, that we should be aware of the problem, and secondly, that we should have intensive consultations with our allies in more fields than has been customary to give them an opportunity to learn our views and to give us an opportunity to learn their concerns. I know the word "consultation" is one of these that produces linguistic difficulties, and we are happy to call it by some other name if it helps matters.

*Q. [Can you say what you feel will be the impact of] the economic recession and high oil prices on the NATO military alliance? Either now or in the future?*

*Secretary Kissinger:* Some of these accounts have an even greater sense of the dramatic than the officials'. The basic issue is that in the twenties and thirties the problem of the industrialized countries was depression. Gradually a theory was developed, the

Keynesian theory, which was a means of overcoming depressions, and when it was applied on a sufficiently massive scale, it worked. The problem of the industrialized world since the war has been inflation—and inflation that sometimes continues even during periods of recession. This is an inherent problem of all Western societies for which no adequate theory exists; and therefore now under the impact of high oil prices, of concurrent inflation and potential recession, it is necessary to take decisive action to maintain both the economic stability and progress and the political stability of these countries. This is a well-known fact, and of course if it isn't mastered, political instability will grow, and therefore it is bound to affect defense.

This is a problem with which I believe all my colleagues agreed, and some of whom stated it much more eloquently than I did, and in which I had the impression that all the delegations agreed to work with great seriousness even in the absence of the adequate conception of how to approach it.

*Q. Can we go back to the Turkish question? You said before leaving Washington that a cutoff in military aid to Turkey might undermine your talks on the Cyprus question. You have now had three days of talks with the Greek and Turkish Foreign Ministers. Would you now say in fact that it did undermine your conversations?*

*Secretary Kissinger:* I maintain two points which I think it is important to keep in mind. I cannot repeat them often enough.

American aid to Turkey is not given as a favor to Turkey. It is given for the common defense of the West. And when we start stopping aid to affect immediate tactical issues, we will over a period of time undermine the cohesion of the alliance—the security of the West—and create a totally wrong impression of the nature of our military aid. I therefore believe it is one of the most dangerous things that has been done.

Secondly, with respect to the talks—the talks as they have been now have not yet been undermined by it. If the aid is discon-

tinued, however, progress is extremely unlikely. Therefore we have held the talks up to now in the context of a situation in which progress can be made. It is my judgment that this progress will become very difficult if the aid is discontinued.

Let me just make one other point. I'm not saying this in order to back Turkey against Greece. I stated on Saturday in Washington that the United States believes that conciliation on the part of Turkey is very important and that it will support a solution which is fair to all sides, and that was the spirit with which I talked to both Foreign Ministers.

*Q. Do you think that after this Ministerial Council meeting NATO will remain more united and coherent?*

*Secretary Kissinger:* I think this meeting was probably the best that I've attended as Secretary of State. Probably because the format of the restricted meeting and the absence of formal speeches and a freer give-and-take permitted a discussion of the more essential issues, and secondly, because I have the impression that the Foreign Ministers of the alliance understand the fundamental issues that confront the West and acted in a cooperative and constructive spirit, and there were no significant divisions.

## **North Atlantic Ministerial Council Meets at Brussels**

*Following is the text of a communique issued on December 13 at the conclusion of the regular ministerial meeting of the North Atlantic Council at Brussels.*

Press release 532 dated December 16

1. The North Atlantic Council met in Ministerial session in Brussels on 12th and 13th December, 1974. At the close of the year which marked the 25th Anniversary of the Alliance, Ministers noted with satisfaction that member countries remain firmly committed to the Alliance and that this had

found solemn expression in the Ottawa Declaration.

2. Ministers reviewed developments in East-West relations. They noted the progress, albeit uneven, towards détente over the past six months. They stated their readiness to continue their efforts to make progress in their negotiations and exchanges with the Soviet Union and Warsaw Pact countries aimed at steady improvement in East-West relations. Noting, however, the increase in the military strength of the Warsaw Pact countries, and bearing in mind that security is the prerequisite for the policy of détente, they expressed their determination to maintain their own defensive military strength.

3. Ministers had a broad discussion on the implications of the current economic situation for the maintenance of Alliance defense and noted the efforts made at both the national and international levels to overcome the difficulties confronting the economies of the allied countries. They reaffirmed their determination to seek appropriate solutions in the spirit of cooperation and mutual confidence which characterizes their relations. Ministers decided to continue to consult on the repercussions of economic developments on areas within the direct sphere of competence of the Alliance.

4. Ministers noted that at the Conference on Security and Cooperation in Europe there had been enough progress to show that substantial results were possible. Nonetheless, important questions remain to be resolved. Ministers expressed the undiminished determination of their Governments to work patiently and constructively towards balanced and substantial results under all the agenda headings of the Conference, so as to bring about a satisfactory conclusion to the Conference as a whole as soon as may be possible.

5. Ministers of the participating countries reviewed the state of the negotiations in Vienna on Mutual and Balanced Force Reductions. These negotiations have as their general objective to contribute to a more stable relationship and to the strengthening of peace and security in Europe, and their success would advance détente. These Ministers were resolved to pursue these negotiations with a

view to ensuring undiminished security for all parties, at a lower level of forces in Central Europe. They reaffirmed their commitment to the establishment of approximate parity in the form of an agreed common ceiling for the ground force manpower of NATO and the Warsaw Pact in the area of reductions. They considered that a first phase reduction agreement covering United States and Soviet ground forces would be an important and practical first step in this direction. They noted that the negotiations have, so far, not produced results and expressed the hope that a constructive response to the Allied proposals would soon be forthcoming. They reaffirmed the importance they attach to the principle to which they adhere in these negotiations that NATO forces should not be reduced except in the context of a Mutual and Balanced Force Reduction Agreement with the East.

6. Ministers heard a report from the United States Secretary of State on the continuing United States efforts towards the further limitation of strategic offensive arms in the light of President Ford's recent talks with Mr. Brezhnev. They noted with satisfaction the significant progress towards limitation of strategic nuclear weapons achieved in Vladivostok. They expressed the hope that this progress will lead to the early conclusion of a satisfactory SALT II Agreement. They also expressed appreciation for continuing consultations within the Alliance with respect to the SALT negotiations.

7. The Ministers reviewed the developments concerning Berlin and Germany which have taken place since their last meeting in June 1974, especially as regards the application of those provisions of the Quadripartite Agreement relating to the Western Sectors of Berlin. They considered, in particular, traffic and ties between the Western Sectors and the Federal Republic of Germany and the representation abroad of the interests of those sectors by the Federal Republic of Germany. They emphasized the importance to the viability and security of the city of all provisions of the Quadripartite Agreement. The Ministers also emphasized that there is an essential connection between dé-

tente in Europe and the situation relating to Berlin.

8. Ministers expressed their concern about the situation in the Middle East which could have dangerous consequences for world peace and thus for the security of the members of the Alliance. They reaffirmed the overriding importance they attach to fresh progress towards a just and lasting peace in this area. They likewise welcomed the contributions which Allied Governments continue to make to United Nations peace-keeping activities. Ministers noted the report on the situation in the Mediterranean prepared by the Permanent Council on their instructions. They found the instability in the area disquieting, warranting special vigilance on the part of the Allies. They invited the Permanent Council to continue consultations on this subject and to report further.

9. As regards Greek-Turkish relations, Ministers heard a report by the Secretary General under the terms of his watching brief established by the Ministerial session of May 1964. They expressed the firm hope that relations between these two Allied countries would rapidly return to normal.

10. Ministers noted the progress of the work of the Committee on the Challenges of Modern Society, especially on solar and geothermal energy resources as well as on coastal water pollution, improved sewage disposal, urban transport and health care. Ministers also noted the start of projects on the disposal of hazardous wastes and action to follow up completed CCMS studies on the prevention of ocean oil spills, road safety improvement, cleaner air and purer river water, thus enhancing the quality of life for their citizens.

11. The Ministers directed the Council in permanent session to consider and decide on the date and place of the Spring session of the Ministerial Meeting of the North Atlantic Council.

## U.S. and Spain Hold Second Session of Talks on Cooperation

### *Text of Joint Communiqué*<sup>1</sup>

The second round of negotiations on Spanish-American cooperation took place in Washington from December 9 to 12. The Spanish delegation was headed by Under Secretary for Foreign Affairs, His Excellency Juan José Rovira, and included members of the Spanish Foreign Office and military representatives led by General Gutierrez Mellado of the Spanish High General Staff. The American delegation was headed by Ambassador-at-Large Robert McCloskey and included members of the Department of State and representatives of the Department of Defense, led by Rear Admiral Patrick Hannifin.

The conversations proceeded according to the agenda and work program adopted at the first round of talks held in Madrid in November. This second round focussed on the defense aspects in the relationship between the two countries in the light of the Joint Declaration of Principles signed last July, and included exchanges of views on this subject by the military advisors of the two delegations.<sup>2</sup> Both sides described their respective positions and proceeded to explore areas for more detailed discussions.

The conversations took place in a frank and cordial atmosphere and it was agreed that the next round of talks will take place in Madrid on January 27. The Spanish Ambassador, His Excellency, Jaime Alba, hosted a lunch for Acting Secretary of State Robert Ingersoll and the American delegation, and Ambassador McCloskey offered a lunch to Under Secretary Rovira and the Spanish delegation.

<sup>1</sup> Issued on Dec. 12 (text from press release 524).

<sup>2</sup> For text of the declaration, see BULLETIN of Aug. 5, 1974, p. 231.

## U.S. Abstains on Proposed OAS Resolution To Rescind the Sanctions Against Cuba

*The 15th Meeting of Consultation of the Foreign Ministers of the Organization of American States was held at Quito November 8-12 to consider a resolution to rescind the sanctions against Cuba. The resolution did not obtain the two-thirds majority required under the Inter-American Treaty of Reciprocal Assistance (Rio Treaty). Following is a statement made in the meeting on November 12 by Deputy Secretary Robert S. Ingersoll, who was chairman of the U.S. delegation, together with the transcript of a news conference held after the meeting by William D. Rogers, Assistant Secretary for Inter-American Affairs, and William S. Mailliard, U.S. Permanent Representative to the OAS.*

### STATEMENT BY DEPUTY SECRETARY INGERSOLL IN THE OAS MEETING OF CONSULTATION

Mr. Chairman, distinguished Foreign Ministers and Special Delegates: We have remained silent prior to the vote because we wished to avoid even the appearance of influencing by our remarks or by our actions the outcome of this Meeting of Consultation. Now I think a word of explanation of our vote is in order.

As most of you are aware, the United States was initially opposed to a review of Resolution I at this time. We were persuaded by other nations that the issue should be discussed. We voted for the convocation of this meeting. And we have carefully attended these sessions and considered the statements of each of the members.

The resolution convoking this meeting received unanimous approval in the Permanent Council of the OAS. It placed before us

the important question of sanctions against Cuba. Ten years have passed since Resolution I was enacted by the Ninth Meeting of Consultation of the Ministers of Foreign Affairs. It is natural that we should review that decision.

We recognize that a majority now exists for lifting sanctions. On the other hand, we also recall that the measures contained in Resolution I were adopted in 1964 by an overwhelming majority of the OAS member states. Some states here today were, with good reason, among the most persuasive advocates of sanctions. For some of us, evidence of Cuban hostility is fresh in our minds. Though 10 years have passed, the states of the Americas have still received no clear satisfaction that Cuba has abandoned the export of revolution.

We have also taken into account another consideration. It is of the essence of the new dialogue not merely that we consider the major issues confronting this hemisphere, but that we do so in the spirit President Rodriguez Lara of our host country, Ecuador, so well laid before us Friday, when he said that a fundamental part of our responsibility was to:

. . . openly and freely express the position of our countries. —While at the same time seeing that the possible differences of opinion that may arise in no way affect the Inter-American solidarity that we seek to strengthen.

We have considered all these factors in coming to our decision to abstain. But our abstention should not be taken as a sign of anything other than the fact that the United States has voted in accordance with its own perception of this question at this time. We respect the views of the majority who have

voted for this resolution. We have not voted "no," and we have not worked against the resolution. We also respect the views of those who entertain such serious reservations with respect to Cuba and who therefore have felt it necessary to vote against.

If this Meeting of Consultation has not produced a conclusive result, it has at least aired in a constructive way the fact that there is no easy solution to the problem of a country which deals with some on the basis of hostility and with others on the basis of a more normal relationship.

I should add that the United States looks forward to the day when the Cuban issue is no longer a divisive issue for us. Cuba has absorbed far too much of our attention in recent years. We need to turn our energies to the more important questions. We must not let a failure of agreement on the Cuban issue at this time obscure our common interest in working together toward mutually beneficial relationships on the major issues of this decade.

Finally, I would like to express my appreciation to the Government of Ecuador, to President Rodriguez Lara, and to Foreign Minister Lucio-Paredes, for acting as hosts of this important inter-American meeting. We are fortunate to have such an able and experienced chairman in Foreign Minister Lucio-Paredes. We are grateful for your excellent preparations and hospitality. Your high sense of responsibility toward the inter-American system should be an example to us all.

#### **NEWS CONFERENCE OF ASSISTANT SECRETARY ROGERS AND AMBASSADOR MAILLIARD**

*Q. I would like to ask where you are going from here?*

*Assistant Secretary Rogers:* Back to Washington. [Laughter.]

*Q. On this issue, what do you foresee?*

*Assistant Secretary Rogers:* You mean on the Cuban issue in the international organization concept? Well, I would say that since

#### **Text of Draft OAS Resolution To Rescind the Sanctions Against Cuba<sup>1</sup>**

DRAFT RESOLUTION SUBMITTED BY THE DELEGATIONS OF COLOMBIA, COSTA RICA AND VENEZUELA

WHEREAS:

The Permanent Council of the Organization of American States, by resolution CP/RES. 117 (133-74) of September 20, 1974, which was approved unanimously, convoked this Meeting so that the Organ of Consultation of the Inter-American Treaty of Reciprocal Assistance, mindful of strict respect for the principle of non-intervention by one State in the affairs of other States, and bearing in mind the change in the circumstances prevailing when measures were adopted against the Government of Cuba, might decide whether the rescinding of Resolution I of the Ninth Meeting of Consultation of Ministers of Foreign Affairs, held in Washington, D.C., in 1964, is justified;

The Ministers of Foreign Affairs and the Special Delegates stated the position of their respective governments with regard to the subject matter of the resolution convoking the meeting,

THE FIFTEENTH MEETING OF CONSULTATION OF MINISTERS OF FOREIGN AFFAIRS,

RESOLVES:

1. To rescind Resolution I of the Ninth Meeting of Consultation of Ministers of Foreign Affairs, held in Washington in 1964.

2. To request the Governments of the American States to faithfully observe the principle of non-intervention and to abstain from any act inconsistent therewith.

3. To inform the Security Council of the United Nations of the text of the present resolution.

<sup>1</sup> The resolution did not obtain the two-thirds majority required for adoption; the vote was 12 to 3, with 6 abstentions (U.S.).

the resolution failed, according to the terms of the treaty there's no change in the legal status. What may occur in bilateral relationships of various member countries remains to be seen.

*Q. On the basis of your intimate knowledge of what goes on inside the inter-Ameri-*

*can community, Mr. Ambassador, what countries do you think, as a result of having failed to get the two-thirds vote they wanted here, might just go ahead and recognize Cuba?*

*Ambassador Mailliard:* I don't think I'd want to name countries. A lot of statements have been made over the last few weeks and months by some countries that said no matter whether the sanctions were lifted or not they would not renew relations. Some others said they probably would. I don't think it's up to us to speculate on what another sovereign nation is going to do.

*Q. Mr. Rogers, is there any chance that the Cuban issue might come up in the interval before the new-dialogue meeting in March in Buenos Aires or the General Assembly in April?*

*Assistant Secretary Rogers:* I suppose the answer is that there's a chance that it will. Obviously, this will not be the last time we will hear the Cuban issue, and it could come up in a variety of fora. I think it's important to point out that Resolution No. I of the 1964 meeting of Foreign Ministers specifically provides that the Permanent Council is authorized to deal with the question of raising Cuban sanctions in a specific manner under specific terms set down in that very resolution. So that the resolution itself establishes another forum in which this question can be raised, and there are a wide variety of other juridical ways that it's imaginable the question will come up in the OAS itself.

*Q. Mr. Rogers, we understand that there have been some private conversations around. I assume within the delegation and the other foreign delegations, as to what the United States might accept at this meeting. Could you tell us what it was that we might have accepted that they never offered us?*

*Assistant Secretary Rogers:* We didn't have any fallback positions, Mr. Manitzas [Frank Manitzas, CBS]. I take it you're saying in terms of lifting the sanctions itself? No. Our posture, our position from the very beginning—and we attempted to make this

clear to the other member states—was that we were not opposed to the calling of this meeting if they thought it desirable, at the Foreign Ministers level, that we were prepared to come and participate and listen. We adopted the policy from the very outset, and carried it through with great care, of not influencing or arm-twisting any other state with respect to their position or vote. That is a position we have followed through on from the beginning to the end of this conference. We regard that as an affirmative contribution to the dialogue itself at this conference, and that is essentially the position we brought from the beginning and carried through to the end of it.

*Q. Then there was no language that they could have offered you in the resolution on Cuba that you could have voted for—that the United States could have voted for?*

*Assistant Secretary Rogers:* We didn't have any fallback position that we were prepared to accept on this. We wanted to listen to what everyone had to say and to see what the essential weight of opinion was on the part of the other states.

*Q. I'd like to ask you, if you could tell us now, the degree to which you made this clear, your delegation's position of abstention from debate, and any resolution, to Foreign Ministers with whom you or Secretary Ingersoll met here, and on what dates? What I am driving at is that it seems to have been the case that until Saturday, Latin delegations were not really sure of the policy you just described, and we ourselves in briefing sessions here were being given the impression that there was a fallback position and that there were things that could have been done, whereas we now know, as do the Latin countries, that your instructions were to abstain and there was no change in those instructions.*

*Assistant Secretary Rogers:* That's a fair question. I think I'd like to divide the answer up into two parts, or at least our position up into two parts, because we thought about that very carefully. When I say that, I mean the time when we would announce the fact



that we were going to abstain with respect to the resolution drafted in Washington and which was on the table here at this meeting.

We did decide at the very outset that we would adopt what I personally regard as a new and healthy posture on the part of the United States, and that was not to pressure any country with respect to our point of view about the issues at the meeting or with respect to how that country ought to vote. That posture we announced long before the meeting began, and as I say, we followed through the entire meeting, both in the halls of the meeting room itself and in our private conversations with the other delegations, in a manner which was utterly consistent with that non-arm-twisting posture by the United States.

We did not, you are quite right, announce—before we arrived or at the time we arrived—that we were going to abstain under any circumstances. The reason was that, had we announced we were going to abstain with respect to the pending resolution, that in itself would have been inconsistent with the neutrality of a non-arm-twisting policy. Because that might have had an effect on certain delegations and committed them to a position of abstention before they had heard the views of the other member states.

So that essentially our posture was divided up into those two aspects—one, our policy of non-arm-twisting, and two, the final vote we would take. The first part we announced at the very outset. The second part we did not announce until we were sure that each state had a chance to hear what the others had to say and had made up its mind as to how it was going to vote.

Is that responsive to your question?

*Q. Yes it is, sir.*

*Assistant Secretary Rogers:* Good.

*Q. Mr. Rogers, when did you actually make up your mind to abstain—here, while coming, or two weeks ago?*

*Assistant Secretary Rogers:* I think that's a fair question and let me try to answer as quickly as I can. The answer is that we had, let's say, 90 percent or 80 percent decided

to abstain with respect to that resolution, the one that had been predrafted in Washington and was on the table here, assuming that we were correct in our prophecy as to what the parliamentary situation was going to be and what the general international situation was going to be, and assuming that no other new and imaginative proposals were put on the table which we hadn't foreseen.

What I'm trying to say is that we were not locked into that position absolutely hard and fast, and had this matter, in terms of the parliamentary situations, positions of other delegations, or other factors been different than they finally turned out to be, we would reconsider that.

Is that responsive to your question, Juan [Juan Walte, United Press International]?

*Q. Mr. Rogers, if it were a differently worded resolution, could it have been voted for?*

*Assistant Secretary Rogers:* That is pretty hypothetical, Anita [Anita Gumpert, Agence France Presse], in terms of saying what had to really hit the table with a strong consensus of other Latin American support.

*Q. Excuse me, Mr. Secretary, for pinning this down slightly more. Did you or Ambassador Mailliard or Secretary Kissinger, to your knowledge, at any time, give any tacit or passive encouragement to the sponsoring countries or give to them the impression by smiles [laughter] that you might shift your position from abstention to favorable under certain conditions? [Laughter.] In other words, did you give them the impression at any time that you or the United States or the State Department would be glad to see the sanctions lifted with strictly Latin American support?*

*Assistant Secretary Rogers:* These are really two different questions, I think. The first question was, did we ever signal to them by a smile or a hint, in other words a body-language diplomacy? [Laughter.] The answer I have to give you is that we didn't intend to.

*Q. Did you?*

*Assistant Secretary Rogers:* Did we? I don't have the foggiest idea. As I say, I may have smiled. If I did, I apologize if I did mislead them. I don't know [laughter], you learn something in this diplomatic game all the time. Did you prefer to comment on that?

*Ambassador Mailliard:* No, I think that's absolutely right. How they may have interpreted things, I think is a little difficult for us to tell. But, certainly as far as the co-sponsors were concerned, we told them a long, long time ago that they shouldn't count on us for either opposition or support.

*Q. You told them that specifically, sir?*

*Ambassador Mailliard:* Yes. Very specifically.

*Q. Mr. Rogers, we've seen the new dialogue working here with no arm-twisting, etc., or at least it's what you say is going on. What is going to happen when you see that they have the 14 votes? Will you still continue this new dialogue of sitting back and let it go or wait for them to come to you? Or is the new dialogue going to have "clause three" that we have to defend our interests and we will move out? In other words, in this case, you had a better count than the sponsors. There was never any need for you to move to make certain a position was not adopted against the position that you wanted. What happens when you see they have the 14 votes? What happens to this new dialogue then?*

*Assistant Secretary Rogers:* If I understand the question correctly, Frank, it is what would be our position in terms of pressure and arm-twisting and U.S. posture when there are 14 votes to lift the sanctions.

*Q. When there are 14 votes against the position the United States has, how are you going to work the new dialogue? Obviously it is easy to see it working when someone is doing your work for you, in a sense. I'm not saying you were having it done for you, but they were doing it. What happens when you have to go out and start moving bodies*

*and moving votes yourself? How are you going to do this with the new dialogue?*

*Assistant Secretary Rogers:* I think you misstate the proposition, in a sense, Frank. We didn't have a position. We were not opposed to a lifting of the sanctions.

Had we been opposed, if it had been some other measure and we had been opposed, we would have, in a new-dialogue way, frankly stated our position on this matter. That's part of the new dialogue—that every country ought to speak up with respect to its own interests.

In this particular instance the fundamental point of this conference is that the United States did not have a position in opposition to the lifting of the sanctions. We did not. And we didn't say to any country that we did. And we did not vote against it. We made perfectly clear to the sponsors, and they understood it, that they had a clear field. They had a clear shot at lifting those sanctions if they could make it work. And we were not going to lift a finger against them. And we played by that rule from the very beginning to the very end.

Now, that, essentially, it seems to me is precisely consistent with the new dialogue. If we had a position in opposition, you would have heard about it, as has been the case in all the other conferences in the past.

*Ambassador Mailliard:* You also made an assumption when you said that we had a better count. We didn't know for sure whether there would be 14 votes or not.

*Q. I'd like to pick up on the last part of the last question, and that is, if they had had the 14 votes would it have been in the interests of the United States to have the sanctions lifted without our having to cast a vote in favor?*

*Assistant Secretary Rogers:* I'm not sure—

*Q. The last part of the last question had to do with whether the United States really would have welcomed the lifting of the sanctions without the United States having to cast a vote in favor of it.*

*Assistant Secretary Rogers:* We never

said that, because that would have been an announcement of our position.

*Q. No, I know you didn't say it, but would it be fair to say it would be an assumption?*

*Assistant Secretary Rogers:* You want to know what was in our secret hearts?

*Q. That's right.*

*Assistant Secretary Rogers:* That would be telling, wouldn't it? No, I don't mean to be captious about it.

*Ambassador Mailliard:* I think that there is such a simple answer to that, it might be hard to believe; but if two-thirds of the member states had concluded that the sanctions should be lifted, then I think you have to question whether there were any sanctions at all. So that there wasn't a question of where our interests lay. It depended upon the parliamentary situation. If that overwhelming a majority of the Latins felt that this was no longer a viable position, it would have been pretty foolish for us, it seems to me, to take a contrary view.

*Q. Mr. Rogers, how do you view the effects of this vote on the strength of the OAS? Do you think that the potency of the OAS has been increased by this vote, or do you think it has been a setback for the OAS? And in your talks since the vote with other delegations, what have their feelings been as to the effect of this on the OAS?*

*Ambassador Mailliard:* A little bit. This meeting was convened under the Rio Treaty. The only reason this meeting was held was because of the concern of a number of countries that the binding obligations of the Rio Treaty appeared not to be being observed, to the extent that several countries did not comply with their obligations under the treaty. I think this is really what has caused the whole thing to operate.

So, I think if you are talking about the Rio Treaty alone and you're going to be candid, you got to say that if now, even though the sanctions are not lifted, an appreciable number of other countries renew bilateral relations, then the Rio Treaty is to some extent weakened. But to translate that into the destruction of the inter-American

system, I think, is a vast exaggeration of the problem.

*Q. Mr. Secretary, as far as you know, is the March meeting of the Foreign Ministers going to come off as scheduled in Buenos Aires, and second, would this whole business come up again at that meeting?*

*Assistant Secretary Rogers:* Yes. As far as we know the March meeting is on track. We look forward to it with a great sense of anticipation. The Secretary will be there. We will be discussing real new-dialogue issues across the board, the vast number of fundamental and first-order issues that were on the agendas, as you know, both at Tlatelolco and Atlanta. We do not see this one-issue meeting here as having any serious effect on the March meeting in Buenos Aires.

*Q. [Question unintelligible but concerned correspondent's contention that "countries defeated were supposed to be democratic and representative governments," and countries which "won" were "vastly more aggressive."] Do you think this has harmed the inter-American system?*

*Assistant Secretary Rogers:* I don't know if the inter-American system is harmed by whether one category of countries wins or another category of countries loses. That tends to make distinctions between countries that I think are not a solid basis for the conduct of relations within an international organization.

The fact of the matter is that the basic problem, as Ambassador Mailliard just has pointed out, is the structure—the juridical structure—of the Rio Treaty itself. The Rio Treaty itself, in the first instance, required that the sanctions be imposed on the basis of a two-thirds vote.

At that time the proponents of the sanctions had the uphill struggle of getting two-thirds. They got enough or more than that because of the fact that Venezuela, as you know, one of the countries now a proponent of the lifting of the sanctions, felt itself threatened. And at that time, it was Rómulo Betancourt's government—one of the embattled democracies of all time, which was operating, as I well remember, under the

threat of military attack or guerrilla attack on the elections at that time—which was one of the initiators of the sanctions. And the sanctions required a two-thirds vote then.

The fact of the matter is that the same rule applies today under the Rio Treaty, for better or for worse, and two-thirds are required to lift it, and the fact of the matter was that the lifting of the mandated sanctions under Resolution I of the 1964 meeting could not command a two-thirds majority.

Now, there are lots of things you could say about that, and one of them may well be that the juridical structure of the Rio Treaty ought to be changed, and we are perfectly prepared to look at that question. But I don't think we ought to talk about this as an ultimate and disturbing defeat for some people and a victory for others. It may indicate that we have got to look for better ways for arriving at consensus within the system. And as I said, the United States is quite well prepared to do that.

*Q. I have a question about the participation at the Buenos Aires meeting. One of the issues there is whether or not to invite Cuba. First, have you been asked by the Argentine Government how you feel about it, and how do you feel about it?*

*Assistant Secretary Rogers:* The answer is no.

*Q. The second, how do you feel about it?*

*Assistant Secretary Rogers:* I'll wait till Vignes [Argentine Foreign Minister Alberto Vignes] asks the Secretary.

*Q. Mr. Secretary, I would like to ask a theoretical question. Under the terms of the Rio Treaty the signatories are bound by the decision, obviously. If there had been a two-thirds majority here in favor of lifting the sanctions, both commercial and diplomatic, against Cuba, would the United States have gone along and resumed relations with Cuba immediately, or within a reasonable time?*

*Assistant Secretary Rogers:* Yes, that's a fair question, and I think you're quite right to ask it in a way which emphasizes

the difference between a resolution here which would ostensibly have repealed the 1964 resolution of the Foreign Ministers meeting and what then happens bilaterally.

Now, the legal effect of the resolution which didn't achieve the two-thirds majority at this meeting essentially would have been to repeal the adoption of the measures by the meeting of the Foreign Ministers in 1964, which, in our legal view, became binding on all the states—that they terminate diplomatic relations, that they terminate commercial relations, and that they do whatever they can with respect to maritime commerce to reduce trade with Cuba. Those were requirements which were and still are, in our view, binding on all member states of the OAS. Had those requirements been eliminated, it would then have been up to each country to decide what to do.

The United States had terminated diplomatic relations and had instituted a number of measures with respect to its commercial relations with Cuba prior to the 1964 resolution, and by the same token those measures—termination of diplomatic relations, and measures affecting commerce—would have legally survived the action here at Quito, had the resolution which was proposed gathered the two-thirds vote. Now, what we would thereafter have done bilaterally, if you will, with Cuba really would have been essentially a Cuba-U.S. question, and essentially it still is a Cuba-U.S. question. And we have made no statement with respect to our posture in terms of how quickly we would have moved on that issue, and on what basis.

*Q. Mr. Secretary, the Ford administration has said that the United States unilaterally would not renew diplomatic relations without consultation with the OAS members, and that was the reason this meeting was called for; but now, we are sort of bound in the other direction, not to forge détente with Cuba. In other words, we sort of block off the whole liberal sector of the U.S. Congress by seeing this resolution fail today. Could that have been one of the Ford administration's approaches?*

*Assistant Secretary Rogers:* I don't think so. It seems to me what you are suggesting is that we manipulated the result here. And what I have been trying to say all day long is that we did our best—we may have failed just because we are who we are—but we really did our serious, legitimate best to eliminate any manipulation or pressure or arm-twisting by the United States. Now you may not credit that, or it may sound, in an inter-American context, difficult to believe in view of the history we all know of U.S. efforts in this respect. But it is the case.

*Q. Well, you know, this is a very positive new statement. It comes out very positive, but the effect of your policy has had a very negative effect on the OAS. So I don't see how you can call it a positive policy when its effect is so negative.*

*Assistant Secretary Rogers:* As I said, we don't regard the effect as negative on the OAS. In the first instance, with all due respect, there are lots of other issues in the inter-American system. I realize that Cuba is the big issue theatrically and in terms of public controversy. But we have a lot of other things that we have been attempting to talk about in the new-dialogue way with Latin America. And we think, in a sense, that the positive contribution we have made is to demonstrate that the United States is not going to dominate this inter-American system in the future; that we are not striving for artificial consensus; that we are not trying to create synthetic agreement. This is a positive contribution not just to the discussion of the Cuban issue but to the discussion of a wide number of other issues, many of them in the minds of some people much more fundamental than this Cuban question. I will furthermore say that this is not the last time, I regret to say, that we are going to hear about the Cuban issue in the inter-American context or the last opportunity that the inter-American system is going to have to come to grips with this narrowing question of sanctions.

*Q. (Spanish) [Question semi-intelligible but concerned correspondent's contention*

*that countries like Chile and Paraguay had "won" and "democratically elected governments such as Colombia and Venezuela had lost," and what effect this would have on the inter-American system.]*

*Assistant Secretary Rogers:* I think it's unfair—or at least it's not a matter of significance which countries happen to line up on the same side of the vote, as I said, for the reasons that we have tried to make clear. That is to say, the desire of the United States was to avoid pressure and arm-twisting on this Cuban issue.

The reasons the other countries voted the way they did were explained by the representatives of those countries. It is my firm belief that they did not vote the way they did just because the United States was voting the way it did. They voted the way they did, as I think Minister Blanco [Uruguayan Foreign Minister Juan Carlos Blanco] in particular expressed very clearly as far as Uruguay was concerned, because they were not persuaded that Cuba has an equally neutral attitude with respect to internal affairs within Uruguay. Now, that essentially is the reason for the Uruguayan position.

In the case of all the other countries, they took the positions they took for the reasons they took them, and the mere fact that country *x* is one category and country *y* is in another category, I regard as having little significance.

*Q. Let's carry Mr. O'Mara's [Richard O'Mara, Baltimore Sun] question a step further. Whatever the scenario may be in your own minds in Washington for developing bilateral relations with Cuba, whatever that timetable may be, has it now been affected, has it now been set back? Are you now incapable of moving ahead with whatever you might, in your own minds, want to move ahead with because of the decision taken here today?*

*Assistant Secretary Rogers:* Well, quite frankly, because we didn't have a timetable and we don't have an agenda for Cuban relations, our basic position is that we have been and will continue to abide by the OAS

resolution. As I say, as President Ford has said, as to when and to the extent that our Cuban policy changes, we will be doing that in consultation with the other members of the Organization and consistent with its regulations. We have not had a timetable nor do we have a formal agenda for business with Cuba. Is that responsive to your question?

*Q. Can I carry it one step further?*

*Assistant Secretary Rogers:* Sure.

*Q. Does this prevent you from establishing any kind of timetable? In other words, does that question of bilateral relations now absolutely guide you with respect to the OAS?*

*Assistant Secretary Rogers:* Well that's a fair question, and if I can answer it candidly without you guys reading a lot into the entrails of my answer, let me say this. As a matter of law, we are forbidden, obviously, from having diplomatic relations with Cuba. That does not, however, prohibit us from considering whether to establish. In other words, we can think unthinkable thoughts, even though we can't do illegal things. I'll be quoted on that one, I can see it [laughter.] Don't write that down. [Laughter.]

*Q. Mr. Rogers, could you give us some information on the priorities of the United States vis-a-vis Latin America right now? It seems that the problems we are having now are over trade—in the economic fields. It seems to be less political, which means that Cuba is really not one of our considerations. Tell us something about the situation with the multinationals.*

*Assistant Secretary Rogers:* Right. I think that's a very good question. I think it does put the issues here somewhat better in perspective. I'm never sure whether it's an expression of my personal boredom with the Cuban issue or a legitimate feeling that the economic questions really are the dominant ones in the inter-American system

today. But, whichever the reason for my feelings about it, I do feel that way. There is no doubt that these are the really great issues of the time. They are enormously complicated; they are enormously determinative of the well-being of the people of Latin America; they get much closer, in my judgment, to the realities of life in this hemisphere and in the United States than the obstructions of the Cuban issue; and therefore, in my temperamental approach to these problems, are much more important to think about now.

What are they? They are essentially the issues we tend to lump under the heading economic, but they relate to a wide variety of things. As you point out, the issues that have come up with respect to transnational corporations. As you know—at the earlier meetings of the Foreign Ministers under the new dialogue—this has been a matter of great concern to them. It involves all kinds of questions ranging from across-the-board investment disputes to honoring of contracts and a wide variety of other things.

The question of transfer of technology, which is a matter of fundamental concern throughout Latin America, whichever Foreign Ministers you talk to—all our Ambassadors report back constantly this preoccupation with the question of access to technology and science.

A wide variety of other questions having to do with access to raw materials, prices of raw materials including petroleum, and obviously the fundamental question for such enormous numbers of people throughout the world today; that is, food.

These are the issues that we are very anxious to get on with, with the other members of the inter-American system. And it is my profound conviction that whatever the diagnosis of this Quito meeting, it does not affect the priority of those questions, nor the capacity of us in the hemisphere to come to grips with it. I have talked to a wide number of Foreign Ministers here, and I see no diminution in their desire to

come to grips in an inter-American context with those fundamental economic questions.

*Q. What could you tell us about the United States—the State Department's attitude toward today's decision. Could you say whether it is happy about it and pleased with this decision?*

*Assistant Secretary Rogers:* No. I don't think we want to characterize a response in that sense.

*Q. Mr. Secretary, suppose six months from now the United States would like to establish relations with Cuba in such a meeting as this and suppose two-thirds of the members of the OAS oppose?*

*Assistant Secretary Rogers:* That's marvelously hypothetical. [Laughter.] What would happen? I have a fundamental rule at press conferences never to answer a hypothetical question. But I think it's fair today to point out that there are a wide variety of ways in which the question of the 1964 resolution can be approached in addition to the Foreign Ministers meeting that has been held here.

*Q. (unintelligible)*

*Ambassador Mailliard:* The Permanent Council is clearly authorized to do this and is sitting in Washington all the time. So any time that they got the right number of votes, this could be done expressly under the provision of the '64 resolution. But the Permanent Council also can convoke itself into an organ of consultation, meeting provisionally, so that anytime there's a will with the necessary two-thirds vote, it could be done very quickly if anybody wants to do it.

*Q. Mr. Rogers, even though the United States might seem to think that there are more important issues than the Cuban issue, this meeting was to consider the Cuban issue. If I look up Mr. Ingersoll's declaration this morning, I don't see very much about Cuba and about what the United States thinks about Cuba. [remainder of question unintelligible.]*

*Assistant Secretary Rogers:* I suppose that the best answer was the statement in the press today which was attributed to an unnamed Latin American who said, "We denounce the United States when it pushes us around and we denounce the United States when it doesn't."

We could easily have spoken to the question whether or not essentially Castro would have continued to affect the peace and security of the hemisphere. We decided not to do that. We could not have taken both postures. That is to say, we could not have taken our hands-off posture, our no-pressure posture, and at the same time have spoken on the issue that the other countries did. We decided as I say, in this particular instance, to adopt a hands-off, no-pressure policy; and basically that was the attitude with which we came to the meeting and stuck with all the way through.

*Q. I'd still like to go back to the question of how does this policy work? You have to discuss and you have to move and you have to lobby. What are you going to call this new dialogue? Are we going to go back to 1962, the way the United States worked then, or how is it going to work when you're obviously the underdog, which you were not this time?*

*Assistant Secretary Rogers:* We didn't feel—

*Q. Well, you didn't care one way or the other.*

*Assistant Secretary Rogers:* Right.

*Q. What do you do when you're the underdog? How are you going to work this new dialogue?*

*Assistant Secretary Rogers:* We're going to have to speak up. But I think what you're saying is correct, or at least I would affirm that we tend to regard the Cuban issue in terms of our posture as ever so much more sensitive than a wide variety of other issues.

In other words, on a wide variety of other kinds of question—the economic questions we were talking about before, a number of

other political questions—we don't have this sense that we have to be restrained. We don't have this feeling that taking a position on this is going to tend to be dominating.

We do have that feeling on the Cuban question. And the history bears us out on that—history on the Cuban issue essentially, on which the United States has been quite outspoken. In any event, whatever the history may have been, we feel that the Cuban issue is a very sensitized one and we feel that the best contribution we could make on that was the policy which I've tried to explain here, of restraint and no pressure.

We will not feel that way with respect to a lot of other issues, and we don't. We speak up. It's not really a question of whether you're an underdog or overdog. Most of the questions that we're discussing in an inter-American context we don't discuss in the theatrical way we've done it here in Quito these last few days. We discuss it in somewhat more diplomatic fashion, and it doesn't work usually by adding up the votes on a yes-no-abstention kind of artificial approach to the problem. Most particularly, for example, at meetings of the Foreign Ministers' new dialogue, that was all done by consensus. They don't add up votes.

## Bill of Rights Day, Human Rights Day and Week

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

Two hundred years ago, in September 1774, the First Continental Congress assembled in Carpenters' Hall, in Philadelphia, and set in motion a course of human events which created the United States. The system of government begun there, and the high principles on which it rests, continues today as the source of vitality for our society.

Anticipating the bicentennial of this Nation's independence, now is an excellent time to pause and consider the groundwork the delegates to Philadelphia laid for our independence. The First Continental Congress adopted a resolution asserting, among

other things, the rights of the American people to life, liberty, and property; to participation in the legislative councils of government; to the heritage of the common law; to trial by jury; and to assemble and petition for redress of grievances. This resolution foreshadowed the Declaration of Independence and the Bill of Rights.

It is altogether fitting to mark the 200th anniversary of this noble beginning of the Continental Congress. Beyond that, it is imperative that all of us study and cherish the ideas and ideals which bore fruit in the great constitutional documents of our country. At the same time, we should take the opportunity, whenever possible, to strengthen the liberties which have been assured us in the Bill of Rights, ratified one hundred and eighty-three years ago this week, on December 15, 1791.

America's concern with human rights is not something that ends at our borders. Benjamin Franklin wrote to a friend in 1789:

"God grant, that not only the Love of Liberty, but a thorough Knowledge of the Rights of Man, may pervade all the Nations of the Earth, so that a Philosopher may set his Foot anywhere on its Surface, and say, 'This is my Country'."

Franklin's spirit of universality has found rich modern expression in the Universal Declaration of Human Rights. The link between it and our Bill of Rights is clear. On December 10, we celebrate the twenty-sixth anniversary of the Universal Declaration of Human Rights adopted by the United Nations General Assembly. The General Assembly said that the Universal Declaration stands as "a common standard of achievement for all peoples and nations," reminding us that "recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world."

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby proclaim December 10, 1974, as Human Rights Day and December 15, 1974, as Bill of Rights Day. I call upon the people of the United States to observe the week beginning December 10, 1974, as Human Rights Week. Further, I ask all Americans to reflect deeply on the values inherent in the Bill of Rights and the Universal Declaration of Human Rights and draw on those values to promote peace, justice, and civility at home and around the world.

IN WITNESS WHEREOF, I have hereunto set my hand this third day of December, in the year of our Lord nineteen hundred seventy-four, and of the Independence of the United States of America the one hundred ninety-ninth.



<sup>1</sup> No. 4337; 39 *Fed. Reg.* 42335.



## The Inter-American System: Adjusting to Present-Day Realities

*Address by William S. Mailliard*

*Ambassador to the Organization of American States*<sup>1</sup>

Even perceptive and informed Americans who maintain a healthy interest in foreign affairs are not likely to have a comprehensive grasp of the inter-American system and the Organization of American States. Our eastern press and media, for the most part, are Europe oriented. Here in the West they do pay more attention to Pacific affairs, but nowhere except possibly in the states of the southern tier is there much emphasis on hemispheric happenings.

This is not to say that Latin America is a lost continent or anything like it. But impressions gathered from the media are largely surface impressions dealing with generalities or with certain hot political issues. Thus we hear that Latin America is important but neglected, or we get stories about the Panama Canal issue or the Cuban issue. We do not see much in the way of treatment of the texture and significance of the web of relationships between the United States and its neighbors to the south that we call the inter-American system.

The inter-American system has been a pathfinder in the field of international organization. It is the name we give to a collection of multilateral institutions linking the United States with the nations of Latin America and the Caribbean. And many of the most important principles of the U.N. Charter, such as nonintervention and the juridical equality of states, first saw the light in the context of the inter-American relationship.

The movement toward unity of the Amer-

icas goes back a long way, to Simón Bolívar's Congress of Panama in 1826. At that time, George Washington's dictum of no entangling alliances held sway, and the debates of the Foreign Relations Committee of the Senate for that year show that Bolívar's dream of a Congress of the Americas was thought so novel an experiment and so fraught with unknown perils that the United States should not participate. In fact we did not.

It was not until 1889 that the United States participated in an international conference of American states. Today's inter-American system has its roots in that meeting.

I don't intend to try to escape from today's reality by taking refuge in history, but I think it is worth noting that we in the Western Hemisphere were the pioneers of the world in establishing a free association of sovereign nations to deal with mutual problems. For many decades, until the F.D.R. Good Neighbor policy, we tended to look on Latin America as our private preserve. In turn the nations of Latin America tended to look at our multilateral association as a means of ordering state-to-state behavior and restricting the inclination of the United States to intervene whenever she perceived her interests to be involved. As time went on, we slowly came to accept, much as an emerging adult accepts the rules of society, the need for rules of the road that would order the relationships among us.

Thus has evolved an ever more complex inter-American system to maintain some kind

<sup>1</sup> Made before the Commonwealth Club of San Francisco at San Francisco, Calif., on Nov. 22.

of balance between what was originally a collection of relatively poor and weak nations and a disconcertingly and steadily increasingly powerful neighbor.

### **Varied Activities of the OAS**

Now, what is the inter-American system as we know it today? Substantively, it deals with almost every facet of our association: with peace and security; economic and social development; educational, scientific, and cultural cooperation; human rights; technical assistance and training; disaster relief; health; agricultural research; problems of women, children, and Indians; highways; ports and harbors; tourism; export promotion; and more. Most of this is dealt with by the OAS itself or by one of its specialized organizations, such as the Pan American Health Organization or the Inter-American Institute of Agricultural Sciences. But some hemispheric intergovernmental organizations are not part of the OAS structure, although they are considered part of the inter-American system, the most important of these being the Inter-American Development Bank, created in 1959.

I wonder if many people in this country fully realize how farflung and varied the total activities of the OAS really are, in fields other than peace and security and economic policy. The OAS, through its General Secretariat—headed by former Ecuadorean President Galo Plaza—and also through several specialized technical organizations, carries out action programs amounting to over \$100 million a year. Most of this goes to operate programs of technical assistance related to promotion of Latin American development. The OAS annually grants thousands of fellowships, conducts dozens of training courses, and issues technical publications on a great variety of development-related subjects.

I would like to cite one of the specialized organizations, the Pan American Health Organization, which is also a regional agency of the World Health Organization. Originally created in 1902 to stem the spread of communicable diseases across national boundaries,

PAHO today is recognized as the health agency of the Americas. In addition to its work in the control of communicable diseases, PAHO is active in the development and promotion of health manpower, family health and population dynamics, health services and delivery of health care, and environmental health.

There have been many notable achievements in the health of the Americas through the efforts of PAHO, but perhaps none as successful as the smallpox eradication program. As part of the global effort to eradicate smallpox, PAHO's program in the Americas achieved the ultimate in April 1971, when the last vestige of the disease in Brazil was declared eliminated and all of the Americas free of the scourge of centuries.

The OAS has done valuable and worthwhile work in the field of human rights through the Inter-American Commission on Human Rights, a commission of seven members chosen to serve in their personal capacity.

In education the OAS has focused on innovative approaches to expanding educational opportunities at the lowest possible cost. In the area of science the OAS has concentrated on developing the institutional structure to enable countries to capitalize on existing scientific know-how and to developing in-country capacities to develop solutions to specific scientific and technological problems. In culture the OAS has concentrated on developing an awareness of and publicizing the rich cultural heritage of the region.

Most OAS programs aim at increasing the technical proficiency of the countries. Some examples include assistance in hydrographic studies in the Andean region, assistance to Argentina in the establishment of a net-worth tax, and sending teams to assist in the reconstruction of Managua. In the fiscal year 1972-73 this assistance involved over 600 experts and also included contributions from European countries and Japan.

An OAS committee conducts country reviews of the development programs and plans of the member states. These reviews bring together representatives of the country, and of lending agencies such as the

World Bank, the Inter-American Development Bank, and the U.S. Agency for International Development, and have proved valuable in focusing attention on the need for economic planning and in developing increased technical and managerial expertise in the economic sectors of the nations. The OAS also provides the mechanism, through the relatively new Special Committee for Consultation and Negotiation, for the United States to meet in a relatively informal and nonpolitical setting to discuss U.S. economic policies and practices which have an impact on Latin America.

I have deliberately overloaded your circuits with seemingly dry facts about what the OAS really does with its money.

As a practicing politician for many years and now as a practicing diplomat, I have learned that the allocation of resources determines to a great extent the priorities of an organization. It should be clear to you that the priorities of the inter-American system lie in the field of development.

We are associated in this endeavor because it is in our national interest that all the people of Latin America reach high standards of economic well-being. There is a strong moral aspect to this that I would not slight, but beyond that, development contributes to political stability in the hemisphere and to the opening of new trade opportunities.

One last word about the distribution of resources. We have accepted in international organizations the principle that the rich pay more. Perhaps it is proof of priorities that not only do the Latin American nations contribute more to the OAS than they do to the United Nations, but they also pay up more promptly!

### **Informal Procedures of the New Dialogue**

Any multinational organization is complex, with competing national interests trying to reach accommodation. Where these interests run head-on into each other, agreements are often impossible to achieve. For example, the deliberative bodies of the inter-American system can quibble endlessly over hypothetical points and legalistic interpreta-

tions. But when the members want to take action, these same bodies are capable of rapid and forceful decision.

Since the founding of the OAS in 1948, there have been no prolonged conflicts in the Western Hemisphere. The Dominican-Venezuelan crisis of 1960, the Cuban crisis of 1962, and the Honduras-El Salvador five-day war in 1969 are examples which quickly come to mind in which the system demonstrated its ability to act decisively.

Now, however, the increasingly interdependent nature of our world, growing nationalism in this hemisphere, and the shift from bipolarity to a multipolar scheme of world relationships have brought on an era of flux in the inter-American relationship. This sparked an effort to adjust this relationship to today's realities.

In 1973 then-Foreign Minister of Colombia Alfredo Vasquez Carrizosa suggested to the Secretary of State that there be a reappraisal of relations between the United States and the rest of the nations of the hemisphere. Secretary Kissinger responded to this overture in October when he addressed the Foreign Ministers of this hemisphere who were attending the U.N. General Assembly, calling for a new dialogue among us. The Secretary's initiative was greeted with enthusiasm.

The new dialogue was to involve new procedures and a new atmosphere. It marked a new era in inter-American diplomacy in which problems and conflicts, even on the most sensitive issues, were brought out on the table and discussed frankly but without the need for public posturing.

The new dialogue actually began at an informal meeting of Foreign Ministers last February in a part of Mexico City called Tlatelolco. Conversations centered on eight key issues that had been identified by the Latin American Foreign Ministers in a preparatory meeting in Colombia. These were cooperation for development, coercive measures of an economic nature, restructuring of the inter-American system, solution of the Panama Canal question, structure of the international trade and monetary system, transnational or multinational enterprises,

transfer of technology, and the general panorama of Latin American-U.S. relations. The issues were discussed in a constructive, informal manner without votes or resolutions.

At Tlatelolco the Foreign Ministers called for "a new, vigorous spirit of inter-American solidarity." They expressed "confidence that the spirit of Tlatelolco will inspire a new creative effort in their relations."

The Ministers stressed that development should be integral, embracing the economic, social, and cultural life of their nations. Specifically, the United States pledged to make maximum efforts to secure congressional approval of the system of generalized preferences and then work with the other countries of the hemisphere to apply these preferences in the most beneficial manner. It further pledged to maintain present economic assistance levels and to facilitate the flow of resources toward countries most affected by rising energy costs. The United States also suggested the establishment of a factfinding or conciliation procedure that would limit the scope of controversies arising from private foreign investment by separating issues of fact from those of law, thus providing an objective basis for solution of such disputes without detriment to sovereignty.

They met again in Washington in April under the informal procedures of the dialogue and a few days later implemented certain decisions at the OAS General Assembly in Atlanta. They entrusted other major topics, such as the transfer of technology and multinational corporations to ad hoc working groups. The Ministers are scheduled to meet again in Buenos Aires in March.

The question logically arises as to why it was necessary to bypass, at least initially, the established regional institutions. In part it is because two participants in the dialogue, Guyana and the Bahamas, are not at present members of the OAS. But in part it is also due to the rigidity and formalism of the OAS meetings such as the General Assembly, which do not at present lend themselves to real dialogue. The OAS is going through a period of reform, and there is general agreement—and some progress to date—to simplify and to admit the fresh

winds of the dialogue into these structures. I would venture a personal opinion, not an official prediction, that in time the freedom and the informality of the dialogue will be married to the institutional framework of the OAS.

#### **Effect of the Quito Meeting**

Two weeks ago the Foreign Ministers of the hemisphere met in Quito to consider whether the diplomatic and economic sanctions imposed on Cuba in 1964 should be lifted. The resolution to lift the sanctions received a majority but fell short of the necessary two-thirds vote required by the Rio Treaty. The effect is to continue the obligation to refrain from any diplomatic or economic commerce with the Castro regime. But in reality, five Rio Treaty countries and four other hemisphere countries already have such ties, and others may establish such ties.

The position of the United States at this meeting was one of absolute neutrality, and we abstained on the resolution. The outcome—minus U.S. lobbying in any direction—demonstrates that Latin America does not have a single-minded view on the Cuban issue. As Deputy Secretary Ingersoll said:

If this Meeting of Consultation has not produced a conclusive result, it has at least aired in a constructive way the fact that there is no easy solution to the problem of a country which deals with some on the basis of hostility and with others on the basis of a more normal relationship.

He also said:

I should add that the United States looks forward to the day when the Cuban issue is no longer a divisive issue for us. Cuba has absorbed far too much of our attention in recent years. We need to turn our energies to the more important questions. We must not let a failure of agreement on the Cuban issue at this time obscure our common interest in working together toward mutually beneficial relationships on the major issues of this decade.

Since a majority of the countries favor removing sanctions, we have to ask ourselves if the procedures outlined in the treaty are appropriate; that is, should the treaty be amended to respond to majority will. This is one of the subjects presently being con-

sidered by the Special Committee to Study the OAS and Recommend Changes for Restructuring It.

The special committee has also been reviewing the OAS system to assist in the development process. Some feel the system is deficient in that it does not provide a mechanism to counter what are called "coercive acts" which, in a manner analogous to military aggression, threaten the economic security of a country; and they advocate a mechanism similar to that of the Rio Treaty providing for collective denunciations, sanctions, et cetera. We feel this approach to the problems of development is wrong and that it distracts the attention of the member states from the real problems—and the realistic solutions. In one modern and interdependent world, numerous factors affect a country's development, including global monetary and trade developments and even national disasters. Many are beyond the power of any one country to cope with, and collective action is desirable. We have proposed, among other things, that the provisions for consulting together be expanded. We are working to achieve understanding on this issue.

Only last week, as a member of the U.S. delegation to the Quito meeting, I heard repeated predictions that the future of the inter-American system itself was at stake, that the failure of the Quito meeting to carry out the will of the majority would cause the entire inter-American system, including its very important defense treaty—the Rio Treaty—to crumble. But the system has been accustomed to crises throughout its long history. Eighty-four years have passed since its institutional beginnings. Considering what has happened in the passage of those years, in the Americas and in the world, it is remarkable that an organization comprised of nations of so many different viewpoints could endure at all—but it has endured.

Our commitment to the inter-American system is rooted in history and national interest. In my view the limitations on success are often inherent in associations of sovereign states and reflect less strongly on the

validity of the structure, in this instance the inter-American system, than on the wisdom of the governments that are its constituents. This was the 15th time that the Foreign Ministers have gathered on specific political issues since the 1948 OAS Charter of Bogotá. Most of these meetings have produced important results.

I have been involved, one way or another, in OAS matters for nearly two decades. Since March 1974 I have been engaged in them full time. I am not tempted to engage in handwringing. I have been and still am critical, I hope constructively so, of certain attributes and aspects of the OAS. I believe the flaws are correctable, and intend to work to that end. Winston Churchill's dictum about democracy is easily transferable to the inter-American system. But on the whole there are more pluses than minuses, and I hope and believe that the inter-American system is susceptible to change and improvement so that its many components, particularly the OAS, can continue to serve the interests of all who live on this portion of our shrinking globe. If we didn't already have an OAS, we would almost surely have to invent one.

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

### **93d Congress, 2d Session**

- Political Prisoners in South Vietnam and the Philippines. Hearings before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs. May 1–June 5, 1974. 127 pp.
- Implementation of the Lodge and Katzenbach Recommendations on the United Nations. Report prepared for the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs by the Department of State. June 1974. 39 pp.
- Review of the U.N. Commission on Human Rights. Hearings before the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs. June 18–20, 1974. 92 pp.
- Turkish Opium Ban Negotiations. Hearing before the House Committee on Foreign Affairs. July 16, 1974. 79 pp.
- Reorientation and Commercial Relations of the Economies of Eastern Europe. A compendium of papers submitted to the Joint Economic Committee. August 16, 1974. 771 pp.

# Presidential Determination on Sale of Wheat and Rice to Syria

MEMORANDUM OF NOVEMBER 4, 1974<sup>1</sup>

[Presidential Determination No. 75-7]

## Finding and Determination—Syria

Memorandum for the Secretary of State;  
the Secretary of Agriculture

THE WHITE HOUSE,  
Washington, November 4, 1974.

Pursuant to the authority vested in me under the Agricultural Trade Development and Assistance Act of 1954, as amended (hereinafter "the Act"), I hereby:

(a) Find, pursuant to Section 103(d)(3) of the Act, that the making of an agreement with the Government of Syria for the sale, under Title I of the Act, of 75 thousand metric tons of wheat and 25 thousand metric tons of rice is in the national interest of the United States; and

(b) Determine and certify, pursuant to Section 410 of the Act and Section 620(e) of the Foreign Assistance Act of 1961, as amended, that, in the event it may be applicable, it is in the national interest of the United States to waive the prohibitions contained in those sections against assistance under Title I of the Act for the sale to Syria of 75 thousand metric tons of wheat and 25 thousand metric tons of rice.



### STATEMENT OF REASONS THAT SALES UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED (PUB. L. 480), TO SYRIA ARE IN THE NATIONAL INTEREST

Syria is a key to our efforts to achieve a just and lasting peace in the Middle East. Our success will depend in part on Syrian confidence in our intention to develop a broad and constructive bilateral relationship with that country. A program for concessional sales of agricultural commodities to Syria will constitute a tangible demonstration of our intended role in that regard.

In response to current Syrian needs, it is proposed

to export to that country 75 thousand metric tons of wheat and 25 thousand metric tons of rice financed under Title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (Pub. L. 480). This amount is based on Syria's needs for not more than one fiscal year.

In order to enter into an agreement with the Government of Syria for such a sale under Title I, it is necessary that the President find and determine that such sales would be in the national interest of the United States. Section 103(d)(3) of Pub. L. 480 prohibits the sale of agricultural commodities under Title I of the Act to any nation which sells or furnishes or permits ships or aircraft under its registry to transport to or from Cuba or North Vietnam any equipment, materials, or commodities (so long as those countries are governed by Communist regimes). However, if such activities are limited to the furnishing, selling, or selling and transporting to Cuba medical supplies, non-strategic agricultural or food commodities, sales agreements may be made if the President finds they are in the national interest of the United States.

Although Syria has been trading with Cuba in recent years, our information indicates that it has not traded with North Vietnam. Syrian ships or aircraft have not called at Cuba or North Vietnam. The best information available indicates that current Syrian trade with Cuba is limited to non-strategic agricultural commodities within the meaning of Section 103(d)(3).

Section 410 applies to assistance under Title I of Pub. L. 480 the prohibitions contained in Section 620(e) of the Foreign Assistance Act of 1961, as amended, relating to naturalization [sic] or expropriation of property owned by Americans; the prohibitions of Section 620(e), however, may be waived by the President if he determines and certifies that such a waiver is important to the national interest of the United States. There are several potential claims involving property rights and interests of Americans in Syria which might make Section 410 applicable to Syria, and these will be the subject of separate negotiations with Syria.

The considerations noted above, however, make the proposed sale important to the national interest of the United States notwithstanding the prohibitions contained in Sections 103(d)(3) and 410 of Pub. L. 480.

<sup>1</sup> 39 Fed. Reg. 40005, Nov. 13, 1974.

## INTERNATIONAL ORGANIZATIONS AND CONFERENCES

### Calendar of International Conferences

#### Scheduled January Through March <sup>1</sup>

GATT/UNCTAD International Trade Center Joint Advisory Group	Geneva . . . . .	Jan. 4-8
U.N. ECOSOC Organizational Meeting for 58th Session . . . . .	New York . . . . .	Jan. 6-9
UNIDROIT Committee of Experts on Hotelkeepers . . . . .	Rome . . . . .	Jan. 6-10
ESCAP Committee on Economic Planning . . . . .	Bangkok . . . . .	Jan. 6-14
UNCITRAL Working Group on Negotiable Instruments . . . . .	Geneva . . . . .	Jan. 6-17
U.N. ECOSOC Commission on Social Development . . . . .	New York . . . . .	Jan. 6-24
IMCO Subcommittee on Subdivision, Stability, and Load Line: 17th Session.	London . . . . .	Jan. 13-17
FAO Intergovernmental Group on Rice: 18th Session . . . . .	Rome . . . . .	Jan. 13-17
Western Hemisphere Working Group on Transnational Enterprises	Washington . . . . .	Jan. 13-17
ILO Working Party on Structure: 2d Session . . . . .	Geneva . . . . .	Jan. 13-20
UNDP Governing Council: 19th Session . . . . .	New York . . . . .	Jan. 13-31
ILO Tripartite Technical Meeting for Woodworking Industries: 2d Session.	Geneva . . . . .	Jan. 14-24
OAS Meeting on Private International Law: 1st Session . . . . .	Panamá . . . . .	Jan. 14-31
Preparatory Committee for U.N. Conference/Exposition on Human Settlements: 1st Meeting.	New York . . . . .	Jan. 15-24
Customs Cooperation Council Working Party on Customs Enforcement: 3d Session.	Brussels . . . . .	Jan. 20-24
ECE Committee of Experts on Transport of Dangerous Goods . . . . .	Geneva . . . . .	Jan. 20-24
FAO Intergovernmental Group on Hard Fibers . . . . .	Manila . . . . .	Jan. 20-25
UNIDO Permanent Committee: 5th Session, 2d Part . . . . .	Vienna . . . . .	Jan. 20-27
WHO Executive Board: 55th Session . . . . .	Geneva . . . . .	Jan. 20-31
ITU/CCITT Working Party of Study Groups I and II . . . . .	Geneva . . . . .	Jan. 20-Feb. 4
U.N. ECOSOC Ad Hoc Working Group on Rules of Procedure . . . . .	New York . . . . .	Jan. 27-31
U.N. ECOSOC Commission on Human Rights Working Groups . . . . .	Geneva . . . . .	Jan. 27-31
IMCO Subcommittee on Carriage of Dangerous Goods: 24th Session.	London . . . . .	Jan. 27-31
ECE Committee of Experts on Transport of Perishable Foodstuffs	Geneva . . . . .	Jan. 27-31
IMCO/ILO Joint Committee on Training . . . . .	Geneva . . . . .	Jan. 27-31
Customs Cooperation Council Chemists Committee . . . . .	Brussels . . . . .	Jan. 27-Feb. 1
UNCITRAL Working Group on International Shipping Legislation	New York . . . . .	Jan. 27-Feb. 7
ICAO Committee on Aircraft Noise: 4th Meeting . . . . .	Montreal . . . . .	Jan. 27-Feb. 14
WIPO Committee of Experts on Protection of Phonograms . . . . .	Geneva . . . . .	January
U.N. ECOSOC Committee on Science and Technology for Development Working Group.	New York . . . . .	January
UNESCO/IBE Council: 11th Session . . . . .	Geneva . . . . .	January

<sup>1</sup>This schedule, which was prepared in the Office of International Conferences on December 13, lists international conferences in which the U.S. Government expects to participate officially in the period January-March 1975. Nongovernmental conferences are not included.

Following is a key to the abbreviations: CCITT, International Telephone and Telegraph Consultative Committee; ECA, Economic Commission for Africa; ECE, Economic Commission for Europe; ECOSOC, Economic and Social Council; ESCAP, Economic and Social Commission for Asia and the Pacific; FAO, Food and Agriculture Organization; GATT, General Agreement on Tariffs and Trade; IAEA, International Atomic Energy Agency; IBE, International Bureau of Education; ICAO, International Civil Aviation Organization; ICRC, International Committee of the Red Cross; IGOSS, Integrated Global Ocean Station System; IHD, International Hydrological Decade; ILO, International Labor Organization; IMCO, Intergovernmental Maritime Consultative Organization; IOC, Intergovernmental Oceanographic Commission; ITU, International Telecommunication Union; OAS, Organization of American States; UNCITRAL, United Nations Commission on International Trade Law; UNCTAD, United Nations Conference on Trade and Development; UNDP, United Nations Development Program; UNESCO, United Nations Educational, Scientific and Cultural Organization; UNIDO, United Nations Industrial Development Organization; UNIDROIT, International Institute for the Unification of Private Law; WIPO, World Intellectual Property Organization; WMO, World Meteorological Organization.

ICAO Panel on Application of Space Techniques Relating to Aviation: 6th Meeting.	Montreal . . . . .	January or February
UNESCO IOC Working Committee for an Integrated Global Ocean Station System: 4th Session.	Paris . . . . .	Feb. 3
ECE Inland Transport Committee . . . . .	Geneva . . . . .	Feb. 3-7
IMCO Subcommittee on Ship Design and Equipment: 13th Session	London . . . . .	Feb. 3-7
U.N. ECOSOC Committee on Non-Governmental Organizations . . . . .	New York . . . . .	Feb. 3-7
U.N. Preparatory Committee for Nonproliferation Treaty Review Conference: 3d Meeting.	Geneva . . . . .	Feb. 3-14
U.N. ECOSOC Commission on Human Rights . . . . .	Geneva . . . . .	Feb. 3-Mar. 7
ICRC Diplomatic Conference on Humanitarian Law Applicable in Armed Conflicts: 2d Session.	Geneva . . . . .	Feb. 3-Apr. 18
U.N. Geneva Group Consultations . . . . .	Geneva . . . . .	Feb. 4-5
UNESCO/IOC Working Committee for IGOSS and WMO Executive Committee on Meteorological Aspects of Ocean Affairs: 4th Joint Meeting.	Paris . . . . .	Feb. 4-12
U.N. Conference on the Relation of States and International Organizations.	Vienna . . . . .	Feb. 4-Mar. 15
Western Hemisphere Working Group on Transnational Enterprises	Washington . . . . .	Feb. 10-14
ECE Group of Rapporteurs on General Safety Provisions . . . . .	Geneva . . . . .	Feb. 10-14
IMCO Legal Committee: 25th Session . . . . .	London . . . . .	Feb. 10-14
UNESCO/IOC International Coordination Group for the Cooperative Investigation of the Caribbean and Adjacent Regions: 7th Session	Jamaica . . . . .	Feb. 10-14
UNCITRAL Working Group on International Sale of Goods . . . . .	New York . . . . .	Feb. 10-21
UNCTAD Committee on Commodities: 8th Session . . . . .	Geneva . . . . .	Feb. 10-21
Customs Cooperation Council Harmonized System Committee: 5th Session.	Brussels . . . . .	Feb. 10-21
U.N. ECOSOC Policy and Coordination Committee . . . . .	New York . . . . .	Feb. 10-28
U.N. Outer Space Committee Legal Subcommittee . . . . .	New York . . . . .	Feb. 10-Mar. 7
WIPO Government Experts on Revision of the Paris Convention for the Protection of Industrial Property.	Geneva . . . . .	Feb. 11-17
ECE Working Party on Facilitation of International Trade Procedures.	Geneva . . . . .	Feb. 17-21
ECE Group of Rapporteurs on Container Transport . . . . .	Geneva . . . . .	Feb. 17-21
IMCO Ad Hoc Working Group on the IMCO Convention: 1st Session.	London . . . . .	Feb. 17-21
FAO Committee on Wood-Based Panel Products: 4th Session . . . . .	New Delhi . . . . .	Feb. 17-21
U.N. ECOSOC Commission on Narcotic Drugs . . . . .	Geneva . . . . .	Feb. 17-Mar. 7
ILO Governing Body: 195th Session . . . . .	Geneva . . . . .	Feb. 17-Mar. 7
WIPO Coordination Committee: Extraordinary Session . . . . .	Geneva . . . . .	Feb. 18
U.N. ECOSOC Population Commission . . . . .	New York . . . . .	Feb. 18-28
ECE Senior Advisers to ECE Governments on Environmental Problems.	Geneva . . . . .	Feb. 24-28
ECA Conference of Ministers . . . . .	Nairobi . . . . .	Feb. 24-28
Customs Cooperation Council Working Party of the Technical Committee: 9th Session.	Brussels . . . . .	Feb. 24-28
IMCO Subcommittee on Radio Communications: 14th Session . . . . .	London . . . . .	Feb. 24-28
ESCAP: 31st Session . . . . .	New Delhi . . . . .	Feb. 26-Mar. 7
Conference of the Committee on Disarmament (resumed) . . . . .	Geneva . . . . .	February
IMCO Subcommittee on Safety of Navigation: 17th Session . . . . .	London . . . . .	February
WMO Tropical Experiment Board: 7th Session . . . . .	Geneva . . . . .	February
IAEA Board of Governors . . . . .	Vienna . . . . .	February
UNESCO/IHD Bureau: 16th Session . . . . .	Paris . . . . .	February
ECE Senior Economic Advisers . . . . .	Geneva . . . . .	Mar. 3-7
UNESCO/IOC Executive Council of the Intergovernmental Oceanographic Commission: 5th Session	Venice . . . . .	Mar. 3-8
Customs Cooperation Council: 87th and 88th Sessions . . . . .	Brussels . . . . .	Mar. 3-14
North Pacific Fur Seal Commission: 18th Meeting . . . . .	Washington . . . . .	Mar. 3-22
ECE Committee on Agricultural Problems . . . . .	Geneva . . . . .	Mar. 10-14
IMCO Subcommittee on Safety of Fishing Vessels: 17th Session . . . . .	London . . . . .	Mar. 10-14
U.N. ECOSOC Committee for Program and Coordination . . . . .	New York . . . . .	Mar. 10-14
UNCTAD Trade and Development Board: 6th Session . . . . .	Geneva . . . . .	Mar. 10-21
ITU/CCITT Working Party III and Study Group I . . . . .	Geneva . . . . .	Mar. 10-21
UNIDO: 2d General Conference . . . . .	Lima . . . . .	Mar. 12-26
WIPO Permanent Committee, Legal-Technical Program for Acquisition by Developing Countries of Technology Related to Industrial Property.	Geneva . . . . .	Mar. 17-21



ECE Group of Experts on Construction of Vehicles . . . . .	Geneva . . . . .	Mar. 17-21
IMCO Maritime Safety Committee: 32d Session . . . . .	London . . . . .	Mar. 17-21
FAO Intergovernmental Committee of the World Food Program	Rome . . . . .	Mar. 17-25
3d U.N. Conference on the Law of the Sea: 3d Session . . . . .	Geneva . . . . .	Mar. 17-May 10
Customs Cooperation Council Valuation Committee: 66th and 67th Sessions.	Brussels . . . . .	Mar. 18-27
ECE Group of Rapporteurs on Customs Questions Concerning Containers.	Geneva . . . . .	Mar. 24-28
U.N. ECOSOC Committee on Natural Resources . . . . .	Tokyo . . . . .	Mar. 24-Apr. 4
FAO Study Group on Oilseeds, Fats, and Oils . . . . .	Rome . . . . .	Mar. 26-28
UNCITRAL: 8th Session . . . . .	Geneva . . . . .	March
U.N. Consultative Committee of Experts on the International Women's Year Conference.	Geneva . . . . .	March
ICAO Meteorological Operational Telecommunications Network in Europe Regional Planning Group: 10th Meeting.	Paris . . . . .	March
ICAO Automated Data Interchange System Panel: 6th Meeting	Montreal . . . . .	March
UNESCO Executive Committee of the International Campaign To Save the Monuments of Nubia: 25th Session.	Aswan . . . . .	March
UNESCO Meeting of Government Experts on the International Recognition of Studies, Diplomas, and Degrees in Higher Edu- cation in the Arab States.	Middle East . . . . .	March
WIPO Joint Ad Hoc Committee on the International Patent Clas- sification, Strasbourg Agreement.	Geneva . . . . .	March
Meeting of Foreign Ministers of Latin America . . . . .	Buenos Aires . . . . .	March
WMO Panel on Meteorological Satellites: 2d Session . . . . .	Geneva . . . . .	March

## U.S. Endorses UNHCR Efforts To Solve Refugee Problems

*Following is a statement made in Committee III (Social, Humanitarian and Cultural) of the U.N. General Assembly by U.S. Representative Clarence Clyde Ferguson, Jr., on November 25.*

USUN press release 178 dated November 25

The occasion for the review of the annual report of the United Nations High Commissioner for Refugees (UNHCR)<sup>1</sup> is always something of a sad one; for we must then focus our attention on the worldwide phenomenon of refugees, a picture of suffering, deprivation, and desolation. Refugee problems differ widely from each other in their origin and in their nature. But they all present a picture of uprooted, homeless human beings casting their lot among and desperately placing their hopes in the more fortunate people of other lands.

But against this facade of tragedy we have reason for some solace and even some optimism. Surely we must all take heart from

the deeply constructive and determined efforts of the High Commissioner and his Office as they direct the rehabilitation of the refugees. Indeed, the Office of the UNHCR—concerned as it is with rebuilding the lives of those who have been victims of oppression, persecution, warfare—stands as a shining symbol of man's humanitarian endeavor in behalf of his fellow man. The variety and complexity of the High Commissioner's wide-ranging services for refugees are a tribute to the conscientious and resourceful manner in which he approaches his task.

During the past year, as in previous years, the UNHCR has devoted special attention where needed to the rehabilitation of severely handicapped refugees. These are refugees who for any of a variety of physical, mental, or social disabilities are completely unable to fend for themselves. Through tireless efforts and through unmatched expertise, working on an individual case basis, the UNHCR has continued to develop satisfactory solutions for these otherwise helpless individuals. The UNHCR program for the handicapped refugees is surely in the highest humanitarian tradition of the United Nations and reflects great credit upon it.

<sup>1</sup> U.N. doc. A/9612 and addenda.

Once again my government wishes to stress in this forum the overriding importance among the High Commissioner's manifold activities of his function of providing international protection for refugees. It is difficult to overemphasize the significance to refugees of insuring liberal asylum policies and practices and, above all, of making certain that no refugee is required to return to any country where he would face persecution. It is the High Commissioner's task to work unceasingly toward affording such guarantee. His chief tools in so doing are the 1951 Convention and the 1967 Protocol Relating to the Status of Refugees. As the committee knows, article 33 of the convention contains an unequivocal prohibition upon Contracting States against the refoulement of refugees "in any manner whatsoever" to territories where their life or freedom would be threatened on grounds of race, religion, nationality, membership of a particular social group, or political opinion.

But beyond the insuring of asylum for refugees, the High Commissioner, through his international protection role, is also charged with securing for refugees the status and rights within asylum countries or third countries which will enable them to live in dignity, to become self-supporting, and to cease being refugees. Here again the international treaties which I have mentioned, the Refugee Convention and Protocol, form the principal instruments for the High Commissioner in securing for refugees the cardinal element of protection.

The High Commissioner, Prince Sadrudin Aga Khan, in paragraph 22, page 6, of his annual report, has deplored the fact that during the past year certain countries have repatriated refugees involuntarily, directly contrary to the Universal Declaration of Human Rights and to article 33 of the Refugee Convention. My government joins with the High Commissioner in condemning the inhumane practice of refoulement. The principle that refugees must not be repatriated against their will, and the right of a refugee to seek

and secure asylum, have become ever more firmly embedded in international law. The general application of non-refoulement should be facilitated by the increasing acceptance of the maxim that the granting of asylum is a peaceful and humanitarian act and should not be regarded as an unfriendly act by any state. My government will continue to attach primary importance, as concerns the work of the UNHCR, to his role of international protection.

We are gratified to note in this connection that the High Commissioner in his annual report characterizes his role of international protection as "the prime function of UNHCR and the cornerstone of the work of assistance to refugees." My government wishes to commend the High Commissioner for the emphasis he has placed on this aspect of his duties during the past year. We note particularly that during the year the High Commissioner made a renewed worldwide effort—both through public appeal and through individual letters to governments—recommending strongly to those nations which have not yet acceded to the protocol or convention that they do so. The rights for refugees which are embodied in these international treaties can lead to just and lasting solutions to refugee problems in humanitarian terms. Such solutions in turn can help promote the reduction of tensions, the solution of broader issues, and the stability of concerned nations.

Last year, once again, the High Commissioner conducted his material assistance program in a highly constructive and imaginative manner. We note that the UNHCR devoted the major share of total financial commitments under the program to problems in Africa, where the need is very great. The United States is fully in accord with that commitment. At the same time, we observe that the High Commissioner has pursued his material assistance program with equal effectiveness in Latin America, Europe, and the Middle East. We salute the High Commissioner for his promptness, effectiveness, and flexibility in meeting the diverse chal-

enges involved in the relief and rehabilitation of refugees in many categories worldwide.

It should not pass unnoticed that the UNHCR in all cases concerns himself at once with the total task of rehabilitating the refugee so that he can cease being a refugee and can take his place as a self-supporting person in the society of his new country. The combination of rights for refugees, secured through the international protection function, and the tangible assistance and rehabilitation of the refugees which the material assistance program affords gives the refugee the opportunity to live in dignity, self-respect, and self-sufficiency.

My country has a national heritage of concern for oppressed and homeless refugees. That concern dates back to the very founding of our Republic 200 years ago and is expressed today in part through our worldwide support for refugee assistance programs. During fiscal year 1974 the United States contributed some \$174 million, primarily in cash but also in food commodities, to assist refugees all over the world who fall within the concern of the UNHCR, and some \$149 million additionally for refugees not within the UNHCR mandate.

The past year has been an eventful one for the UNHCR in relation to the carrying out of the special tasks entrusted to it by the Secretary General under the UNHCR "good offices" function. It is indeed fortunate that the High Commissioner is willing and competent to respond so ably in meeting special emergency problems which lie beyond the normal boundaries of UNHCR concern. The UNHCR has perhaps-unequaled experience among United Nations agencies in dealing with emergency humanitarian needs of people and in solving their related problems. Thus we note that during the past year the High Commissioner has been deeply involved in the repatriation of uprooted Pakistanis and Bengalees, in completing the search for homes for Asians who had to leave Uganda, with commencing an initiative to-

ward the relief and rehabilitation of uprooted and displaced persons in all areas of Viet-Nam and Laos, with the relief and resettlement of refugees in and from Chile, and in carrying out his assigned role as coordinator of humanitarian assistance in Cyprus.

My government strongly endorses the manner in which the High Commissioner has performed these imposing tasks. There can be no doubt that the successful implementation and conclusion of the two-way repatriation movement between Bangladesh and Pakistan contributed to reconciliation on the subcontinent, as the governments concerned have themselves declared. We welcome the High Commissioner's initiative in Indochina and will cooperate with it, as we have with respect to the UNHCR activities in behalf of Chilean refugees. The international community may take heart and solace in the determined manner in which the UNHCR has successfully found permanent homes for every one of the Uganda Asians of undetermined nationality who had previously been moved by the UNHCR to transit centers in Europe.

Finally, my Government is deeply gratified at the vigorous and successful manner in which the UNHCR is discharging his special role, assigned to him by the Secretary General, as coordinator for humanitarian assistance in Cyprus. The United States has been pleased to respond to the High Commissioner's appeal for \$22 million for this purpose with the pledge of a contribution of \$7.3 million, in addition to the \$3.2 million in assistance which we had provided before the UNHCR assumed this task.

My government feels strongly that the increase in magnitude of the High Commissioner's material assistance program, and the increasing calls upon the UNHCR to use his "good offices" in situations which normally do not fall within UNHCR concern (such as the Cyprus problem and the South Asian repatriation program) should not be allowed to impede or infringe upon the High Commissioner's first priority to provide international protection for refugees who are

the regular concern of the UNHCR Office. I do not suggest that the High Commissioner has in any way been delinquent in carrying out his protection mandate. I merely wish to stress that my government, like the High Commissioner, attaches primary importance to international protection among all UNHCR activities.

The wide-ranging and apparently ever-increasing scope of UNHCR activities in the field of material assistance—both for refugees who are normally of UNHCR concern and for those assisted under his “good offices”—surely justifies the High Commissioner’s request that the General Assembly authorize him to allocate up to \$2 million annually from the UNHCR Emergency Fund. Experience has shown that these allocations, up to \$500,000 for any one emergency, are desperately needed in crisis situations. My government strongly supports this proposal.

It is noted that the committee is again to consider the question of whether to establish a definite date for the convening of a conference of plenipotentiaries to finalize the draft convention on territorial asylum. The United States is of course eager to see the advancement in the world of recognition and implementation of the important humane principle of asylum. We support therefore the convening in due course of a conference of plenipotentiaries toward the finalization and ultimate adoption of an effective, realistic treaty on asylum. The present draft is a promising start toward such a convention. We believe, however, that the draft raises quite a number of questions which need to be resolved and that it requires considerable work. The next step, in our view, therefore is to convene a committee to perform the task of perfecting the present draft. We believe that the draft which emanates from this committee should then be resubmitted to governments for their consideration prior to the setting of any definite date for a final conference of plenipotentiaries. I would like to stress that it is our belief that such a procedure would contribute to the prospects for ultimately opening for accession a treaty which would receive wide support among nations.

I cannot conclude my remarks without making one more observation on the work of the High Commissioner and his staff. We have all heard others express the well-deserved tributes to him for his work, his dedication, and his zeal in looking after those who need and needed his help. Yet all this would not have been possible had it not been for the confidence and support my colleagues and their governments were able to give him. I wish therefore to express my government’s appreciation, to which, if I may, I add my own personal thanks, to all of you for making possible the ways and means for the High Commissioner to be able to act with dispatch and with compassion in mitigating hardships among those who needed us and in giving some basis for hope, to those who yearned for it, that mankind had not forsaken them.

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*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. 10017.*

### Economic and Social Council

- World Population Conference background papers:
- International mortality trends: some main facts and implications. Prepared by George J. Stolnitz, professor of economics, Indiana University. E/CONF.60/CBP/17. June 4, 1974. 29 pp.
  - Population, food supply and agricultural development. Prepared by the Food and Agriculture Organization. E/CONF.60/CBP/25. June 4, 1974. 27 pp.
  - Health trends and prospects in relation to population and development. Prepared by the World Health Organization. E/CONF.60/CBP/26. June 5, 1974. 51 pp.
  - Summary country statements concerning population change and development. E/CONF.60/CBP/33. June 21, 1974. 68 pp.
  - The role of international assistance in the population fields. Prepared by the U.N. Fund for Population Activities. E/CONF.60/CBP/24. July 3, 1974. 36 pp.
  - Summaries of background papers commissioned for the World Population Conference. E/CONF.60/CBP/35. July 12, 1974. 73 pp.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.<sup>1</sup>

*Senate advice and consent to ratification:* December 16, 1974.

##### Copyright

Universal copyright convention, as revised. Done at Paris July 24, 1971. Entered into force July 10, 1974. TIAS 7868.

Protocol 1 annexed to the universal copyright convention, as revised, concerning the application of that convention to works of stateless persons and refugees. Done at Paris July 24, 1971. Entered into force July 10, 1974. TIAS 7868.

Protocol 2 annexed to the universal copyright convention, as revised, concerning the application of that convention to the works of certain international organizations. Done at Paris July 24, 1971. Entered into force July 10, 1974. TIAS 7868.

*Ratification deposited:* Monaco, September 13, 1974.

##### Gas

Protocol for the prohibition of the use of asphyxiating, poisonous or other gases, and of bacteriological methods of warfare. Done at Geneva June 17, 1925. Entered into force February 8, 1928.<sup>2</sup>

*Senate advice and consent to ratification:* December 16, 1974 (with reservation).

##### Maritime Matters

Amendment of article VII of the convention on facilitation of international maritime traffic, 1965 (TIAS 6251). Adopted at London November 19, 1973.<sup>1</sup>

*Senate advice and consent to ratification:* December 16, 1974.

##### Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971. Enters into force October 7, 1975.

*Notification from World Intellectual Property Organization that ratification deposited:* Spain, November 29, 1974.

*Notification from World Intellectual Property Organization that accession deposited:* Australia, November 12, 1974.

##### Safety at Sea

Convention on the international regulations for preventing collisions at sea, 1972. Done at London October 20, 1972.<sup>1</sup>

*Ratification deposited:* Brazil, November 26, 1974.

##### Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

*Accession deposited:* Bolivia, December 19, 1974.

Operating agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annex. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

*Signature:* Empresa Nacional de Telecomunicaciones of Bolivia, December 19, 1974.

##### Satellites

Agreement concerning conditions for the furnishing of assistance by NASA for the launching of the French-German Symphonie communications satellites. Effected by exchange of notes at Washington June 21 and 24, 1974, between France and the United States and between the Federal Republic of Germany and the United States. Entered into force June 24, 1974.

##### Wills

Convention providing a uniform law on the form of an international will, with annex. Done at Washington October 26, 1973.<sup>1</sup>

*Signature:* Union of Soviet Socialist Republics, December 17, 1974.<sup>3</sup>

#### BILATERAL

##### Bangladesh

Agreement amending the agreement for sales of agricultural commodities of October 4, 1974 (TIAS 7949). Effected by exchange of notes at Dacca December 2, 1974. Entered into force December 2, 1974.

##### Bulgaria

Consular convention, with agreed memorandum and exchange of letters. Signed at Sofia April 15, 1974.<sup>1</sup>

*Senate advice and consent to ratification:* December 16, 1974.

##### El Salvador

Agreement relating to the payment to the United States of the net proceeds from the sale of defense articles by El Salvador. Effected by exchange of notes at San Salvador October 24 and

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

<sup>2</sup> Not in force for the United States.

<sup>3</sup> With statement.

December 6, 1974. Entered into force December 6, 1974; effective July 1, 1974.

**Israel**

Agreement for sales of agricultural commodities. Signed at Washington December 16, 1974. Entered into force December 16, 1974.

**Italy**

Exchange of letters concerning the application of the convention of March 30, 1955 (TIAS 3679), for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. Effected by exchange of letters at Rome December 13, 1974. Applicable provisionally on and after January 1, 1974.

**Atomic Energy—Application of Safeguards Pursuant to the Non-Proliferation Treaty.** Protocol with Thailand and the International Atomic Energy Agency. TIAS 7833. 3 pp. 25¢. (Cat. No. S9.10:7833).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with the Republic of China amending the agreement of April 4, 1972. TIAS 7834. 4 pp. 25¢. (Cat. No. S9.10:7834).

**Food and Agriculture Organization—Amendments to the Constitution.** TIAS 7836. 6 pp. 25¢. (Cat. No. S9.10:7836).

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**International Trade in Textiles.** TIAS 7840. 62 pp. 65¢. (Cat. No. S9.10:7840).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Spain. TIAS 7841. 39 pp. 45¢. (Cat. No. S9.10:7841).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with the Republic of Korea amending and extending the agreement of November 24, 1972. TIAS 7842. 18 pp. 30¢. (Cat. No. S9.10:7842).

**Tracking Station—Kwajalein Island.** Agreement with Japan. TIAS 7843. 5 pp. 25¢. (Cat. No. S9.10:7843).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Portugal. TIAS 7844. 33 pp. 40¢. (Cat. No. S9.10:7844).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with the Republic of Viet-Nam extending the agreement of April 22, 1959, as amended and extended. TIAS 7846. 2 pp. 25¢. (Cat. No. S9.10:7846).

**Passport Visas.** Agreement with Mexico amending the agreement of October 28 and November 10 and 12, 1953. TIAS 7847. 3 pp. 25¢. (Cat. No. S9.10:7847).

**Atomic Energy—Application of Safeguards by the IAEA to the United States-South Africa Cooperation Agreement.** Agreement with South Africa and the International Atomic Energy Agency amending the agreement of July 26, 1967. TIAS 7848. 3 pp. 25¢. (Cat. No. S9.10:7848).

**Atomic Energy—Application of Safeguards Pursuant to the Non-Proliferation Treaty.** Protocol with Thailand and the International Atomic Energy Agency terminating the agreement of September 30, 1964, and the protocol of May 16, 1974. TIAS 7849. 3 pp. 25¢. (Cat. No. S9.10:7849).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Thailand. TIAS 7850. 16 pp. 30¢. (Cat. No. S9.10:7850).

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**GPO Sales Publications**

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**Check List of Department of State  
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Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

Releases issued prior to December 16 which appear in this issue of the BULLETIN are Nos. 524 of December 12 and 530 of December 13.

No.	Date	Subject
*531	12/16	Kissinger: death of Walter Lippmann.
532	12/16	NATO ministerial meeting communique, Brussels.
†533	12/16	Kissinger: news conference, Martinique.
*534	12/17	Britton sworn in as Ambassador to Barbados and to Grenada (biographic data).
†535	12/17	Kissinger: Board of Foreign Scholarships dinner.
*536	12/17	Government Advisory Committee on International Book and Library Programs.
†537	12/18	Kissinger, Linowitz: remarks following meeting, 12/17.
†538	12/18	U.S.-Japan bilateral fisheries agreements.
*539	12/19	Advisory Commission on International Educational and Cultural Affairs, Jan. 21.
*540	12/20	Biographic data on Secretary Kissinger.

\* Not printed.

† Held for a later issue of the BULLETIN.

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**THE OFFICIAL WEEKLY RECORD OF UNITED STATES FOREIGN POLICY**

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# THE DEPARTMENT OF STATE BULLETIN

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*The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.*

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## President Ford and President Giscard d'Estaing of France Meet in Martinique

*President Ford and President Valéry Giscard d'Estaing met in Martinique December 14-16. Following are remarks by the two Presidents upon President Ford's arrival on December 14, their exchange of toasts at a dinner given by President Giscard d'Estaing that evening, their exchange of toasts at a dinner given by President Ford on December 15, the transcript of a news conference held by Secretary Kissinger on December 16, and the text of a communique issued on December 16.*

### WELCOMING CEREMONY, DECEMBER 14

Weekly Compilation of Presidential Documents dated December 23

#### President Giscard d'Estaing<sup>1</sup>

Dear Mr. President: It is a great honor for this French land of the West Indies to welcome the President of the United States of America.

It is a real pleasure for me to extend to you and to all those accompanying you a most cordial welcome. As soon as you came into office, we both felt that we should establish a direct and personal contact. Such a contact is in keeping with the traditional relations between France and the United States. And in the present circumstances, we thought this would be especially useful.

Faced with the enormous changes taking place throughout the world, our two countries have, in different capacities and to various degrees, responsibilities to bear.

Belonging to the community of liberal de-

<sup>1</sup> President Giscard d'Estaing spoke in French on all three occasions.

mocracies, their personality and their situation leave them sometimes—quite naturally, I would say—to assume different stands in the face of such changes. However, too old are their ties of friendship for them not to wish to harmonize such stands whenever necessary, and they are too deeply attached to the same ideal of freedom, progress, and peace not to be determined to succeed.

All this points to the importance of our meeting, as stressed by our partners in the European Community, hence also the frankness and cordiality with which I trust our talks will start and be concluded.

Mr. President, France of the Martinique offers to you and all those accompanying you its charm and its beauty. From the bottom of our heart, I wish you an excellent stay. Welcome, Mr. President.

#### President Ford

Mr. President, Madame Giscard d'Estaing, ladies and gentlemen: Thank you for your most gracious welcome to this beautiful, gorgeous island. I am delighted to be here.

Mr. President, this is an opportunity for us to become personally acquainted and to discuss the serious issues which confront our two countries. Our meeting vividly demonstrates the importance we attach to working together.

General Lafayette stopped here on his way to assist America to achieve its independence. The friendship of our two countries spans the oceans as well as the centuries. It is fitting that you and I, both given responsibilities for leadership in our respective countries this year, are taking this early opportunity

to address problems of common interest and common concern.

We must combine our efforts with those of our friends and our allies if we are to meet the challenges of the last quarter of the 20th century. The list of the challenges is long, including such vital issues as food, energy, finance, and of course the fundamental security of our people and the quest for further reductions in international tensions.

Just as our talks mark the beginning of a personal relationship, I am confident that our nations will reaffirm the tradition of Franco-American cooperation in great endeavors.

I look forward to our meetings for the exchanges they will permit and our resulting understandings. In meeting here, we of course will be mindful not only of American and French interests but the contributions our efforts can make toward a more peaceful, stable, and prosperous world.

## EXCHANGE OF TOASTS, DECEMBER 14

Weekly Compilation of Presidential Documents dated December 23

### President Giscard d'Estaing

Mr. President: A meeting between France and the United States is always a rendezvous of freedom and friendship. And what could be a better place for it than this island of Martinique, which cherishes the proud memory of having served as a naval base for the French fleet during the American War of Independence, and in two years' time, we will be celebrating together the successful outcome of that event.

It was in the name of freedom that our friendship was born, and we shall celebrate its 200th anniversary at the same time as the bicentennial of American independence.

It was also in the name of freedom that twice in the course of this century the active solidarity of the United States enabled France to preserve or to regain her independence.

Different as we may be, what appeals so much to us, the French, is all that in the United States symbolizes and means free-

dom: your vast spaces, your openness to new ideas and bold endeavors, your mastery of technology, which gives man his power over nature and lightens his burden.

Freedom and friendship have stamped their mark on the relations between our two countries. Freedom allows for their frankness and independence; friendship demands mutual understanding and cooperation.

This spirit of free dialogue and trust between partners who recognize the equality of their rights and duties, even if they are not equal in terms of resources or power, is characteristic of Franco-American relations, and there is nothing to prevent that the same spirit be applied to solving the major problems of the world today.

For our part, we express the wish that this spirit inspire the relations between the United States and the Europe that we are striving patiently—and we are bound to say slowly—to build.

It is only on condition that it can exist by its own accord that Europe will be for the United States a firm and reliable partner and for the world a factor of balance and peace.

We also wish that this spirit of dialogue should govern our thinking on the profound changes in the world scene.

As you were mentioning, you yourself, Mr. President, on your arrival here, the path of consultation, which is as far removed from that of confrontation as it is from that of capitulation, is the only one which is in keeping with the political, economic, and human needs of our time.

It is the path we followed when it was time to emerge from the cold war and, on our war-torn continent, to organize détente, entente, and cooperation, while maintaining actively our desire for independence in safeguarding our security.

It is the path we recommend be followed in the Middle East, where, in spite of the remarkable efforts of American diplomacy and the useful progress it has achieved, the situation remains a threatening one. A just and lasting settlement must, in our view, take into account the three legitimate aspirations of all parties concerned—those of the State of Israel, to live in peace within secure and

guaranteed boundaries; those of the Arab states, to recover their territorial integrity; and those of the Palestinian people, to have, as all peoples, a homeland.

It is also through consultation that we shall succeed in finding a solution to the problem caused by the increase in oil prices. This in no way excludes a prior harmonization of the positions within each of the major categories involved. It, however, presupposes that the purpose of this harmonization process be to prepare the meeting at the same table and at a fixed date of countries willing to reconcile their respective points of view in the peaceful interests of the world.

Mr. President, we shall be having talks in a climate of mutual trust on all these subjects of concern to the world today. These talks will once again demonstrate that the frankness of our discussions draws us together much more than it divides us, as should be between partners and allies when they have for each other, as I have for your country, a sense of their dignity and their sovereignty.

Mr. President, we all deeply regret the absence of Mrs. Ford, and I would like to ask you to be kind enough to convey to her our very warm and respectful wishes for a prompt recovery.

I drink this toast in your honor, Mr. President, as well as to the great people of the United States, to whom the French people, through me, extend their greetings in testimony of our two-centuries-old and ever-growing friendships like our two countries.

Thank you.

#### **President Ford**

Mr. President: The hospitality extended to me has reflected in the warmth of the climate of this most remarkable island and the spirit of your kind words of welcome, and I am deeply grateful.

I am very, very proud to be the first American President in office to visit this part of the Caribbean, and I would like to express again my appreciation to you personally for suggesting Martinique as the location of our first meeting.

The United States and France, we all

know, have been very, very close. We have been extremely close friends for over two centuries. From our American Revolution through the darkest days of World War II, our countries have stood together in moments of crisis. And today, of fundamental importance to our countries and to the West, a strong Atlantic alliance safeguards our security.

As old friends and allies, Mr. President, we have much to talk about. On many, many points we shall agree; on others we may differ. But it is of the greatest importance, in my judgment, that we will talk with full candor since we share the same ideals. A relationship of confidence is absolutely essential. It is only through such a relationship, Mr. President, that our common objectives can best be served and our differing views reconciled.

As in the past, we jointly face, Mr. President, major challenges. This time the immediate danger is not war, but the problems of peace: inflation, balance of payments deficits, energy shortages, and, for many throughout the world, shortages of food itself. These problems unfortunately accentuate the interdependence of nations and the need for communication and cooperation.

At stake is the stability of every economy, the welfare of every nation. Unilateral measures, Mr. President, can no longer suffice in solving problems of such universal dimension.

Mr. President, you recently described this situation very vividly when you said the world is unhappy. Indeed, the world is troubled. But if we are to transcend our difficulties and successfully meet our challenges we, France and the United States, must cooperate.

We face a major problem in the field of energy. In dealing with it on the basis of consumer solidarity, we seek constructive dialogue, not confrontation. The United States is convinced that cooperation and solidarity among the consumer nations mark the surest way to reach understanding with the producer nations, which we all desire.

I am also looking forward, Mr. President, to exchanging impressions on East-West re-

lations and on our recent meetings with General Secretary Brezhnev [Leonid I. Brezhnev, General Secretary of the Communist Party of the Soviet Union]. I am sure we will all agree that all of us in the West will benefit from close relationships as the policy of détente continues to develop.

Our interdependence requires that we— together with our friends and our partners—join in concerted measures or responses to the dangers which confront us all. Let us continue our historic relationship with renewed spirit and redoubled effort, as good and responsible friends.

Our common heritage gives me confidence that we will continue our joint endeavors for peace and stability in the world. Mr. President, it is with this objective that I look forward to our discussions tomorrow. I have every hope that our talks will strengthen the friendship between us, both in a bilateral sense and also as members of the alliance which Americans regard as the cornerstone of our foreign policy.

Ladies and gentlemen, in the spirit of strengthening our historic ties, I ask all of you to stand and to raise your glasses in honor of the President of the French Republic and his lovely wife.

## EXCHANGE OF TOASTS, DECEMBER 15

Weekly Compilation of Presidential Documents dated December 23

### President Ford

Mr. President, Madame Giscard d'Estaing, our distinguished guests: Let me say with great personal conviction and strong feelings, we have enjoyed being here in a part of France. The warmth of the welcome of the people, the superb atmosphere created by the beauties of nature, have made this trip a wonderful experience for all of us.

Mr. President, the United States within a relatively few months is going to be celebrating our 200th anniversary. Whenever we think about that anniversary, we can't help but feel the participation that France played in the achievement of our independ-

ence. July 4, 1976, will bring back many, many memories of the help and assistance that France gave to our country at a very difficult and controversial period in our early history in America.

It is my understanding, Mr. President, that one of your ancestors, Admiral d'Estaing, did have an interest in and did help us at a period when we, the United States, were in our formative years. For that we thank you, and for all of the other great Frenchmen who were assisting America in our early days.

It is my understanding, Mr. President, that France is making a very meaningful contribution to our 200th anniversary with the "sight and sound" program that will be a highlight in Washington for the many, many thousands who will visit the Nation's Capital. We thank you for this contribution, and we are grateful for your feeling that France should participate in this way.

If I might now turn to our own personal relationship, which I say without any hesitancy or qualification—it was a pleasure to meet you and to have the opportunity of broadening a relationship and developing a friendship. It seems to me this can be meaningful in our relations between France and the United States. But even more meaningful, on a far broader basis, I am grateful for your statesmanship; I am most appreciative for your views that we have exchanged here on this occasion in a part of France.

And so, Mr. President, may I offer a toast to you and Madame Giscard d'Estaing and to the Republic of France. It is a pleasure and a privilege.

### President Giscard d'Estaing

Mr. President, ladies and gentlemen: Mr. President, we have both come into office very recently, only a few months ago, and so—this is a source of deep satisfaction—we are both extremely young. Indeed, one can say it is a secret of youth, in fact, to be elected President.

Now, we are, however, young Presidents

of countries whose relations are very long-standing, indeed, as you yourself have just mentioned. And indeed, all you have to do is to look behind you at Fort-de-France—Fort-de-France, which has carried that name for three centuries and two centuries ago harbored the French fleet that sailed off the coast of the then young and new United States.

I would add that the relations between France and the United States are not merely a matter of what you might call the picturesque site of history or simply a matter of stories on the subject. No, it is something which reflects a deep and reciprocal mutual interest; it is something which has been borne out in numerous circumstances. For instance, when at the time of the First World War the United States came to the defense of France, the landing of the Americans on French territory was met with tremendous enthusiasm on the part of the French population.

And so when at the end of the Second World War, I myself was involved in the last stages of the war, the unit that I served in was a part of the 1st French Army which itself was under the 7th U.S. Army.

But the great problems of our times—even to those of us who, like ourselves, are deeply attached to tradition—the big problems of our time, I say, are in fact ahead of us and will call for considerable imagination and action. And that is why it was very important for me, Mr. President, to know whether these new problems and tasks could, in fact, be tackled with the very great country that you represent in a spirit of openness and mutual understanding.

And so, it was important for me to establish this personal contact with you yourself, sir, and the distinguished persons accompanying you. And yesterday morning, when I was meeting you at the airport, it occurred to me that during these two days we were in fact going to, perhaps, take initiatives and perform actions which would lead to solutions which could well have a lasting effect not only on our own relations but also, perhaps, on world affairs.

The results of our talks will be embodied in a communique which will be issued at the end of tomorrow morning, and if I were to divulge right now what the results of our talks have been, this would deprive the members of our staff from the pleasures of the late evening and early morning during which they would engage in the arduous task of preparing the suitable form of words.

But what I can say something about is the atmosphere of our talks, and what I would like to mention is their very cordial nature, the very simple way in which our talks have proceeded, the great frankness and the clarity of your positions, and the great competence with which you have led our discussions.

Now, on international gatherings or occasions such as this, people tend to wonder, in fact, who won, who came out on top, who gave the concessions, who, in fact, was the victor. But at the very outset, you will recall that I said it was my hope that, in fact, there would be neither a matter of concessions nor victors in a case like this, but we should both emerge from these talks with the feeling that we had, in fact, achieved something useful, realistic, and worthwhile in furthering the solutions of the problems that we are in fact discussing.

And could I say very sincerely, Mr. President, how very much Madame Giscard d'Estaing and myself deeply regret the absence of Mrs. Ford. We had been looking forward very much to meeting her here on this occasion, and I may say that some of the arrangements that had been made had been made precisely in anticipation of the pleasure of, for instance, having her with us today at lunch. Now, there is one great advantage of this situation, and that is that the rights of international affairs dictate that one cannot, twice running, invite the same head of state. That means, therefore, that despite the great pleasure that this would afford us, it would not be possible for us to invite you, sir, again so soon. But we could, of course, invite Mrs. Ford. And we would very much hope that she would accept,

and that you would be kind enough to accompany her.

Now, people in this world of ours very often ask themselves all sorts of questions and, indeed, one of the things they often wonder about, apparently, is why statesmen, in fact, are statesmen and why they accept to sacrifice many aspects of their existence to the responsibilities of state.

Now, as far as you are concerned—and I have seen this during our talks—and as far as I am concerned, the reason, perhaps, for which we do so is that we feel that we have, perhaps, a contribution to make in furthering the affairs of the world.

Now, the fact that the responsibilities that we have to shoulder at this particular time in history are particularly heavy at the same time means that our contribution will be a significant contribution.

Now, it is clear, however, that the affairs of mankind and the peace of the world do not depend solely on the action or the efforts of one country alone—however big that country may be—but will always depend on the combination, on the conjunction of the efforts of several. And I now know that it is quite clear that we will be able to work together.

Mr. President, when the French fleet left these waters two centuries ago for the North American Continent, there were doubtless, at the time of departure, great festivities on board, and I can well imagine that my ancestor may well have offered a toast on that occasion which would probably have had something to do with the wishes that he would have expressed concerning the continent that they were about to discover and would have expressed their hopes and their expectations.

Now, this evening, today, the situation to some extent is the other way around in that it is we who are hosting you here in Martinique, but the French Martinique of two centuries ago and the French Martinique of today, Mr. President, are deeply proud of having here the visit today of the President of the United States. Our friend the President.

## SECRETARY KISSINGER'S NEWS CONFERENCE, DECEMBER 16

Press release 533 dated December 16

*Secretary Kissinger:* Ladies and gentlemen, we have distributed the communique, which is substantially self-explanatory. Let me make a few preliminary points.

First, as the President of the Republic said last night in his toast, both sides approached these discussions with the attitude not of who would get the maximum number of concessions from the other or who would be the victor in the negotiations—because we don't think of each other as antagonists, but as allies.

We looked at the outstanding problems, especially in the field of energy and economics, from the point of view of what was in the mutual benefit, the benefit of Europe and the United States, as well as the benefit of all the interested nations around the world. And therefore, with respect to the energy issue, which was one of the principal problems which was of course discussed, I think we achieved the synthesis of the French and American positions which took account of the American conviction that consumer cooperation was essential and the French belief—which, as a matter of fact, the United States has always shared—that consumer cooperation must lead rapidly to consumer-producer dialogue.

I would like to add that in addition to the substance of the communique, the conversations were conducted in an atmosphere of great cordiality and the relationship of confidence that has grown up between the two Presidents will help facilitate and guarantee the spirit of cooperation which we believe is one of the important results of this conference.

Having attended many similar meetings between French and American leaders, I must say I found this atmosphere the most positive and the one between the two leaders and one in which as far as the United States is concerned—the French President will undoubtedly speak for himself—we will continue in the exchanges that will be necessary to implement the various aspects of the



communicate as well as the cooperation that is foreseen in the communique.

Now why don't I take your questions.

*Q. Mr. Secretary, can you give us a run-down on the sequence of events that are going to happen in these conferences concerning the oil crisis? Which one takes place first, and what happens after that?*

*Secretary Kissinger:* As the communique says, the steps should be taken in sequence, and the sequence is the one described in the communique; that is to say, there will first be an effort of some urgency to strengthen consumer cooperation in the field of conservation, of developing alternative sources of energy, and of setting up new mechanisms for financial solidarity.

Based on progress among the consumers, this will then lead to a preparatory meeting between consumers and producers, for which we set a target date for March 1975. Of course it depends on the progress the consumers make among themselves, but the United States will cooperate in bringing about the preparatory conferences and obviously will not use delaying tactics.

I think there is good will on all sides. We can make substantial progress among the consumers, and given the urgency of the situation, in fact, we must make substantial progress among the consumers.

After the completion of the preparatory discussions, we have foreseen intensive consultation among the consumers to develop common positions and common attitudes toward the consumer-producer substantive conference. The preparatory meeting will deal with procedure, agenda, participants, and will not deal with substance.

This is the sequence that the two Presidents have agreed upon, and again I would like to say that the United States has not considered its views as incompatible with those of France. In fact, at the Washington Energy Conference, we proposed that the consumer cooperation should lead to consumer-producer dialogue, and therefore we welcome the French initiative, and I think we can work cooperatively to achieve the common objective.

*Q. Will France participate in this consumer effort to strengthen solidarity?*

*Secretary Kissinger:* It says "existing institutions and agreements." There are a number of factors. France, of course, is not a member of the IEA [International Energy Agency], and we have not asked France to be a member of the IEA. It is my impression that France will work in parallel to the IEA in the same direction. For example, we have had occasion to point out that the French conservation program is going in the same direction as that of the IEA and in some respects goes beyond it.

The institutions or the mechanisms for financial solidarity we had proposed in my speech should be taken in the Group of Ten, in which France is of course a member; and therefore there is no difficulty about French participation in those.

With respect to alternative sources of energy, it may be that they are initially discussed in the IEA, but there is also a role there for European institutions, so we are not concerned with the legal structure.

It is our conviction that France will work parallel to our efforts and we will find the legal formula by which to implement.

*Q. Mr. Secretary, doesn't that kind of informal arrangement give France the benefit of consumer organization that has already taken place without having any of the responsibilities, for example, in oil sharing?*

*Secretary Kissinger:* No, it is our view that we are concerned with the substance, and therefore how France participates, under what legal form, is not of decisive concern to us.

As I pointed out, the financial institutions, for example, are not being done in the IEA to begin with. The conservation measures, once they have been agreed upon, do not really require any international party to implement. They can be implemented on a national basis.

I have the impression that we should stop talking about Franco-American relations in terms of confrontation and who is taking advantage of whom but rather in terms of

practical cooperation in which the actions of the two parties will be more important than the legal form—and that is our attitude, and it is our impression that was the French attitude at this meeting.

*Q. Mr. Secretary, could you please tell us what progress, if any, was made relative to your suggestion in Chicago of the \$25 billion fund for the shoring up of those economies that need it in light of the oil shortage?*

*Secretary Kissinger:* We found the attitude of the French President very positive to this idea, and we have the impression that France will work with us in the Group of Ten to implement this idea.

*Q. How do you account for the French change? All of a sudden you have peace, and it is lovely. What caused this after 10 years?*

*Secretary Kissinger:* I didn't say there has been a French change. I described the results of this conference, and I can only say that both Presidents seem to me to be convinced of the urgent problems facing their countries and facing the industrialized countries and, indeed, facing the whole world.

And it was a discussion that was not conducted in slogans, but in terms of the issues; and when you confront the issues, I think certain conclusions are more or less inevitable.

I would also say that the manner in which both Presidents conducted the conversations, which was free of dogma on both sides—

*Q. Free of what?*

*Secretary Kissinger:* D-o-g-m-a—it is a Latin word, not German [laughter]. —contributed to the result but I don't want to claim any changes.

*Q. Mr. Secretary, leaving aside the financial side in the Group of Ten, will the French participation in the conservation side be through the EEC [European Economic Community]; that is to say, are you contemplating here that the EEC will become an elective member of the IEA?*

*Secretary Kissinger:* This is one possibility. It is not for the United States to prescribe how Europe should organize its energy policy. The United States would certainly have no objection and can see some advantages in a common energy policy on the part of Europe, and this in turn, of course, would permit the EEC to participate as a unit in the IEA. This is essentially up to the Europeans.

*Q. Do you think it will happen?*

*Secretary Kissinger:* Let me make a point. Obviously, the spirit of what has been agreed here in Martinique requires that France work in parallel on the same substance as the other principal consumers, and we believe that this can be done. This is one device for doing it, but we are prepared to find other consultative devices.

*Q. Did you get any assurances from the President of France that they would be willing to do this at this meeting?*

*Secretary Kissinger:* That they would be prepared to have a common European energy policy?

*Q. Or that EEC would join the IEA?*

*Secretary Kissinger:* We did not discuss the legal relationship of France to the IEA. We discussed the substantive relationship of the measures that needed to be taken; and as we pointed out, it is our view—and I think it is the common view—that certain substantive steps have to be taken in order to make the consumer-producer dialogue useful. And the United States, obviously, will know whether these steps have been taken.

*Q. Mr. Secretary, will the March conference be composed of nations outside the major oil producers and also major oil consumers?*

*Secretary Kissinger:* Let me make two points. The March date is a target date. It is not an absolutely fixed date, but we will work seriously to see whether it can be implemented. The original proposal was that it might be tripartite; that is, that some of the less developed consuming countries

might also participate. The United States is not opposed to this in principle; or to put it positively, the United States is prepared for this but the exact composition of either the preparatory or the final meeting has not yet been settled. This is one of the issues that has to be settled.

*Q. Mr. Secretary, can you give us further elaboration on the Mideast discussions? How much of the time was spent talking about the Middle East?*

*Secretary Kissinger:* I think, in the Mideast discussion, the French point of view has been publicly stated and there was a full exchange of the respective points of view. No conclusions were reached or announced. This was mostly in the form of bringing about a fuller comprehension by each side of the views of the other.

*Q. Mr. Secretary, could you point two things out: What the gold agreement means and, also, what was our original request for compensation for the NATO bases?*

*Secretary Kissinger:* What the gold agreement means is this: That there has been a fixed price for the valuation of gold which does not reflect the market price, and it means that each country is free to adopt current market prices as the basis for evaluation and therefore show on its books a value of gold reserves which corresponds more nearly to the market price of gold, which is about 3½ to 4 times larger than the fixed price of gold and therefore reflects more accurately the capacity of the reserves of each country to pay for deficits.

I frankly do not remember what the original figures were. I know the French figure that they first offered us was substantially below \$100 million, and I am certain the figure we asked for was substantially above; and this seemed to us to represent a fair compromise, but I don't remember what the figure was that we originally asked for.

*Q. What of the apparent French suspicions that the United States is trying to dominate the policies of the industrialized world and dictating its terms?*

*Secretary Kissinger:* I don't want to comment about French suspicions that were not expressed at the meeting. At the meeting we discussed how to deal with concrete issues, and we reached the results which I have described, so that the suspicions that I occasionally read in the French press were not expressed by French officials, and I therefore don't feel the need to comment on that.

*Q. On the gold question, does the agreement you have reached imply also the central banks are free now to buy and sell gold at the market price?*

*Secretary Kissinger:* I don't want to get into technical questions of gold purchases. What it means is that they can value their gold at the market price.

*Q. It does mean that?*

*Secretary Kissinger:* It goes no further than that.

*Q. Mr. Secretary, is it the American view that the United States will do this or is it going to be a totally European proposition?*

*Secretary Kissinger:* The valuation?

*Q. Yes.*

*Secretary Kissinger:* That is up to each country.

*Q. I asked about the United States. Do you anticipate we will do it?*

*Secretary Kissinger:* I don't have the impression that we will do it in the near future.

*Q. Mr. Secretary, is it the American view that a consumer-producer conference would have as a principal goal lower oil prices, and do the French share that view?*

*Secretary Kissinger:* I think everybody agrees that lower oil prices are highly desirable, and it is the American view that oil prices should be stabilized at a lower level. I think we all agree that regardless of what happens to oil prices, the impact of the oil prices on the world economy and the means that are necessary to assure the stability of

the economies of the industrialized nations as well as a fair progress for the producer nations must be a subject of a consumer-producer dialogue. But the preparatory meeting is designed precisely to define the agenda as well as the procedures of such a dialogue, so it isn't possible to be conclusive about it at this moment.

*Q. How is this going to be proposed to a country like Japan—consumer-producer country conference?*

*Secretary Kissinger:* Well, as you know, we have been in the closest contact with the Government of Japan, and I had extensive conversations with the then Foreign Minister Kimura, which have been reaffirmed by the new Japanese Government. And of course the French Foreign Minister had been in Japan at about the same time that we were there. So it is my impression that what has been agreed upon here will have the support of the Government of Japan and reflect exactly the idea that the Government of Japan expressed to both of us. And it is also my view, based on conversations with the German Chancellor and with other major consuming nations in the NATO meeting in Brussels, that what was agreed to here will elicit a wide consensus.

*Q. Dr. Kissinger, in elaboration on the Middle East question, does it appear that there was French acceptance of the U.S. idea of a step-by-step solution to the Arab-Israeli problem?*

*Secretary Kissinger:* I don't want to speak for France, particularly since the President of the Republic is waiting to appear here.

My impression is that there is no French disagreement with the step-by-step approach, but having a more Cartesian up-bringing than we, France may perhaps feel it more necessary than we do to define the terminal point at the outset. I don't think there is any French disagreement with the step-by-step approach, if it can be achieved.

*Q. Mr. Secretary, it says in the communique that there has been accord on many questions. Could you point out the questions upon which there is disagreement?*

*Secretary Kissinger:* I am not leaving this meeting with a spirit that there has been substantial disagreement on any question. I think "many questions" refers to the fact that in a limited amount of time only particular issues could be discussed and did not mean to imply that any issues that were discussed were left open to disagreement.

*The Press:* Thank you, Mr. Secretary.

## TEXT OF COMMUNIQUE, DECEMBER 16

COMMUNIQUE ISSUED FOLLOWING THE MEETINGS OF THE PRESIDENT OF THE UNITED STATES OF AMERICA AND THE PRESIDENT OF THE FRENCH REPUBLIC IN MARTINIQUE

The President of the United States, Gerald R. Ford, and the President of the French Republic, Valéry Giscard d'Estaing, met in Martinique December 14-16, 1974, to discuss current issues of mutual concern. They were joined in their discussions by the Secretary of State and Assistant to the President for National Security Affairs Henry A. Kissinger and Minister of Foreign Affairs Jean Sauvagnargues, and by Secretary of the Treasury William Simon and Minister of Finance Jean-Pierre Fourcade. The Ministers also held complementary side talks.

The meeting took place in an atmosphere of cordiality and mutual confidence. President Ford and President Giscard d'Estaing welcomed the opportunity to conduct detailed substantive discussions on the whole range of subjects of mutual concern. As traditional friends and allies, the two nations share common values and goals and the two Presidents expressed their determination to cooperate on this basis in efforts to solve common problems.

They reviewed the international situation in the economic, financial and monetary fields.

The two Presidents agreed that the Governments of the United States and of the European Community, in the name of which the French President spoke on this subject, must adopt consistent economic policies in order to be effective in avoiding unemployment while fighting inflation. In particular, they agreed on the importance of avoiding measures of a protectionist nature. And they decided to take the initiative in calling additional intergovernmental meetings should they prove necessary for achievement of the desired consistency of basic economic policies among industrial nations.

In the light of the rapid pace of change in international financial positions in the world today, the Presidents were in full agreement on the desirability of maintaining the momentum of consideration of

closer financial cooperation both within the International Monetary Fund and through supplementary measures. As one specific measure to strengthen the existing financial framework, the Presidents agreed that it would be appropriate for any Government which wished to do so to adopt current market prices as the basis of valuation for its gold holdings.

The two Presidents considered in depth the energy problem and its serious and disturbing effects on the world economy. They recognized the importance for the USA, the EEC and other industrialized nations of implementing policies for the conservation of energy, the development of existing and alternative sources of energy, and the setting up of new mechanisms of financial solidarity. They stressed the importance of solidarity among oil importing nations on these issues.

The two Presidents also exchanged views on the desirability of a dialogue between consumers and producers and in that connection discussed the proposal of the President of the French Republic of October 24 for a conference of oil exporting and importing countries. They agreed that it would be desirable to convene such a meeting at the earliest possible date. They regard it as important that all parties concerned should be better informed of their respective interests and concerns and that harmonious relations should be established among them in order to promote a healthy development of the world economy.

The two Presidents noted that their views on these matters are complementary and, in this context, they agreed that the following interrelated steps should be taken in sequence:

—They agreed that additional steps should be taken, within the framework of existing institutions and agreements to which they are a party, and in consultation with other interested consumers, to strengthen their cooperation. In particular, such cooperation should include programs of energy conservation, for the development of existing and alternative sources of energy and for financial solidarity.

—Based on substantial progress in the foregoing areas, the two Presidents agreed that it will be desirable to propose holding a preparatory meeting between consumers and producers to develop an agenda and procedures for a consumer/producer conference. The target date for such a preparatory meeting should be March 1975.

—The preparatory discussions will be followed by intensive consultations among consumer countries in order to prepare positions for the conference.

The two Presidents agreed that the actions enumerated above will be carried out in the most expeditious manner possible and in full awareness of the common interest in meeting this critical situation shared by the United States and France and all other countries involved.

President Ford and President Giscard d'Estaing reviewed current developments in East-West relations. They discussed their respective meetings with General Secretary Brezhnev, and Secretary Kissinger reported on his discussions with leaders of the People's Republic of China. They exchanged views on developments in East-West negotiations, including the Conference on Security and Cooperation in Europe. They expressed their conviction that progress in easing tensions was being made.

The two Presidents exchanged views on the present situation in the Middle East. They agreed on the importance of early progress toward a just and lasting peace in that area.

President Giscard d'Estaing described current efforts by France and other members of the European Community to further the process of European unity. President Ford reaffirmed the continuing support of the United States for efforts to achieve European unity.

The two Presidents discussed the situation in Indochina. They noted that progress in Laos toward reconciliation and reunification was encouraging.

The two Presidents agreed on the need for all parties to support fully the Paris Peace Agreements on Vietnam. Regarding Cambodia, they expressed the hope that the contending parties would enter into negotiations in the near future rather than continuing the military struggle. They expressed the hope that following Laos, Cambodia and Vietnam might also find their political way towards civil peace.

The two Presidents renewed the pledges of both Governments to continue close relations in the field of defense as members of the Atlantic Alliance. They agreed that the cooperation between France and NATO is a significant factor in the security of Europe.

They noted with satisfaction that the positive steps in negotiations on SALT taken during the Soviet-American meeting at Vladivostok have reduced the threat of a nuclear arms race. The two Presidents explored how, as exporters of nuclear materials and technology, their two countries could coordinate their efforts to assure improved safeguards of nuclear materials.

The President of France indicated that his Government was prepared to reach a financial settlement in connection with the relocation of American forces and bases committed to NATO from France to other countries in 1967. The French offer of \$100 million in full settlement was formally accepted by President Ford.

The two Presidents concluded that the personal contact and discussion in this meeting had demonstrated accord on many questions and expressed their determination to maintain close contact for the purpose of broad cooperation in areas of common concern to the two countries.

# President Ford Sets Import Quotas for Cattle and Meat From Canada

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

### TEMPORARY QUANTITATIVE LIMITATION ON THE IMPORTATION INTO THE UNITED STATES OF CERTAIN CATTLE, BEEF, VEAL, SWINE AND PORK FROM CANADA

WHEREAS, Section 252(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1882(a)) authorizes the President to impose duties or other import restrictions on the products of any foreign country establishing or maintaining unjustifiable import restrictions against United States agricultural products which impair the value of tariff commitments made to the United States, oppress the commerce of the United States, or prevent the expansion of trade on a mutually advantageous basis;

WHEREAS, Canada has imposed unjustifiable restrictions on cattle and meat imports from the United States;

WHEREAS, such restrictions violate the commitments of Canada made to the United States, including the provisions of Article XI of the General Agreement on Tariffs and Trade, and impair the value of tariff commitments made to the United States, oppress the commerce of the United States and prevent the expansion of trade on a mutually advantageous basis; and

WHEREAS, I deem it necessary and appropriate to impose the restrictions hereinafter proclaimed on imports of cattle, beef, veal, swine, and pork, which are the products of Canada, in order to obtain the removal of such unjustifiable restrictions and to provide access for United States cattle and meat to the markets of Canada on an equitable basis;

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, acting under the authority vested in me by the Constitution and statutes, including Section 252(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1882(a)), do hereby proclaim (until such time as the President otherwise proclaims)—

(1) Subpart B of part 2 of the Appendix to the Tariff Schedules of the United States (TSUS) is amended by inserting in numerical sequence the following new items:

<sup>1</sup> No. 4335; 39 *Fed. Reg.* 40741, Nov. 20, 1974.

Item	Articles	Quota Quantity
	Whenever, in any 12-month period beginning August 12 in 1974 or in any succeeding year, the respective quantity or aggregate quantity of the cattle, the swine, the beef and veal, or the pork specified below, the product of Canada, has been entered, no such cattle, swine, beef and veal, or pork respectively, the product of Canada, may be entered during the remainder of such period:	
945.01	Cattle provided for in items 100.40, 100.43, 100.45, 100.53, and 100.55 of part 1, schedule 1.	17,000 head (aggregate quantity).
945.02	Swine provided for in item 100.85 of part 1, schedule 1.	50,000 head.
945.03	Beef and veal, fresh, chilled, frozen, prepared, or preserved, provided for in items 106.10 and 107.60, part 2B, schedule 1.	17,000,000 pounds (aggregate quantity).
945.04	Pork, fresh, chilled, frozen, prepared or preserved, provided for in items 106.40, 107.30 and 107.35, part 2B, schedule 1.	36,000,000 pounds (aggregate quantity).

(2) Notwithstanding the provisions of paragraph (1) hereof, not in excess of one-twelfth of the respective quota quantity specified for each item in said paragraph (1) may be entered, or withdrawn from warehouse, for consumption during the 30 day period beginning on the date of this proclamation.

(3) The provisions of this proclamation shall become effective upon publication in the Federal Register, but the provisions of paragraph (1) hereof do not apply to any articles in excess of the respective quota quantity specified for each item in said paragraph (1) which—

(a) prior to such date of publication, have been duly entered, or withdrawn from warehouse, for consumption or have been released under the provisions of section 448(b) of the Tariff Act of 1930 (19 U.S.C. 1448(b)), or

(b) have been entered or withdrawn pursuant to paragraph (2) hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this sixteenth day of November in the year of our Lord nineteen hundred and seventy-four, and of the Independence of the United States of America the one hundred ninety-ninth.

*Gerald R. Ford*

## Department Reviews Main Elements of the Strategy To Resolve the Oil Crisis

*Statement by Thomas O. Enders  
Assistant Secretary for Economic and Business Affairs*<sup>1</sup>

The proposal made by Secretaries Kissinger and Simon [Secretary of the Treasury William E. Simon] for a \$25 billion facility to back up capital markets over the next two years is part of a larger strategy to resolve the oil crisis. In this statement I propose to review the main elements of that strategy, situating the proposed financing facility in relation to them.

The starting point for analysis is the belief that unless the consumers take action to limit their dependence on oil imports, OPEC [Organization of Petroleum Exporting Countries] probably has the will and the capability to maintain the real price of the oil they export and the financial surplus they are earning at roughly constant levels over the next several years, and possibly indefinitely.

OPEC is earning a total income of perhaps \$110 billion at the current annual rate, of which they spend for imports a little less than one-half. OPEC's import expenditures will of course rise in the future, in part because of inflation in the cost of manufactured goods they buy (but note that the current rate is only about 7 percent), in part because the new affluence and the new ambition of the producing countries will increase their spending.

But OPEC's total income will also rise. To

oil will be added a rapidly growing investment income. The volume of oil imports into the OECD [Organization for Economic Cooperation and Development] countries will increase as industrial growth resumes, perhaps at a rate of 4 or 5 percent a year.

New oil may be found at a more rapid rate, in Mexico, Peru, Malaysia, China. But with even the poor countries such as Indonesia and Nigeria disposing of unprecedented liquid assets, the cartel may retain for years the capacity to cut back production to sustain and increase prices.

Since total OPEC income has only to grow at a little more than one-half the annual rate of total OPEC spending to protect the financial surplus at the \$60 billion level, we must expect that in the absence of new action by the consumers the surplus will be sustained indefinitely. OECD estimates that if real prices for oil are constant, only in 1980 will the net surplus fall to \$50 billion a year, by which time OPEC will have accumulated assets of \$425 billion. Any increase in the real price of oil would be additional.

Hopeful arguments have been advanced to convince us that this will not happen.

Some say that OPEC members will see the damage an annual accumulation of this magnitude will cause to the industrial economies and let the real price of oil erode through inflation. There is no question that this would be a prudent course for the producers to adopt in their own interest. But we cannot count on them to do so. Because of ideology

<sup>1</sup> Made before the Joint Economic Committee of the Congress on Nov. 29. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(monopoly action to raise commodity prices is a main plank of the "New Economic Order"), because of real or imagined scores to settle for past exploitation, because of the power and authority the new money gives, OPEC members are unlikely to let real prices erode if they can help it. Even if individual countries may wish to move prices downward, they are unlikely to be able to do so alone. For as a matter of practical politics, no country will be able to explain to its public why it gets less for its oil than do other OPEC members. Nor would it be a full solution simply to let prices erode by inflation; for sinking real prices would stimulate consumption again, thus slowing the absorption of the surplus. Thus, if the real price of oil were allowed to erode by one-third by the end of 1980, the cumulative OPEC surplus might fall only from \$425 to about \$375 billion.

Others say that OPEC will tire of accumulating surpluses and will cut back production, keeping oil in the ground as an investment rather than claims on the industrial economies. It is possible that this will happen. But if it does, the surplus will, if anything, grow; for as oil becomes scarcer, the price it commands will go up.

The important point is not to be able to make a precise forecast. There are too many variables for that. What matters is that there is a wide range of probable situations in which the OPEC financial surplus continues essentially intact for an indefinite period or falls only slowly.

What does that mean? It means that unless they act, the industrial democracies face an inexorably rising danger of financial collapse or depression, or both, over the next decade. As oil debts pile up in the industrial countries, first the weaker, then the stronger, will find their credit unacceptable and will try to balance their external accounts by restrictions on trade and on the level of economic activity. But one country's success in balancing its external accounts only will make the problem more urgent for others. For whether the industrial world runs its economies at a high level of activity or at a low level, the deficit to the oil producers will remain massive. Unless we are all willing to

take 20 percent unemployment, there is no way that deflation or restrictions can solve the problem.

But there is more. It is impossible that Europe, Japan, and America could undergo a decade of threatening financial collapse and low or no economic growth without the most shattering social and political upheavals. Already this year we have seen how inflation and no growth is embittering the political life of all the great democracies, undercutting the authority of leaders, setting class against class. And this is only the first year. It is no accident that the Soviet Union and China, securely self-sufficient in energy, with a sustained growth rate, have begun to analyze and exploit a great new crisis in capitalism.

#### **Possible Effect of New Production on Prices**

Apart from the United States and Britain, none of the major oil importers have the possibility of becoming self-sufficient within a decade, and self-sufficiency in energy cannot be the goal of the industrial economy as a whole for the foreseeable future.

But invulnerability to cartel action to raise prices is both a possible and a necessary goal.

At present, the consuming countries import approximately 30 million barrels of oil a day, mostly from OPEC sources. But current prices of about \$10 a barrel f.o.b. gulf are very attractive, and a worldwide oil boom is underway. Substantial finds of oil have been reported from Mexico, Peru, China, Malaysia; and the wave of exploration is just beginning. The owners of this new oil will understandably want to sell it at the going price, but they will also want to develop it sufficiently so that they can receive a substantial income. Together they may already represent the possibility of new production several years from now of 10 million barrels a day. And more will follow.

The impact of this prospective new production on price depends on the development of the market as a whole. OPEC members have shown that they are willing to cut back output to sustain price; Arab producers are currently working at less than three-quarters



capacity. With the enormous assets all producers are receiving, there is no doubt a margin for further cuts, even in the poorest countries. Thus, if the overall market were to increase from 30 to 40 million barrels a day over the decade, it might be possible for OPEC to accommodate the new producers and still sustain the price.

But if the market did not grow at all, the burden of adjustment on existing OPEC members would be more than they could adjust to. States now launching ambitious development programs would find that by the end of the decade they were receiving only about half the expected revenues. Negotiation of the required cutbacks in production would become more and more difficult. First, clandestine, then open, violations of production quotas would occur. Ultimately all efforts to sustain the artificial price would be abandoned.

There is no way we can know now the precise size of market at which OPEC efforts to rig prices become inviable in the face of new production. But it would clearly be wrong to start down this road with a goal that might turn out to be inadequate. To be sure they make this and any future oil cartel inviable, the goal of the consumers must be to hold their collective imports steady over the next 10 years.

### **Limiting Dependence on Imported Oil**

This is a demanding goal, but we now believe from the analysis in our own Project Independence report, and from the OECD's long-term energy assessment, that it can be attained.

Our Project Independence report shows that we have many options for achieving substantial self-sufficiency by 1985.

On the supply side, policies to lease the Atlantic outer continental shelf, reopen the Pacific outer continental shelf, and tap the naval petroleum reserves can significantly increase domestic oil production. The Federal Energy Administration estimates potential increases at from 4 to 8 million barrels a day, depending on the level of price.

On the demand side, energy conservation

actions can significantly reduce the rate of growth of energy utilization by 1985. Standards for more efficient new autos, incentives to reduce miles traveled, incentives for improved thermal efficiency in existing homes and offices, and minimal thermal standards for new homes and offices could all contribute. Petroleum demand could be decreased by up to 2 million barrels a day, and electricity consumption would also fall.

Also on the demand side, further savings of limited oil and gas supplies can be achieved by policies that require switching from oil and natural gas to coal or coal-fired electric power. Up to 2½ million barrels a day of oil and 2½ trillion cubic feet of natural gas might be saved by this method, although environmental restrictions and capital costs are significant constraints.

On November 14 Secretary Kissinger announced the goal of reducing U.S. oil imports from over 6 million barrels a day to 1 million barrels a day in 1985. The administration is now working to develop Project Independence policy options for decision by the President. The President expects to submit his proposals to Congress in January.

The options open to Europe and Japan to limit their dependence on imported oil are less far-reaching, but they are by no means negligible. The OECD long-term energy assessment suggests that—with proper price policies—acceleration of North Sea oil and gas, the stabilization of coal production, and a major development of nuclear power could reduce European dependence on imported energy from the present two-thirds to about 40 percent. In Japan, a program of long-term conservation combined with the expected development of nuclear power could reduce dependence from 90 to about 80 percent.

If the United States goes to substantial self-sufficiency and Europe and Japan reduce their dependence in the manner indicated above, the level of oil imports by industrial countries will be no greater in 1985 than now.

Many policy instruments are available to achieve these goals. On the demand side, this choice ranges from voluntary programs of restraint, mandatory fuel switching, price de-

control, taxation, and various kinds of allocation. On the supply side, energy investments will come in at various levels of return and risk, and countries will have to be sure that there are adequate incentives to yield the level of output desired. Policy instruments available for this purpose include tax incentives, long-term contracts, deficiency payments, or subsidies for given projects and tariffs or other import protection.

All of our studies show that both demand and output are quite responsive to effective internal prices. Our Project Independence report indicates that the United States has many options for achieving substantial self-sufficiency at prices lower than world prices today but higher than internal prices in the past, with both demand restraint and new supplies playing an important role.

We must, however, distinguish between effective price levels insofar as they affect consumers and investors, and the means by which they are achieved. Such instruments as price decontrol, taxes, and tariffs all have different income and policy impacts, but they can be used to achieve the same effective price to the consumer. On the investment side some instruments, such as purchase agreements and project subsidies, would affect only new investment. Others, such as tariffs and tax incentives, could affect all investment. Each has different income and policy implications.

Each country will adopt the policy instruments best suited to its own energy and fiscal structure. However there are three potentially important areas for common action:

One is to adopt clear targets for the level of dependence each country wishes to achieve over the decade and national conservation and supply policies to achieve them. These targets and policies should then be examined and monitored together.

Second, it may be useful for the consuming countries to agree on the minimum level (although not the policy instruments), at which they will support new investment. This would back up the dependence targets by creating stable investment expectations throughout

the consuming countries; it would work to insure an equivalence of effort.

Third, the consumers can magnify their several investment efforts by entering joint research and development projects in energy and by creating a common fund to guarantee or finance energy projects in consuming countries.

#### **Proposed Immediate Measures by Consumers**

But these fundamental actions on supply and demand will take years to give results. How can we bring down our jeopardy to manageable proportions between now and then? Four things are needed.

One is an oil safety net, to make sure that we can act in concert, on the basis of equitable sharing, to counter any new embargo directed against all or any of the consuming countries. This protection is already in place. In Paris last week, 16 countries formally adhered to the International Energy Program (IEP), committing themselves to a far-reaching program of preparedness for, and solidarity in, a new embargo. The IEP creates a situation in which a restrictive act directed against any member becomes an act against all. It is the indispensable basis for all future cooperation among the consumers. Implementing legislation for this program will be submitted to Congress shortly for its consideration.

The second is an immediate effort by consuming countries to conserve oil, the only way open to them to lessen the financial drain in the short term. Even now, after the embargo and price increases, our studies show that there remains a significant margin for further savings of oil in both industry and personal consumption that can be realized without jeopardizing output or jobs. Worldwide, that margin is probably at least 3 million barrels a day. President Ford announced a savings program of 1 million barrels a day in October. We are monitoring its execution carefully in order to reinforce it if needed; and we are prepared to consider increasing the program to match others

in attaining the collective target of 3 million barrels.

The third action, within the IMF [International Monetary Fund] framework, is to make sure the financing needs of the developing countries can be met while waiting for the price of oil to come down. It would be very wrong to force the developing countries to abandon their growth programs and goals. We estimate at \$1.5-\$2 billion the gap in 1975 for which no financing has yet been found. Concessional terms will be needed. Secretaries Kissinger and Simon proposed that a new fund be established for this purpose, managed by the IMF and financed by oil producers, other contributions, and perhaps by profits from sales of IMF gold.

The final requirement is for a financial safety net. This is needed to make sure that no country is forced to take unwarranted restrictive trade or economic policy measures as a result of the maldistribution or instability of reflows of oil dollars and of the growing burden of oil debts.

So far private capital markets have performed well in receiving and redistributing the enormous flow of oil dollars. We believe there is substantial further room for expansion of the flows handled by private markets, but we cannot be sure of how great that expansive capacity is. Already there are some indications of approaching constraints. In banking, for example, there have been no significant additions to capital since the start of the oil crisis. Yet the total assets and liabilities built upon a given capital structure have increased greatly. At some point it will not be prudent for the banks to expand further without substantial new additions to capital, which will be difficult and costly to raise in current market conditions.

Thus, rather than test the limits of our present system, Secretaries Kissinger and Simon proposed creation of a new large-scale intergovernmental financing facility. This facility would be:

—Designed to back up, not substitute for, the workings of private capital markets.

—Temporary, intended to enable the con-

suming countries to pursue sound economic and trade policies while waiting for basic energy policy decisions to take effect.

—Not an aid fund, but rather a facility lending at commercial terms on the basis of established criteria for appropriate economic and energy policies pursued by the borrower.

—Structured so as to distribute risk equitably among the consuming countries.

—Subject to approval by Congress.

Each of the four proposed interim actions is important in itself; equally significant, both analytically and politically, is their linkage to each other and to the energy dependence targets and program. No country, certainly not the United States, will want to help another financially unless that other country is helping itself by conserving oil and joining a long-term effort to lessen dependence. And we must adopt a clear strategy to bring the price of oil down, and back up that strategy with the appropriate policy decisions, in order to be sure that the loans under the proposed facility will be repaid.

#### **Need for Concerted Consumer Action**

It has often been suggested that we can talk or pressure the oil producers into accepting a reduction in price.

Neither approach, in our judgment, is likely to lead to more than tardy or partial results. And there would be significant costs to adopting them: the false security our people would feel that we were solving the energy crisis when in reality we were only temporizing, or the damage to the structure of international security that might result.

Instead what Secretary Kissinger has proposed is a program of action designed to change conditions within the consuming countries themselves. Its purpose is not to create a position of force which can then be imposed upon the producers but, rather, to create conditions in which a new long-term equilibrium between oil producers and consumers can be achieved. That equilibrium must be such that the producers receive an appropriate price for their products while the

consumers can be free of the threat of embargo and of artificial action to raise prices.

Achievement of this result depends critically on the solidarity of the consuming countries. Since the start of the energy crisis there has been for each country the temptation to go it alone, try to work a special deal with the producers, or hope that the actions of others will end the crisis. In different ways each of us is uncomfortable with having his future depend so totally on others. But analysis of each country's position shows that going it alone is not a superior option for any consumer. Over the decade only the United States and Britain can go to self-sufficiency; all others will remain dependent on imported oil. All industrial countries, especially those heavily involved in trade, will be vulnerable to financial crisis. And if the United States and Britain can eventually solve the price and financial transfer problems by going self-sufficient, the only way Europe and Japan can is by cooperating with each other and with us. And in the meantime, no country, including the United States, can solve the price problem alone.

The crisis gives us no alternative to concerted consumer action. We believe that financial solidarity is an essential part.

## Congressional Documents Relating to Foreign Policy

### 93d Congress, 2d Session

Western Investment in Communist Economies. A Selected Survey on Economic Interdependence. Prepared for the Subcommittee on Multinational Corporations of the Senate Committee on Foreign Relations. August 5, 1974. 83 pp.

Department of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Bill, 1975. Report to accompany H.R. 15404. S. Rept. 93-1110. August 20, 1974. 53 pp.

Deep Seabed Hard Minerals Act. Report to accompany S. 1134. S. Rept. 93-1116. August 21, 1974. 68 pp.

Passport Application Fees. Report to accompany H.R. 15172. S. Rept. 93-1124. 5 pp.

Report on Nutrition and the International Situation. Prepared by the staff of the Senate Select Committee on Nutrition and Human Needs. September 1974. 57 pp.

## THE UNITED NATIONS

### U.N. Rejects Move To Change Representation of Cambodia

*Following is a statement made in the U.N. General Assembly by U.S. Representative John Scali on November 27, together with the text of a resolution adopted by the Assembly in votes on November 27 and November 29.*

#### STATEMENT BY AMBASSADOR SCALI

USUN press release 184 dated November 27

The issue presented to this Assembly by the two resolutions before us is in essence very simple. One resolution proposes negotiations without preconditions for a peaceful settlement of the tragic conflict in Cambodia. The other demands a one-sided solution and offers only the prospect of continued war and more suffering by the Cambodian people. Which of these alternatives is consistent with the purposes for which this organization was founded? Which of these paths does our charter stake out as the road to justice and accepted international law?

One resolution<sup>1</sup> would have the Assembly itself decide for the Khmer people that Cambodia is to be represented not by its present government, but by an exile regime located over 2,000 miles from Phnom Penh. It should come as no surprise that the only nation located anywhere near Cambodia which sponsors this resolution is the country in whose capital this exiled regime happens to be located.

The other resolution<sup>2</sup> is sponsored by 23 nations, five of whom are among Cambodia's closest neighbors. They advocate a basic principle spelled out in this resolution by these opening lines: that the Khmer people

<sup>1</sup> U.N. doc. A/L.733.

<sup>2</sup> U.N. doc. A/L.737.

have a right themselves to solve their problems peacefully, free from outside interference. This resolution, unlike the other, does not call on the United Nations or anyone else to prejudge the decision of the Cambodian people. Instead, it proposes that the United Nations contribute positively to settlement in Cambodia by calling on the parties themselves to begin negotiations. Further, it asks the Secretary General to lend appropriate assistance, as he has done so effectively in the past.

Finally, the resolution sponsored by Cambodia's neighbors calls on all U.N. member states to respect the outcome of these peaceful discussions between the Cambodian parties, as my government is prepared to do. The United States supports efforts toward an honest compromise solution in Cambodia.

I must, however, reply to some speakers who again, in discussing this item, have spread harsh and ugly charges against the United States. I reject these charges. They are false. If their accusations were true—that a brutal military dictatorship has been foisted on the Cambodian people—why is it that the Cambodian Government continues to operate effectively and that the Cambodian people continue to fight heroically and with increasing success against the invaders, all of this long after the United States has ended all air support and sharply reduced its military assistance? Could it be because the Cambodian people are fighting for their independence against foreign troops on their soil?

Attempts by some speakers to present their special version of Cambodian history, in our view, are an effort to divert this Assembly from the real questions—namely, which are the only foreign forces intervening in Cambodia today, and which action by this Assembly seeks to deprive the Cambodian people of their right to self-determination?

For those who are unaware of, or who forget, Cambodia's real history, it may be useful to recall:

—That Prince Sihanouk was not removed by a palace coup;

—That the Government of Cambodia

which dismissed Prince Sihanouk in 1970 had been formed by Sihanouk himself less than a year before;

—That the Khmer National Assembly which ratified the decision and voted unanimously to depose Sihanouk was composed of members whom Sihanouk had personally selected and supported for election;

—That all during that period while Cambodians fought for their continued independence the total American Government presence in Phnom Penh consisted of two diplomatic officers and three military attaches; and

—That negotiations between the Khmer Government and North Viet-Nam were broken off unilaterally by North Viet-Nam on March 25, 1970. Four days later North Vietnamese and Viet Cong forces attacked Khmer police and military posts. The present hostilities in Cambodia date from those attacks.

The United States is proud of the role it has played in helping the Khmer Government and people to stave off the continuing military attacks by insurgents and foreign military forces. We have also, however, stressed the need to initiate negotiations to end this conflict and to bring reconciliation, harmony, and self-determination to all of Cambodia. The United States is quite prepared to see Cambodia ruled by whatever government the Cambodian people may freely decide upon.

On August 12 President Ford told our Congress that the United States hopes to see an early compromise settlement in Cambodia. It is not the United States, but others, who have refused to leave Cambodia to the Cambodians.

Certainly the Government of the Khmer Republic has not put any obstacle in the way of a negotiated settlement. On July 9, 1974, that government offered to enter into negotiations without conditions at any time, with any representatives of the other Cambodian party, in order to bring the conflict to an end.

We have heard from some speakers a claim that the opposition forces in Cambodia control 90 percent of that country's territory and 80 percent of its people. If this is true,

then why, we must wonder, has the opposition no capital, no government, no machinery, no parliament—in fact, none of the normal attributes of a government? Why, indeed, has their nominal chief of state taken refuge in a foreign capital? Why does he not go home to receive the acclaim of the people, who, we are told, are eagerly awaiting his return? This seems to me a reasonable and fundamental question.

Reviewing the record I find, surprisingly, that these same speakers one year ago made identical claims in the debate in this hall. One year ago they claimed their proteges controlled 90 percent of the territory and 80 percent of the population. One would have expected that a year of alleged new victories would have been reflected in more impressive statistics this year. Why not claim 98 percent of the territory and 95 percent of the people this year? Indeed, why not ignore the hard reality of the existence of the Government of Cambodia altogether and claim 100 percent?

The fact is that despite the best efforts of a foreign inspired and assisted insurgency, and of the North Vietnamese Army, the Khmer Government has never ceased to maintain control over the vast majority of Cambodia's people and over the territory in which they live. North Vietnamese troops and their Cambodian supporters do indeed range through many areas of north and east Cambodia, but Sihanouk's supporters have neglected to explain to us that those areas of the country are very sparsely populated. The truth is that Prince Sihanouk does not return to lead his people because he has no safe haven in Cambodia, no real government or real following to return to.

I would like to ask why should this Assembly be asked to choose between two rival claimants to Cambodia's seat in the United Nations, one of which happens to be located outside the country? It is our view the United Nations has no business deciding which is the legitimate government of any member state.

I urge all members of this Assembly to consider carefully the views so eloquently set forth during this debate by the Asian

neighbors of the Khmer Republic. Surely the vast majority of U.N. members must share their desire to see peace in their part of the world by allowing Cambodia to determine its own destiny. Surely we will heed their warning about the dangers of continued conflict and join in their call for a negotiated settlement to the present hostilities. This is a decision which deeply involves their own security and their own future. We who live elsewhere, particularly those far away, have a responsibility to respect their views if we are to expect equal consideration in connection with problems in our areas.

The U.S. Government believes that the United Nations has a fundamental obligation to support the process of negotiation as the best means of resolving disputes and settling conflicts, wherever and whenever they arise. We are convinced that such a process serves the real interests of all parties to a dispute, in Cambodia as elsewhere. A negotiated settlement in Cambodia is overdue. This process should begin now.

Surely no one of us can really wish to prolong the agony of that country or its people. Surely we can all agree that it is time for the fighting to stop, for negotiations to begin, for compromises to be reached, and for compatriots to be reconciled.

### TEXT OF RESOLUTION <sup>3</sup>

*Restoration of the lawful rights of the Royal Government of National Union of Cambodia in the United Nations*

*The General Assembly,*

*Recalling* the purposes and principles of the Charter of the United Nations,

<sup>3</sup> U.N. doc. A/RES/3238 (XXIX) and Corr. 1. On Nov. 27 the Assembly adopted by a vote of 56 (U.S.) to 54, with 24 abstentions, draft resolution A/L.737/Rev. 1 as revised, with the exception of the fifth preambular paragraph, a separate vote on that paragraph having resulted in a tie vote of 51-51, with 31 abstentions; on Nov. 29 the Assembly, by a vote of 102 (U.S.) to 0, with 32 abstentions, rejected the paragraph, which reads, "Considering that the lawful rights of the two Governments are only valid if it is determined that these rights emanate from the sovereign people of Cambodia as a whole.". Priority having been given to draft resolution A/L.737/Rev. 1, draft desolution A/L.733 was not pressed to a vote.

*Recognizing* that the situation in Cambodia is of concern to all Member States and especially to the countries situated close to the area,

*Taking into account that*, while the Royal Government of National Union of Cambodia, presided over by Prince Norodom Sihanouk, exercises authority over a segment of Cambodia, the Government of the Khmer Republic still has control over a preponderant number of Cambodian people,

*Believing* that the Cambodian people themselves should be allowed to solve their own political problems peacefully, free from outside interference,

*Believing also* that such political settlement should be reached by the indigenous parties concerned, without external influence,

1. *Calls upon* all the Powers which have been influencing the two parties to the conflict to use their good offices for conciliation between these two parties with a view to restoring peace in Cambodia;

2. *Requests* the Secretary-General, after due consultation, to lend appropriate assistance to the two contending parties claiming lawful rights in Cambodia and to report on the results to the General Assembly at its thirtieth session;

3. *Decides* not to press for any further action until Member States have an opportunity to examine the report of the Secretary-General.

## **U.S. Calls for Strengthening U.N. Disaster Relief Office**

*Following is a statement made in Committee II (Economic and Financial) of the U.N. General Assembly by U.S. Representative Joseph M. Segel on October 30, together with the text of a resolution adopted by the committee on November 6 and by the Assembly on November 29.*

### **STATEMENT BY MR. SEGEL**

USUN press release 153 dated October 30

I have listened with both interest and deep concern to Ambassador Berkol's [Faruk N. Berkol, of Turkey, U.N. Disaster Relief Coordinator] explanation of the limitations and needs of his Office in attempting to perform the duties assigned to it by the General Assembly. I commend him for his efforts and dedication in this cause.

Mr. Chairman, the subject we are dealing

with today is one that potentially affects hundreds of millions of people—it is a matter to which we all should devote the most earnest attention.

During the last 10 years alone, my government's records indicate that there have been 430 natural disasters around the world resulting in 3.5 million deaths, 400 million victims, and damage estimated at \$11 billion.

During this period, donor nations and organizations provided \$2.8 billion in emergency relief and rehabilitation—an immense effort involving monumental problems of coordination for which adequate machinery does not exist. One can only ask how much human suffering might have been alleviated if world disaster relief had been better organized.

As a further illustration of the problem we face, five weeks ago the U.S. Government, along with other governments, was providing assistance simultaneously to the victims of eight foreign disasters. On another occasion, we were trying to cope simultaneously with the needs of victims of 27 disasters.

Who in the General Assembly was really aware of the enormity of this problem when in 1971 it created the U.N. Disaster Relief Office and assigned to UNDRO a broad array of disaster relief and preparedness responsibilities, while giving it such limited resources? We now recognize, as does UNDRO itself, that its limited resources and staff have been a major constraint in the performance of the duties assigned by the General Assembly, particularly the much-needed function of donor coordination.

As matters now stand, donor governments must "fly blind" during much of a disaster emergency. They have to make action decisions with no assurance that their aid may not be duplicating help being sent by another government. By the same token, assumptions that other donors may be providing certain aid may be in error, with the result that serious omission may occur. And sometimes the particular equipment and goods sent are just not what is really needed.

For these reasons, Mr. Chairman, Secretary of State Kissinger called for strengthening UNDRO when he spoke to the Gen-

eral Assembly on September 23, 1974. What Secretary Kissinger had in mind was that the new infusion of strength should be focused on developing UNDR0's capability to coordinate—to serve as a worldwide clearing-house in collecting and disseminating timely information on disaster assessment, priority needs, donor offerings, storage and transportation availabilities. In the judgment of disaster experts, such a service would be of inestimable value to countries that suffer disasters and to donor countries as well. UNDR0 is in a unique position to perform this essential role, coordinating assistance to disaster-stricken countries from governments, intergovernmental organizations, and private organizations.

We propose therefore that this Assembly authorize the Secretary General to undertake a management study, on a priority basis, which we believe can be completed within a month, to determine exactly what needs to be done to enable UNDR0 to efficiently and effectively perform the function of mobilizing and coordinating disaster relief along the lines described. We further propose that the Secretary General be authorized to promptly implement the action plan that should result from this study, and that sufficient financial resources be contributed on a voluntary basis for this express purpose. We believe this can and should be done without prejudice to the continuation and possible improvement of UNDR0's activities in related areas, such as disaster prevention, predisaster planning, and training, which deserve separate consideration.

Hence, while concurring in the general thinking behind ECOSOC [Economic and Social Council] Resolution 1891, we propose at this time a more concentrated capability focused specifically on coordination. This would include, as necessary, probable increases in staff, communications equipment, and related services for a disaster information center and adequate funds for travel—especially for immediate on-the-spot assessment—and for other operating expenses. The precise needs, of course, would evolve from the aforementioned management study.

We specifically propose that the required

funding for the first three years be met from voluntary contributions, with the method of onward financing subject to review. The U.S. Government is prepared to make a voluntary contribution of up to \$750,000 to cover substantially all of the first year's cost; that is, for 1975. We would then expect to contribute our usual fair share of the voluntary contributions required to meet the costs for the succeeding biennium, and we hope others would contribute the balance required. Our offer is contingent, of course, on the development of a practical plan and budget and on the premise that the voluntary contributions resulting from this resolution would be devoted exclusively to creating the clearing-house and coordinating capability that is so desperately needed.

At the present time, Mr. Chairman, we are in the process of consulting with other delegations on this proposal, and we have a preliminary draft resolution for their study. We are trying to reach as many as possible, and we would be happy to give copies to any others who may be interested. After these consultations we expect to be in a position to propose a formal resolution for which we earnestly hope there will be wide support.<sup>1</sup>

## TEXT OF RESOLUTION <sup>2</sup>

### *Strengthening of the Office of the United Nations Disaster Relief Co-ordinator*

#### *The General Assembly,*

*Recalling* its resolution 2816 (XXVI) of 14 December 1971 by which it created the Office of the United Nations Disaster Relief Co-ordinator and established its primary functions of co-ordinating disaster relief, especially through its role as an information clearing-house, and of assisting in disaster prevention and preparedness,

*Endorsing* Economic and Social Council resolution 1891 (LVII) of 31 July 1974, in which the Council requested the Secretary-General to investigate the feasibility of measures to strengthen the disaster prevention, pre-disaster planning and co-ordinating

<sup>1</sup> On Nov. 4 the United States introduced draft resolution A/C.2/L.1364; the resolution, as orally revised, was adopted by the committee on Nov. 6 without a vote.

<sup>2</sup> U.N. doc. A/RES/3243 (XXIX); adopted by the Assembly on Nov. 29 without a vote.



roles of the Office of the United Nations Disaster Relief Co-ordinator and to submit his findings to the Council at its fifty-ninth session, and in which the Council recommended that the General Assembly, at its twenty-ninth session, should reconsider the proposals of the Secretary-General for additional staff resources,

*Taking note with appreciation* of the report of the Secretary-General on assistance in cases of natural disaster and other disaster situations,<sup>3</sup> and of the statement made to the Second Committee by the United Nations Disaster Relief Co-ordinator on the activities of his Office,

*Noting in particular* the statements in the Secretary-General's report that, while some progress has been made in the Office of the United Nations Disaster Relief Co-ordinator in establishing its assigned function of mobilizing and co-ordinating relief, the lack of staff and facilities, combined with the frequency, duration and simultaneity of disaster situations, has seriously impaired the effectiveness of the Office in discharging these and other responsibilities,

*Concerned* that lack of adequate co-ordination on a world-wide basis results, in some cases, in lapses in meeting priority needs and, in others, in costly duplication and in the supply of unneeded assistance,

*Convinced* that the Office of the United Nations Disaster Relief Co-ordinator is in a unique position, given adequate staff and facilities, to provide a world-wide system of mobilizing and co-ordinating disaster relief, including the collection and dissemination of information on disaster assessment, priority needs and donor assistance,

*Convinced further* that this capability should be strengthened, as a matter of priority and urgency and without prejudice to the disaster prevention and disaster preparedness roles assigned to the United Nations Disaster Relief Co-ordinator,

*Convinced* that disaster prevention and pre-disaster planning should form an integral part of the international development policy of Governments and of international organizations,

1. *Calls upon* the Secretary-General to provide sufficient staff, equipment and facilities to strengthen the capacity of the Office of the United Nations Disaster Relief Co-ordinator to provide an efficient and effective world-wide service of mobilizing and co-ordinating disaster relief, including particularly the collection and dissemination of information on disaster assessment, priority needs and donor assistance;

2. *Decides* that the additional costs of providing this strengthened capability should be met by voluntary contributions during the first year, commencing as soon as possible, and during the biennium 1976-1977, at which time the method of financing for succeeding periods shall be subject to review in the light of experience, with the understanding that the additional resources made available under the terms

<sup>3</sup> U.N. doc. A/9637. [Footnote in original.]

of the present resolution should be concentrated on strengthening the co-ordinating capability of the Office of the United Nations Disaster Relief Co-ordinator, but without prejudice to any improvements that can be made in the roles of that Office in disaster prevention and in pre-disaster planning within the resources otherwise available to it;

3. *Requests* the Secretary-General to take appropriate measures, drawing upon the aforementioned voluntary funds, to prepare a plan and budget for this increased capability, and to proceed with its immediate implementation;

4. *Requests* the Secretary-General, as called for in Economic and Social Council resolution 1891 (LVII), to continue to investigate the feasibility of measures to strengthen the United Nations machinery with regard to disaster prevention and pre-disaster planning;

5. *Requests* the Secretary-General to report on the implementation of the present resolution to the Economic and Social Council at its fifty-ninth session and to the General Assembly at its thirtieth session.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Aviation

Protocol relating to an amendment to the convention on international civil aviation, as amended (TIAS 1591, 3756, 5170, 7616). Done at Vienna July 7, 1971.

*Ratifications deposited:* Trinidad and Tobago, October 22, 1974; Uganda, December 19, 1974.

*Entered into force:* December 19, 1974.

##### Narcotic Drugs

Convention relating to the suppression of the abuse of opium and other drugs. Done at The Hague January 23, 1912. Entered into force February 11, 1915. 38 Stat. 1912.

*Notification of succession:* Lesotho, November 4, 1974.

Protocol amending the agreements, conventions, and protocols on narcotic drugs concluded at The Hague on January 23, 1912 (38 Stat. 1912), at Geneva on February 11, 1925, and February 19, 1925, and July 13, 1931 (48 Stat. 1543), at Bangkok on November 27, 1931, and at Geneva on June 26, 1936. Done at Lake Success, N.Y., December 11, 1946. TIAS 1671, 1859.

*Notification of succession:* Lesotho, November 4, 1974.

Single convention on narcotic drugs, 1961. Done at New York March 30, 1961. Entered into force December 13, 1964; for the United States June 24, 1967. TIAS 6298.

*Notification of succession:* Lesotho, November 4, 1974.

**Safety at Sea**

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 26, 1968.<sup>1</sup>

*Acceptance deposited:* Federal Republic of Germany, December 2, 1974.<sup>2</sup>

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London October 21, 1969.<sup>1</sup>

*Acceptance deposited:* Federal Republic of Germany, December 2, 1974.<sup>2,3</sup>

**Wheat**

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971. Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Ratification deposited:* Federal Republic of Germany, December 19, 1974.<sup>2</sup>

**BILATERAL**

**Czechoslovakia**

Consular convention, with agreed memorandum and related notes. Signed at Prague July 9, 1973.<sup>1</sup>

*Ratified by the President:* December 16, 1974.

**Jordan**

Agreement for sales of agricultural commodities. Signed at Amman November 27, 1974. Entered into force November 27, 1974.

**Norway**

Agreement amending annex C of the mutual defense assistance agreement of January 27, 1950 (TIAS 2016). Effected by exchange of notes at Oslo November 19 and 27, 1974. Entered into force November 27, 1974.

**Panama**

Agreement concerning payment to the United States of net proceeds from the sale of defense articles furnished under the military assistance program. Effected by exchange of notes at Panama May 20 and December 6, 1974. Entered into force December 6, 1974; effective July 1, 1974.

**GPO Sales Publications**

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Uganda . . . . .	Cat. No. S1.123:UG1	Pub. 7958	5 pp.
Venezuela . . . . .	Cat. No. S1.123:V55	Pub. 7749	7 pp.
Western Samoa . . . . .	Cat. No. S1.123:W52S	Pub. 8345	4 pp.
Zambia . . . . .	Cat. No. S1.123:Z1	Pub. 7841	8 pp.

**Aviation—Joint Financing of Certain Air Navigation Services in Greenland and the Faroe Islands and in Iceland.** Agreements amending the agreements done at Geneva September 25, 1956, as amended. TIAS 7851. 2 pp. 25¢. (Cat. No. S9.10:7851).

**Atomic Energy—Cooperation in Peaceful Application.** Agreement with the International Atomic Energy Agency amending and extending the agreement of May 11, 1959. TIAS 7852. 4 pp. 25¢. (Cat. No. S9.10:7852).

**Atomic Energy—Cooperation for Civil Uses.** Agreement with Sweden amending the agreement of July 28, 1966, as amended. TIAS 7854. 10 pp. 25¢. (Cat. No. S9.10:7854).

**Agricultural Commodities.** Agreement with Egypt. TIAS 7855. 16 pp. 30¢. (Cat. No. S9.10:7855).

**Extradition.** Treaty with Denmark. TIAS 7864. 32 pp. 40¢. (Cat. No. S9.10:7864).

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

<sup>2</sup> Applicable to Berlin (West).

<sup>3</sup> With a declaration.

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**Check List of Department of State  
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Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

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No.	Date	Subject
†541	12/23	"Foreign Relations," volume VI, the Far East and Australasia; 1948 (for release Dec. 30).
*542	12/23	Kissinger: news conference, United Nations, Dec. 21.
†543	12/23	TWA-Swissair airline capacity agreement.
*544	12/26	Carlucci sworn in as Ambassador to Portugal (biographic data).
*545	12/26	Shipping Coordinating Committee, Subcommittee on Maritime Law, Jan. 24.
*545A	12/25	Scotes sworn in as Ambassador to the Yemen Arab Republic (biographic data).
*546	12/26	Study group 6 of the U.S. National Committee for the CC-IR.
†547	12/26	U.S.-Romanian cultural and scientific agreement.

\* Not printed.

†Held for a later issue of the BULLETIN.

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# THE DEPARTMENT OF STATE BULLETIN

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*The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.*

*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and 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 on treaties of general international interest.*

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## Secretary Kissinger Interviewed for Newsweek Magazine

*Following is the transcript of an interview with Secretary Kissinger on December 18 by Newsweek Executive Editor Kenneth Auchincloss, Foreign Editor Edward Klein, and diplomatic correspondent Bruce van Voorst, which was published in the December 30 issue of Newsweek.*

*Q. Looking back over the conduct of American foreign policy in 1974, what have been your greatest satisfactions and greatest disappointments?*

Press release 2 dated January 3

*Secretary Kissinger:* Strangely enough, the greatest satisfaction was that we managed the Presidential transition without a disaster. This was a rather heartbreaking period. I was extremely worried that while the central authority was in severe jeopardy, the transition might create basic weaknesses in the structure of our foreign policy. I considered our ability to continue an effective foreign policy the most satisfying thing. Of course, individual events were important, too: I got great satisfaction from the Syrian disengagement.

*Q. In that transition period, was there a hiatus in which you could not function very well?*

*Secretary Kissinger:* I would say from July to October was a period in which we could not act with decisiveness. Every negotiation was getting more and more difficult because it involved the question of whether we could, in fact, carry out what we were negotiating. Secondly, we were not in a position to press matters that might involve serious domestic disputes. And I think this affected to some extent the summit in Moscow in July. But it affected many other things in more intangible ways.

*Q. How do you rank the SALT agreement in Vladivostok in the list of achievements for this past year?*

*Secretary Kissinger:* Very high, and of more permanent significance than perhaps anything else that was achieved. The various disengagement agreements in the Middle East were dramatic and important because they reversed a trend toward another outbreak of a war and may have set the stage for making some important progress. But I think in terms of permanent achievements, I would rank the outline for a second SALT agreement at or near the top. And I think it will be so viewed by history.

*Q. How do you account for all the criticism of SALT Two?*

*Secretary Kissinger:* I think we have a difficult domestic situation right now. Many people remember, or think they remember, that foreign policy had certain domestic effects in '71 or '72. I don't agree with this. But I think it is in the back of some people's minds.

Secondly, there is a general atmosphere of disillusionment with government.

Thirdly, the liberal intellectual community, which used to lead American foreign policy, was alienated for a variety of reasons from the Johnson administration and then from the Nixon administration, and therefore from this administration as well, at least at first.

Now, what in fact is the significance of this agreement? The nightmare of the nuclear age is the fear of strategic arms based on the expectation of what the other side is doing. One has to get one's priorities right. The first objective must be to get that cycle of self-fulfilling prophecies interrupted.

That has now been substantially achieved. Once that is built into the planning of both sides, I think the negotiations on reductions will be easier.

*Q. Do you see those negotiations for reductions taking place before the 10-year period covered by the agreement is over?*

*Secretary Kissinger:* Yes. In fact, we have covered that in the aide memoire. A number of people gained the impression that the reductions were to start only after 1985. The Vladivostok announcement, in fact, said that negotiations should start no later than 1980 for reductions to take place after 1985. That has now been eliminated from the aide memoire because it was never intended to preclude an agreement on reductions to take place well before 1985. So it is clear that negotiations can start as soon as possible and take effect as soon as there is an agreement.

*Q. Some people argue that the agreement sanctions MIRV [multiple independently targetable reentry vehicle] levels that will lead to a first-strike capability by both sides and actually encourage a new arms race.*

*Secretary Kissinger:* The agreement has to be compared with what would have happened in the absence of an agreement—not with a theoretical model. All our intelligence estimates indicate that in the absence of an agreement, Soviet MIRV levels would have been substantially higher than they will be under the agreement, as well as Soviet total levels, which in turn would have triggered another series of moves by us. The so-called new construction programs are the minimum planned construction programs; they would certainly have been accelerated and expanded if the Soviet Union had in fact produced at the level that our intelligence estimates thought they could. And not only could, but would. I am talking now about the middle intelligence estimate. Generally three estimates are made—low, middle, and high. Both of the ceilings agreed in Vladivostok are below the low intelligence estimate, and substantially below the medium intelligence estimate.

A myth is beginning to develop that in July we made a proposal of more severe limitations on MIRV's and that this, for some curious reason, was abandoned between July and December. This simply is not true. The July proposal, first of all, called for a five-year agreement. If you double the number that we proposed for the five-year agreement, you would have a higher number than the one we settled on for 10 years.

*Q. The Soviets have issued a statement that they are not going to make any guarantees about Jewish emigration from the Soviet Union. Does this statement and its possible impact on the trade bill concern you?*

*Secretary Kissinger:* Yes, it concerns me. Certainly there is no one in Washington who has not heard me warn about this for years. Without saying anything, without making any claims for it, we managed to increase Jewish emigration from 400 a year in 1968 to 35,000 before any of this debate started. We had managed to intercede quietly in behalf of a list of hardship cases, of which more than half were dealt with successfully. We never claimed a success; we never took credit for it. We never said this was a result of détente. We just encouraged it to happen. We have warned constantly not to make this an issue of state-to-state relations, because we were afraid it would lead to a formal confrontation and defeat the objective of promoting emigration. Despite our deep misgivings, we acquiesced when statements were made by some which implied that the Soviet Union had yielded to pressure, because we thought it was the result that was important, and we wanted to avoid a domestic debate that might have jeopardized the trade bill.

The issue of Jewish emigration is, above all, a human problem. There is no legal agreement we can make with the Soviet Union that we can enforce. Whether the Soviet Union permits emigration depends on the importance they attach to their relationship with the United States and therefore on the whole context of the East-West relationship.

If we can maintain a Soviet commitment to détente, and if we can make clear that this



is related to the emigration question, existing understandings will have a chance. But what we have had is, first, excessive claims. And now the Export-Import Bank bill has been encumbered with amendments that, to all practical purposes, virtually prevent loans of any substantial size to the Soviet Union.

Loans are more important to the Soviet Union than most-favored-nation status, and in this respect the Soviets are worse off now, after three years of détente and even after increased Jewish emigration, than they were to begin with. We cannot simply keep saying that the Soviets must pay something for détente, and then not provide anything from our side to give them an interest in its continuance.

*Q. Do you see any signs that détente has led Moscow to play a more positive role in the Mideast?*

*Secretary Kissinger:* The Middle East is a very complicated issue for them and for us. I do not believe evidence supports the proposition that the Soviet Union produced the 1973 war. On the other hand, the Soviet Union has not been prepared to risk its relationship to some of the Arab states for the sake of Middle East tranquillity. What this proves is that détente does not mean that the Soviet Union and we have become collaborators, but that we are partly rivals, partly ideologically incompatible, and partly edging toward cooperation. The Middle East has been an area where cooperation has been far from satisfactory.

*Q. Will détente help in the next round in the Mideast?*

*Secretary Kissinger:* Generally, yes, if all parties proceed with circumspection. Some of the participants in the Middle East conflict did not want an extremely active Soviet role. This was one inhibiting feature. The second is that a cooperative effort with the Soviet Union depends on the actual positions the Soviet Union takes. If the Soviet Union takes positions which are identical with one of the parties, then we are better off dealing with those parties directly.

*Q. What would be the necessary condition before the Palestine Liberation Organization (PLO) and Israel could sit down together and talk?*

*Secretary Kissinger:* It is impossible for the United States to recommend negotiation with the PLO until the PLO accepts the existence of Israel as a legitimate state. As long as the PLO proposals envisage, in one form or another, the destruction of Israel, we don't see much hope for negotiation with the PLO.

*Q. Do you share the concern of many people now who feel that both sides are hardening their positions?*

*Secretary Kissinger:* I have been through several Mideast negotiations, and they run a fever cycle. There is a great deal of excessive talk on both sides to prove that they have been tough, unyielding, and didn't make any concessions. We are now in the relatively early phases of these exchanges. I am not pessimistic. On the contrary, I believe another step is quite possible. Obviously, because of the Rabat meeting, and the increasing complexity of the domestic situation of almost all of the participants, negotiations are more difficult now than they were a year ago. The stakes are also higher. But I believe that progress is possible. We have to do it now by somewhat different methods than we did last year. If I compare where we are now with where we were at various stages during the Syrian negotiations, I think it looks far more encouraging than it did then. I am in fact quite hopeful.

*Q. Are you going to deemphasize "shuttle diplomacy"?*

*Secretary Kissinger:* There was a time for shuttle diplomacy, and there is a time for quiet diplomacy. I cannot accept the principle that whenever there is something to be settled, the Secretary of State must go to the area and stake his personal prestige on the conduct of the negotiations. I don't think that is a healthy situation. And therefore, while I don't exclude that in a concluding phase, or in a critical phase, I might go to

the Middle East for three or four days, I will not do so unless conditions are right and the stakes are important enough.

*Q. Do you think there can be any further progress before Leonid Brezhnev goes to Egypt in January?*

*Secretary Kissinger:* It would be a grave mistake for the United States to gear its own policies to the travels of the General Secretary of the Soviet Party. We will negotiate as rapidly as we can, but we don't want to get into the business of imposing settlements or of getting ahead of the parties. The art of negotiations is to make sure that all of the parties feel that their essential interests are safeguarded and that their dignity is respected. Our pace will be set not by Brezhnev but by how rapidly the parties move toward each other.

*Q. The military resupply of Israel, both during and after the 1973 war, seems to have stripped the American military establishment of some of its materiel. Does this suggest that the United States will have a difficult time resupplying Israel in any war of extended duration?*

*Secretary Kissinger:* I understand from Secretary [of Defense James R.] Schlesinger that these stories about stripping the American military establishment are incorrect. And I understand that production in many of the essential categories is being stepped up. I don't think there is any physical incapacity to do what is necessary.

*Q. Some people say that it would be to Israel's advantage to find an excuse to launch a preemptive strike.*

*Secretary Kissinger:* Based on my talks with Israeli leaders, I do not believe that any responsible Israeli leader operates on this assumption. They know that if a war starts it may start events of incalculable consequences.

I think the responsible people in Israel realize that improved American relations with Arab countries are also in the interests of Israel, because they enable us to be a moderating influence. The Israeli leaders

with whom I am dealing are genuinely interested in moving toward peace. It is a very complicated problem because their margin of survival is so much narrower than ours that it is hard for Americans to understand some Israeli concerns. But I do not believe that any Israeli leader would deliberately engage in such a reckless course.

*Q. Given the Arab oil weapon and how it affects Western support of Israel, can Israel expect to survive?*

*Secretary Kissinger:* I think the survival of Israel is essential. The United States—and finally, in the last analysis, Europe—will not negotiate over the survival of Israel. This would be an act of such extraordinary cynicism that the world would be morally mortgaged if it ever happened. But it won't happen.

*Q. In your list of pluses and minuses for the year, we have not touched on energy yet.*

*Secretary Kissinger:* I think next to SALT, I would consider the most lasting achievement to be the energy policy that we developed. I think the Washington Energy Conference, the International Energy Agency, the emergency sharing program, and the measures which we are currently pursuing may be the beginning of a restructuring of relationships among the advanced industrial countries and eventually serve as a bridge to the producing countries.

*Q. What sorts of structure are you referring to?*

*Secretary Kissinger:* The structure that emerged in the immediate postwar period was essentially geared to military defense. Some of the difficulties that emerged in the sixties and early seventies, as a result of the growth of European unity and the emergence of Japan, were that the military organization and the political and economic organization had grown out of phase with each other. It has proved difficult to bring them back into phase by purely military arrangements. This is what I attempted to say in my "Year of Europe" speech, which was a little premature, but many of whose basic

principles are now being accepted. Now the problem of how the advanced industrialized nations can give effect to the realities of interdependence is one of the most serious problems of our time—in the fields of energy, of food, and of the whole nature of economic policies.

*Q. Is it American policy to organize the oil-consuming nations so that they can negotiate a reduction of oil prices with the producers?*

*Secretary Kissinger:* We would like to create the maximum incentives for a reduction of prices and, failing that, the maximum capacity to withstand the high prices. The two things are related. If we have effective conservation measures, if we develop alternative sources of energy, and if new sources of oil continue to be discovered, the balance between supply and demand must inevitably change. I have heard statements that the producers can always keep up with us by cutting production, but they will, I think, find this increasingly difficult to implement. If the industrialized nations implement measures of financial solidarity, we can reduce the effect of the balance of payment deficits. And when the emergency sharing program is in effect in a few months, the capacity of these countries to use embargoes for political effect will be reduced.

*Q. But while many of President Ford's advisers have been urging him to take stringent conservation measures, he has resisted so far.*

*Secretary Kissinger:* I am convinced that the President will soon announce a program that will give effect to the principle I have outlined. I am confident that it will be a good program and that it will be adequate to our international responsibilities.

*Q. Are French President Valéry Giscard d'Estaing and West German Chancellor Helmut Schmidt going to be more cooperative in these international structures? Are they really frightened of what is going on in Europe and the world?*

*Secretary Kissinger:* Both countries are

convinced that without a greater interaction of economic policies, an economic disaster for everybody is probable. And everybody realizes that they cannot deal with the economic policies on a purely national basis.

Secondly, there is a growing realization that the political demoralization of the industrialized countries must be arrested. This presupposes that governments can be seen to be coping with the problems that confront them. And that again will drive some more in the direction of interdependence. Right now it is really irrelevant to discuss what formula of consultation would be adequate, because the necessities that are imposed on us by the energy crisis would produce their own formula.

*Q. Do you think the American public is prepared for the consequences of such a program?*

*Secretary Kissinger:* All I can say is that it is the absolute duty of leaders to tell the people what they believe is necessary. You can make your life easier by not putting tough choices to the public. But then when the inevitable catastrophe occurs, you have lost not only credibility but legitimacy. So I don't think we really have any choice. I think the administration will have to tell the public what is needed, and I know that the President intends to do this. I think this is basically a healthy society, and I think there will be support.

*Q. If all else should fail, would the United States consider military intervention in the Middle East to secure oil at prices that we can afford?*

*Secretary Kissinger:* I don't think that would be a cause for military action.

*Q. You don't think that the financial bankruptcy of the West would be a casus belli?*

*Secretary Kissinger:* The financial bankruptcy of the West is avoidable by other means. We will find other solutions.

*Q. That doesn't answer the question, with all due respect.*

*Secretary Kissinger:* What we would do if

there were no other way of avoiding financial bankruptcy and the whole collapse of the Western structure, I cannot now speculate. But I am convinced that we won't reach that point.

*Q. What concrete steps might the United States take to induce the Third World countries to pursue a more realistic course in the United Nations?*

*Secretary Kissinger:* I think the Third World countries have to accept the fact that they, too, live in an interdependent world. They cannot both insist on cooperation from the advanced industrial countries and conduct constant warfare—economic or political—against the advanced industrial countries. The spirit of cooperation must be mutual. There will be disagreement, of course. That is unavoidable. But if you have a group of 77 nations that automatically vote as a group, regardless of the merits of the issue, then the United Nations becomes a test of strength and the web of cooperation on which the development of all countries ultimately depends will be severely strained. In future sessions of the United Nations we will look more carefully at the degree of mutuality in the positions of the countries with which we are dealing.

*Q. Can you conceive of a situation in which the United States might decide to temporarily suspend itself from the United Nations to protest the tyranny of the majority?*

*Secretary Kissinger:* I can conceive that if an issue is too outrageously decided, that we would suspend our activities in relation to that issue. But it is hard to answer this question in the abstract.

*Q. Our détente with China seems to have been stalled.*

*Secretary Kissinger:* Well, this is the constant position of Newsweek magazine. But it is not our position. I believe that on the level of bilateral relations between the two countries we are essentially on course. I found that essentially confirmed by my last visit to the People's Republic of China. It is

a relationship of practical necessity, in which two countries have made a decision to cooperate for limited objectives with each other. I don't accept the proposition that our policy is stalled.

*Q. Do you think within the next year we might move toward a normalization of relations with Cuba?*

*Secretary Kissinger:* We were prepared to accept a two-thirds vote of the Organization of American States at its recent meeting in Quito, and we were led to believe that this two-thirds vote had been assured. Suddenly we found ourselves in the position of being asked to produce votes for a resolution which we could not possibly sponsor, given the history of our involvement in the sanctions. There will be another occasion next year in a less structured meeting in Buenos Aires to discuss the Cuban issue, where the necessity of producing votes is less intense, and where one can then chart a course on a hemisphere basis more effectively. I think there will be some evolution during the next year.

*Q. How do you evaluate your own situation now at the end of the year?*

*Secretary Kissinger:* During the period of President Nixon's crisis, I may have been overprotected from congressional criticism because many of the Senators and Congressmen instinctively were fearful of doing damage to our foreign policy and believed that they had to preserve one area of our national policy from partisan controversy. So it was inevitable that after that restraint was removed I would rejoin the human race and be exposed to the normal criticisms of Secretaries of State.

I have spent a great deal of time with Congress in the last few weeks, and I have the impression that there is a solid relationship. We worked out the Greek-Turkish aid problem, I think, in a cooperative spirit. I really feel passionately that if we don't maintain our foreign policy on a bipartisan basis, we will be in the deepest trouble. Of course fundamental issues ought to be discussed,

including fundamental foreign policy issues. But there are various areas in which there is or ought to be substantial agreement. And as far as I am concerned, I am going to go the absolute limit of maintaining it on a bipartisan basis.

*Q. Do you think the pendulum has swung too far from one direction, from talk of "Super K," to an overwillingness now to criticize you?*

*Secretary Kissinger:* There is no magic and there are no supermen in foreign policy. The difference between a good and a mediocre foreign policy is the accumulation of nuances. It is meticulousness; it is careful preparation. If a Secretary of State or anybody concerned with foreign policy goes out to hit a home run every time he goes up there, he is putting a burden on himself and a strain on the system.

*Q. You have been quoted as saying that Americans like the lone cowboy, walking into town with his six-guns blazing.*

*Secretary Kissinger:* I think any society needs individuals that symbolize what it stands for. It is difficult to run countries without great figures.

*Q. Have we great figures today?*

*Secretary Kissinger:* One of the problems of the modern age is that great figures are not so easy to come by.

*Q. Why?*

*Secretary Kissinger:* It may be that the process of reaching high office is so consuming that it leaves little occasion for reflection about what one does. Moreover, modern man doesn't like to stand alone. This is due largely to the impact of the media, in which everybody wants to check tomorrow morning's editorials.

*Q. What role do you think the media plays in your conduct of foreign policy?*

*Secretary Kissinger:* The negative aspect is that there is almost a daily pulling up of

the trees to see whether the roots are still there. There is almost a daily necessity to explain each day's actions. And in the process there is a danger of losing the essence of a substantial foreign policy, which is the relationship of moves to each other and the overall design. In order to conduct a foreign policy you must be prepared to act alone for some period. You cannot get universal approbation at every step of the way. And so the media have a tendency to produce a congenital insecurity on the part of the top people.

On the positive side, the need of public explanation forces an awareness that would not otherwise exist. The more sophisticated of the journalists often have a reservoir of knowledge and continuity that is better than that of many of the top officials. I could name individuals who, on arms control, on Vietnam negotiations, could spot subtleties that many of the officials could not see.

So I think that the interplay is on the whole useful. But as one looks ahead, there are several dangers. There is a danger of a Caesaristic democracy in which the media are manipulated by the government. There is a danger of the media trying to substitute themselves for the government. And you know yourself that there are fads, that sometimes there is excessive praise and then it swings back to excessive criticism.

*Q. You are about to begin your seventh year in Washington. Is there a seven-year itch? Are you thinking of turning to something else?*

*Secretary Kissinger:* I would like to think that the best time to leave is when you are not under pressure. I have been here long enough now so I don't have to continue being here to prove something to myself.

On the other hand, I am also engaged in a number of things from which it would be either difficult to dissociate or painful to dissociate. I would like to think that I will know when to get out. But very few people have mastered this. And most people are carried out instead of walking out. I have no itch to leave. But I also have no compulsion to stay.

## The New Dialogue: Toward a Relationship With Latin America

*Address by William D. Rogers  
Assistant Secretary for Inter-American Affairs*<sup>1</sup>

A year ago today, Deputy Secretary Rush addressed this distinguished audience. He took the occasion to set out a few reflections on the evolution of the historical relationship between the United States and Latin America. He pointed to the forces of change which were at work and which had eroded the old patterns of paternalism that had long characterized that relationship. Secretary Rush noted that Secretary Kissinger had, only a few weeks before, launched a new dialogue with Latin America in an effort to work out the basis for a new relationship.

A good deal has occurred in the year since, both within the United States and in the area of U.S.-Latin American policy. We now are working toward a policy. I emphasize the phrase "working toward a policy." Building a new policy toward a group of two dozen very diverse countries in an era of profound change in global relationships is bound to be a long-term process. There can be no pat formulas, no grand designs that will automatically bring about a new era in U.S.-Latin American relations. As Ken Rush said here last year, "The new relationship . . . can only be worked out as specific issues are faced, discussed, and resolved."

The specific issues were defined by the Latin American Foreign Ministers last year at Bogotá. They include the patterns for cooperation for Latin American development, the question whether something by way of principle could be agreed to for the future transfer of technology, the behavior of transnational enterprises, and the restraint of co-

erceive economic measures by one country against another, as well as the Panama Canal issue, the structuring of international trade, and the reform of the Organization of American States.

The composition of the agenda, I believe, is indicative of the deep and abiding Latin American concern with the impact of the United States on the development of their economies and societies. The agenda also illustrates that regional concerns can no longer be separated from global problems.

### **Areas of U.S. Policy Response**

Today I would like to talk about what I conceive of as the two strands of that long-term process. One strand consists of efforts by the United States to adjust its policies to the new realities in the hemisphere. Because our weight in hemispheric affairs is so great, any new relationship between the United States and Latin America will require that the United States adjust more than any single Latin American country. The other strand in building a new relationship is the effort that all the countries in the hemisphere must make together.

The United States has the elements of a policy response in five general areas. These are settling outstanding differences, avoiding new disputes, intensifying consultations, improving cooperation for development, and reshaping the inter-American system.

#### *I. Settling outstanding differences*

We have had remarkable success in clearing the board of old, festering investment

<sup>1</sup> Made before the Council of the Americas at New York, N.Y., on Dec. 5.

disputes and other longstanding controversies. The celebrated problems with the Government of Peru have been happily resolved, and our relationship with the Revolutionary Government is very much on the mend. Negotiations with the Government of Panama on a new canal treaty are going forward nicely in the cooperative spirit embodied in the statement of principles signed between our governments on February 7. Finally, I am delighted to say that most outstanding investment disputes in Chile have been resolved. These disputes have been or are being resolved because both parties have been willing to make concessions to the other's point of view.

## II. *Avoiding new disputes*

Here, we are not so far along. We have proposed the establishment of a factfinding or conciliation procedure; something along these modest lines would permit us to consider the modification of our legislation regarding expropriation cases. This legislation—the Hickenlooper and Gonzalez amendments—had been a major cause of the charges of economic coercion leveled against the United States. Unfortunately, the U.S. proposal found no response in Latin America.

We also continue to believe that a balanced Charter of Economic Rights and Duties of States could reduce the potential for future disputes. Unfortunately, substantial differences still remain between the positions of the developed countries and the developing countries on the draft charter articles.

We are also prepared to accept—indeed, we are a leading advocate of—the formal recognition of the essential interdependence of the nations of the world and the need to recognize that economic security is collective and indivisible. Here again, however, the discussions thus far within the special committee on restructuring the OAS have reflected a difference of view between the Latin American countries who have spoken and ourselves as to how collective economic security can be achieved.

Finally, we have joined with the Latin

American countries in a Working Group on Transnational Enterprises in an effort to agree upon some principles which could serve as guidelines for the interaction between governments and foreign investors in Latin America. This working group has only recently begun its deliberations, and we are hopeful it will produce something useful. It will do so, however, only if it is recognized that the United States will not unilaterally renounce long-held positions on international law.

Clearly, the task of preventing new conflicts is a difficult one. Perhaps, in keeping with its greater power, the United States will have to make somewhat greater adjustments than it has been willing to thus far. But it cannot be expected to make all the concessions on matters of principle.

## III. *Increased consultations on matters of concern*

We have made good, and are making good, on the Secretary's promise to consult—beforehand—on matters of U.S. policy of interest to Latin America. The President's Special Trade Representative, Ambassador [William D.] Eberle, completed an extensive consultation mission to Latin America in April. Consultations were held prior to the Law of the Sea Conference, the World Food Conference, the World Population Conference, and the U.N. General Assembly. A team of U.S. foreign policy planning officials has just returned from highly successful visits to four Latin American countries. This is an area where clearly the United States, as a major actor on the world scene, must make the lion's share of the effort.

## IV. *Cooperation for development*

Our efforts to be responsive in this crucial area depend importantly upon congressional support, and the returns are not yet in. We will need congressional support to enable us to meet our commitment to maintain assistance to Latin America at least at its current levels. And it is not even certain that we will have a fiscal year 1975 aid bill. Passage of

the Trade Reform Act with its provisions for generalized tariff preferences for the less developed countries intact and unencumbered by restrictive amendments is absolutely essential and will be debated in the Senate next week.

Trade and market access are at the top of the agenda for Latin America today. The Latin Americans are striving to diversify and expand their exports and look to us, who supply them with nearly 40 percent of their imports, as a logical market along with other industrialized countries.

We are committed to assist the Latin Americans in this effort, but I would be less than candid if I did not acknowledge that our credibility has been damaged somewhat by countervailing-duty proceedings initiated in recent months as the result of industry complaint, backed up by court suits. The Latin Americans have found it difficult to believe that the U.S. Government had no discretion and was performing its statutory duty in compliance with legislation dating from 1897. The proceedings have been seen in Latin America as evidence of a renewed protectionist trade attitude.

Our ability to be responsive in the trade field, of course, will be determined largely by the fate of the Trade Reform Act. We have been closely cooperating with others within the administration to strongly urge that this priority piece of legislation be enacted by the current session of Congress, and I have spoken with many Senators of the importance of this bill to the conduct of our foreign policy with Latin America. We appreciate the help that you and the council staff have made to get the trade bill enacted. I would urge you to redouble your efforts in these few days of December remaining to enact a trade bill.

In addition to financial aid and trade, technology is regarded in Latin America as a key element of development cooperation. We have been participating vigorously in a Working Group on Science and the Transfer of Technology in an effort to see what steps the United States and Latin America might

take to improve the flow of technology to the region. The returns on this effort are not in yet. So far, however, there has been a tendency on the part of the Latin American participants to criticize the United States for not being willing to go far enough fast enough. Again we have the problem of the two strands of the relationship, of how much the United States can be expected to do unilaterally and how much Latin America and the United States can do together.

#### *V. Reshaping the inter-American system*

As the fifth new policy area, I cite the inter-American system. Both we and the Latin Americans are pretty well agreed that existing inter-American institutions must be reformed and revitalized. There is, however, no consensus as to how—whether, for example, to create a development council to take charge of the array of regional economic development matters which are such significant grist in the OAS mill; whether to take a new look at the political side of the Organization, including the General Assembly and the Permanent Council; whether to move a large share of the OAS, such as its technical assistance program and service functions, or even its headquarters, to Latin America. The problem seems to be that most of the member countries are uncertain as to what they want to use the OAS to accomplish. Here we need as much effort and input from Latin America as from the United States.

#### **Proposal To Lift Sanctions Against Cuba**

The United States can no longer, if in reality it ever could, define by itself the purposes of inter-American cooperation. And there will no doubt be a great deal said on the future of the inter-American system at the Buenos Aires meeting of Foreign Ministers, which itself, of course, will be outside the formal OAS.

This anomaly leads me to a word or two about the inter-American system and the Quito meeting. Quito illustrated both the



challenges to and the strengths and promise of the new dialogue.

The issue at Quito, as you are aware, was whether the diplomatic and economic sanctions voted by the OAS against Cuba in 1964 should be lifted. The resolution to remove the sanctions was supported by a majority but failed to receive the two-thirds vote required by the Rio Treaty [Inter-American Treaty of Reciprocal Assistance]. The sanctions therefore remain in effect, despite the fact that five Rio Treaty countries and four other hemispheric nations maintain either diplomatic or commercial ties with Cuba.

What implications do the Quito results carry for U.S.-Latin American relations?

While we are still too close to the event to render definitive judgments, I think there are certain aspects of the outcome that are worth noting.

First, and perhaps most obviously, the Quito results show that no consensus yet exists within the hemisphere regarding Cuba.

Second, the U.S. position at the meeting was one of complete neutrality. We neither lobbied for nor against the resolution, and we abstained when the matter came to a vote. Quito was a Latin American, not a U.S., show. The significance of this point, I am sure, will be apparent to all who have followed U.S.-Latin American relations in recent years. Our neutrality was a major change.

What of the impact of the indecisive result at Quito on the future of the Rio Treaty and the inter-American system? Since a majority—12 countries—voted in favor of removing the sanctions, we must ask if the procedures outlined in the treaty continue to be appropriate. Quito demonstrated that the time has come to give new impetus and political direction to the effort to update the organization. For, in many respects, the Organization of American States, despite its defects, remains the embodiment of our common aspirations in this hemisphere.

Of one thing I am certain, however, Cuba has absorbed far too much of our time and

energies in recent years. The Cuba issue must not be allowed to impede the important task we have undertaken in the dialogue. Both we and the Latin Americans are more aware of this central fact as a result of Quito.

### Hemisphere and Global Agenda

Where do we go from here? The goals of "collective economic security" and "integral development" advanced by the nations of Latin America simply cannot be achieved in this hemisphere alone without reference to the larger international system. The problems which have been identified through the dialogue—development cooperation, the structure of trade and the monetary system, transnational enterprises, and the transfer of science and technology—are in fact the priority items on the global agenda.

But progress can be made in this hemisphere. And to the degree we can do something in the hemisphere, we will be shaping the solution of the larger problems as well.

What we are engaged in is a process. It is a process which requires not just unilateral action by the United States, although as the major power in the region we undoubtedly must bear the major responsibility. It is a process that involves not just Secretaries of State, Foreign Ministers, and their respective governments. It is a process which to be successful will require the active support and participation of all elements of our societies. The task before us then is to broaden and deepen the dialogue.

As Secretary Kissinger put it, we must "anchor the Western Hemisphere relationship not only in the consciousness of our government but in the hearts of the people."<sup>2</sup> With the continued support of organizations such as your own, I am convinced we can succeed.

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<sup>2</sup> For a toast by Secretary Kissinger on Oct. 2, 1974, at a luncheon honoring Latin American Foreign Ministers and Permanent Representatives to the United Nations, see BULLETIN of Oct. 28, 1974, p. 583.

## Secretary Underlines Importance of Western Hemisphere Policy

*Secretary Kissinger met on December 17 with members of the Commission on United States-Latin American Relations. Following are remarks by Secretary Kissinger and Sol M. Linowitz, chairman of the commission, made to the press after the meeting.*

Press release 537 dated 1 December 18

### SECRETARY KISSINGER

Ladies and gentlemen: I came down here primarily to introduce Sol Linowitz, an old friend of mine, who has chaired a commission that has studied the Western Hemisphere policy.

We attach the greatest importance to revitalizing the policy in the Western Hemisphere. I think an important beginning was made last year in the Foreign Ministers meetings that took place in Tlatelolco, in Mexico City, and in Washington. And another one is planned for Buenos Aires in Argentina, I think in the second half of March.

We would like to give effect to our conviction of the interdependence which is the chief characteristic of the modern period. In this hemisphere, where we are connected with so many countries with a long tradition of friendship and cooperative action, we are aware that there are many serious difficulties. We realize that the history of the relationship has had many ups and downs and that the United States has not always shown the requisite understanding for conditions in Latin America. But we do want to work together in a spirit that reflects the necessity of our time. It is for this reason that the report of the commission headed by Mr. Linowitz<sup>1</sup> is taken so seriously by us. We believe that it reflects a conceptual approach and a structure which is very compatible with our

<sup>1</sup> The 54-page report entitled "The Americas in a Changing World" is available from the Center for Inter-American Relations, 680 Park Avenue, New York, N.Y. 10021.

own. It contains many recommendations with which we are extremely sympathetic.

I have just met for an hour with a group, some of whose distinguished members are in this room—and indeed we hired away one of its members as Assistant Secretary for Latin American relations. And I am delighted that they have agreed that they would stay in business and continue to meet and to give us the benefit of their advice. I plan to meet with them regularly. And as we get closer to the Foreign Ministers meeting in Buenos Aires, we will certainly check our conclusions with them and hope prior to that to benefit from their views.

So I came down here with Mr. Linowitz to underline the importance we attach to his report, the importance we attach to the Western Hemisphere policy, and the hope that we can bring about a dramatic improvement in Western Hemisphere relationships.

Thank you very much.

### MR. LINOWITZ

Thank you, Mr. Secretary. On behalf of the commission, may I just say that we are deeply appreciative of the opportunity to meet with the Secretary today and to have had the chance to exchange ideas with him on a number of the most important problems confronting U.S.-Latin American relations.

I ought to indicate that, as I see it, six members of the commission who were present at the meeting this afternoon are in the room. And I would merely call your attention to the fact that Dr. Harrison Brown, Secretary Elliot Richardson, Mr. [Henry J.] Heinz, Professor [Samuel P.] Huntington, Dr. [Thomas M.] Messer, and Mr. [Nathaniel] Samuels are all here with us. Mr. [Arnold] Nachmanoff, who is the executive director of the commission, is there, as are Mr. [Gregory] Treverton, the rapporteur, and Mr. [Abraham] Lowenthal, who served as our consultant.

In the course of our meeting with the Secretary, we had a chance to talk with him about some of the most critical, contentious problems and, in an informal, wholly free,

give-and-take atmosphere, exchange our ideas and give him the benefit of our own thoughts with respect to these particular issues.

The main point we wanted to make was that in this changed world, where previous assumptions and premises have to be re-examined and reformulated, we must no longer rely on policies which are no longer applicable; that the premises which underlie everything from the Good Neighbor policy through the Alliance for Progress, indeed to some of the more recent pronouncements, are really not truly reflective of the kind of world in which we are living; that we have to recognize that Latin America is no longer our sphere of influence; that we can no longer be patronizing or neglectful toward the countries of the hemisphere; and that we have to enter into a whole new policy in this country which will permit us to work with the countries of Latin America in recognition of our true interdependence at this critical time and in recognition of the fact that indeed, in the deepest sense, we need one another.

It was with this in mind that we formulated our recommendations based around five major principles which we discussed with the Secretary: First, that the United States and Latin America have to work together in a global context; secondly, that American policies have to be sensitive to their impact in this hemisphere; third, that we have to do away with the patronizing and paternalistic and discriminatory legislation and practices which were prevalent in this hemisphere in times in the past; fourth, that we have to cooperate in the strengthening of human rights; and fifth, that we have to evolve a policy for economic cooperation which will be mutually beneficial.

We touched in that context on a number of issues which are referred to and discussed in our report: Cuba, Chile, the whole business of intervention, covert or overt, the problems arising from economic sanctions in the hemisphere, how we can do a better job of strengthening human rights, what we ought to be doing about relationships between governments and between companies and governments in the economic area.

That really was the substance of our conversation. We were tremendously encouraged by the Secretary's deep interest in our report and this recommendation and his commitment to the thrust of our report, his support for the principles that we espoused, and his assertion to us that he believed that the main direction of our report was wholly consistent with his own views.

It was also encouraging to have him ask that we indeed go forward with our proposal to meet from time to time in the months ahead in order to take stock of what had happened to our recommendations and to issue statements as to how we find the developing situation in the hemisphere.

## **Secretary Kissinger Honors Senator Fulbright**

*Following are remarks by Secretary Kissinger made at a dinner in honor of Senator J. W. Fulbright given by the Board of Foreign Scholarships on December 16 at Washington.*

Press release 535 dated December 17

We are here tonight to honor an American statesman, and an old friend. Bill Fulbright has been my colleague and mentor ever since I came to Washington. We have not always agreed, but I have come to value his opposition more than I would some other men's support. For the force of his wisdom and sincerity can leave no man's views untempered.

From the origin of democracy in Greece down to the present, the question has been posed whether a government of the people could muster the vision and resolution which the conduct of foreign policy requires.

It was Pericles, speaking to the Athenians, who first stated our faith that a free people can, through free discussion and free elections, sustain a wiser and more decisive policy than governments that find their unity in discipline rather than common purpose.

Senator Fulbright has fulfilled this promise triumphantly in our own time. A son of the State of Arkansas, he has represented its

people for a generation; and at the same time, he has been a statesman who could look beyond our own country to see, as clearly as any man, the emerging challenges for our policy abroad.

He was an architect, after 1946, of a post-war international system built on the need for Western unity in the face of a monolithic Communist threat. But he also perceived sooner than others that the cold war order must give way to a more pluralist and tolerant system in which neither great power would try to remold the world in its own image. His voice was among the first to define ideas which have become pillars of our policy today—*détente* with the Soviet Union and China, more limited American involvement in Indochina, an evenhanded approach to settlement in the Middle East. Before the word was used, he was a prophet of the interdependence that has become our current condition.

His views were often unpopular when first advanced, but because he voiced them, opinion came to terms more rapidly with the reality he perceived. He has exercised his leadership not to exalt his own position but to bring his country abreast of his own understanding. He has earned a leader's highest praise in a democracy, which is that he has been the educator of a free people.

But in addition to honoring the service and leadership of a masterful American statesman, we also are here to mark an achievement singular in its significance for our time; for as the members of the Board of Foreign Scholarships attest by their presence, we honor this evening a career which has been translated into an institution.

In his book "The Public Philosophy" Walter Lippmann noted that if we are to avoid disaster we must deal with what Lippmann called "the pictures in people's heads"—the manmade environment in which ideas become realities.

In an age when the technologies of communication are improving faster than man's ability to assimilate their consequences, and at a time when the multiplication of differ-

ing perspectives and predispositions complicates the achievement of global consensus, Bill Fulbright conceived a program brilliant in its simplicity and essential for our future. He recognized that the dramatically accelerating pace of interaction among peoples and institutions would not necessarily lead to increased understanding or cooperation. He foresaw that interaction unguided by intelligent and humane direction and concern had the potential to bring increased tension and hostility rather than less.

The Fulbright exchange program was an expansive concept founded upon a global vision. It has grown to meet new realities. A program which once promoted the solidarity of the West now sustains exchanges between the United States and 122 countries around the globe. It expressed, it helps us to master, the growing interdependence of the world.

Personally, it is difficult for me to accept that Senator Fulbright will now be leaving the Senate. He has suffered the ultimate fate of every politician, which is to leave the office he has made his own. But I will continue to rely on his wise counsel as much in the future as I have in the past. Bill Fulbright's wisdom will not be lost to this nation.

As Pericles once said to the Athenians, great leaders find:

. . . the grandest of all sepulchers . . . (is) the minds of men, where their glory remains fresh to stir to speech or action as the occasion comes by. For the whole earth is the sepulcher of famous men; and their story is not graven only on stone over their native earth, but lives on far away, without visible symbol, woven into the stuff of other men's lives.

Bill, we are confident you will go on to new achievements. But your deeds are already woven into the fabric of our lives, into our policy, into our way of perceiving the world. And the Fulbright program will live as the visible symbol of your gift to mankind. We will always be grateful. On behalf of the past and present members of the Board of Foreign Scholarships, it is now my honor and pleasure to present you with this scroll of appreciation.

## Economic and Technical Assistance to Portugal

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

Following the most useful conversations the President of the Republic had with President Ford and Secretary Kissinger in Washington, the Governments of the United States and Portugal agreed that a positive demonstration of U.S. support and confidence in Portugal's future would be timely and helpful.

Within the resources immediately available to it, the U.S. Government has offered to begin at once a program of economic assistance and cooperation which will address itself to the Portuguese Government's high-priority needs in the fields of housing, agriculture, transportation, public administration, education, and health and in the areas of finance and economy.

The program of economic assistance and cooperation is intended as an earnest of U.S. Government support for Portugal in its effort to construct a free and democratic society.

The principal elements of the present phase of economic assistance and cooperation are the following:

—The U.S. Government will guarantee up to \$20 million in private American loans for the construction of housing in Portugal.

—U.S. Government experts in the fields of agriculture, transportation, public administration, education, and health will be made available to Portugal on a short-term basis at no charge when requested by the Portuguese Government.

—Opportunities for Portuguese to study and train in the United States will be increased in accordance with Portugal's present needs.

—The Export-Import Bank will give sympathetic consideration to financing U.S. goods and services needed for Portuguese development projects.

—In addition to direct bilateral assistance, the United States at the request of the Government of Portugal will:

a. Support Portugal in international organizations, such as the World Bank, the International Monetary Fund, and the Organization for Economic Cooperation and Development;

b. Urge other friendly countries to help Portugal, too, either bilaterally or in conjunction with the United States.

Appropriate Ministries of the two governments are beginning immediately to work out the details of the program so that it can begin at once.

In addition, the administration strongly supports the congressional proposal for aid to Portugal. This proposal, if enacted, would authorize loan funds and grant aid, to be divided equally between Portugal and African territories under Portuguese administration and former territories.

## Letters of Credence

### *German Democratic Republic*

The newly appointed Ambassador of the German Democratic Republic, Rolf Sieber, presented his credentials to President Ford on December 20.<sup>1</sup>

### *Morocco*

The newly appointed Ambassador of the Kingdom of Morocco, Abdelhadi Boutaleb, presented his credentials to President Ford on December 20.<sup>1</sup>

### *Yemen Arab Republic*

The newly appointed Ambassador of the Yemen Arab Republic, Hasan Makki, presented his credentials to President Ford on December 20.<sup>1</sup>

<sup>1</sup> For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated Dec. 20.

<sup>1</sup> Issued on Dec. 13 (text from press release 527).

## U.S. Discusses Disarmament Issues in U.N. General Assembly Debate

*Following are statements made in Committee I (Political and Security) of the U.N. General Assembly on October 21 by Senator Stuart Symington, U.S. Representative to the General Assembly, and on October 30 and November 20 and 22 by Joseph Martin, Jr., U.S. Representative to the Conference of the Committee on Disarmament and Adviser to the U.S. delegation to the General Assembly, together with the texts of two resolutions adopted by the Assembly on December 9.*

### U.S. STATEMENTS

#### Senator Symington, October 21

USUN press release 140 dated October 21 (prepared text)

As we start our annual disarmament debate, my government believes it appropriate to devote its initial statement on disarmament questions exclusively to one of the most critical matters before the 29th General Assembly—the objective of limiting the growth and spread of nuclear weapons.

Since the advent of the nuclear age, we have been forced to live with the dilemma of the dual nature of nuclear energy. We have held high expectations concerning the contribution that nuclear energy could make to human welfare; but we have always been painfully aware that tied to these expected benefits is a growing potential for mankind's destruction. The rapidly expanding use of nuclear reactors to generate electric power in recent years has made this dilemma one of the most urgent issues of our time.

An inevitable result of the massive growth of nuclear-generated power will be the tremendous increase in worldwide production

of plutonium. Estimates are that by 1980 close to 1 million pounds of plutonium will have been produced worldwide in electric power reactors, enough to manufacture over 50,000 nuclear explosive devices.

In addition, rising demands for enriched uranium as a nuclear reactor fuel will require a marked expansion of uranium enrichment capacity.

Widespread development of enrichment facilities, perhaps involving new enrichment techniques, could create a capability for producing weapons-grade uranium at many locations throughout the world.

This increasing availability of nuclear fuels and materials, as well as the continuing dissemination of nuclear technology, threatens to place a nuclear explosive capability, and the accompanying capability to produce nuclear weapons, within the reach of an ever-widening group of states. As perilous as the situation was when there were only two states with a nuclear weapons capability—and is now with six—stability would be vastly more precarious in a world of many nuclear powers.

Such a world is not to be feared more by one group of states than another. All nations would stand to lose.

States fortunate enough to be located in regions now free of nuclear weapons would suddenly find themselves faced with nuclear-armed neighbors. This would bring them under strong pressures to acquire nuclear weapons themselves. Even minor conflicts would then involve the risk of escalation to nuclear war. The probability of the use of nuclear weapons—whether by design, miscalculation, or accident—would increase sharply. Prospects for significant arms control and disarmament measures would deteriorate as all

states felt the need to prepare for a larger and more disparate range of contingencies.

Many have assumed that time was on our side—that every year without the use of nuclear weapons, every year without an additional nuclear power, every step in East-West détente, and every measure to curb the arms race have all been part of a steady progression to where we would no longer fear the possibility of nuclear war. But it is obvious, in light of the worldwide energy crisis and the emergence after a 10-year hiatus of an additional state with a nuclear explosive capability, that we cannot afford to be complacent.

Hopefully, these developments will at least have the positive effect of making us fully alert to the dangers of the further spread of nuclear explosives and of encouraging a determined international effort to avert that possibility.

We are now at an important juncture, perhaps a decisive one. The challenge, as Secretary Kissinger well described it to the General Assembly on September 23, is “to realize the peaceful benefits of nuclear technology without contributing to the growth of nuclear weapons or to the number of states possessing them.”

The United States does not believe that a world of many nuclear powers is inevitable. Nor does it believe that the peaceful uses of nuclear energy must necessarily be cut back because of the risk that nuclear technology will be diverted to military purposes. However, we cannot expect to take full advantage of the expanding use of nuclear energy unless we are willing to strengthen the system for assuring one another that there is nothing to fear in the continued diffusion of nuclear materials and technology.

While working toward a more universal and effective system of assurances or safeguards, we must also strengthen the political and economic incentives for resisting the temptation to acquire nuclear explosive capabilities. Those capabilities would inevitably be perceived as a threat to others and therefore trigger a competition in the destructive potential of nuclear devices.

No state or group of states can meet the challenge alone. What is required in the months and years ahead is a sustained and concerted international effort involving nuclear-weapon states and non-nuclear-weapon states, nuclear suppliers and importers, parties to the Nonproliferation Treaty (NPT) and states which have not yet seen it in their interest to join the treaty. My government would like to suggest several tasks which members of the world community, individually and collectively, should undertake in meeting this challenge.

*First, cooperation in the peaceful uses of nuclear energy should be continued.* It could be argued that the most appropriate response to the increasing risk of diversion of nuclear technology to hostile purposes would simply be to cut back on international cooperation in the nuclear energy field. The United States does not believe such a course of action would serve nonproliferation objectives, nor would it be responsive to the pressing need throughout the world to receive the benefits of this important new source of energy. The United States recognizes fully that the vast potential benefits of nuclear energy cannot be monopolized by a handful of advanced industrial states. This is especially true at a time when many of the world's developing countries are among the hardest hit by global economic difficulties.

As a member of the Joint Committee on Atomic Energy of the Congress, I have been privileged to participate in U.S. efforts to make the peaceful applications of atomic energy widely available. The U.S. Government has facilitated the participation of American industry in atomic power activities abroad. It has sponsored large international conferences to share our technical know-how. It has shipped materials abroad to help others move ahead in nuclear technology. And it has given strong support to the International Atomic Energy Agency (IAEA) and to that Agency's programs in the nuclear field. All told, it has spent hundreds of millions of dollars to promote peaceful uses worldwide. We intend to continue this effort, both through our bilateral cooperative

arrangements and our support for the work of the IAEA.

*Second, we should intensify our search for effective measures to curb the competition in nuclear arms.* We are mindful that serious risks are involved in the further accumulation of nuclear weapons by states now possessing them, as well as in the spread of weapons capabilities to additional states. Moreover, we know that we cannot expect non-nuclear-weapon states to show restraint unless nuclear powers also practice restraint.

As one of the principal nuclear powers, the United States recognizes its special responsibility in this area. We are aware of the concerns expressed by a number of countries about the pace of progress in nuclear disarmament. Although proud of achievements already made, we would agree that progress has been disappointingly slow. We understand the impatience of others, and ourselves are anxious to proceed faster. But it must be recognized that these complicated issues, touching upon the vital interests of all states, are rarely susceptible to quick and easy solutions.

U.S. and Soviet negotiators recently reconvened their talks in Geneva on strategic arms limitations. We attach the utmost importance to these negotiations, in which members of this body have also expressed much interest.

The talks are currently aimed at concluding an equitable agreement placing quantitative and qualitative limitations on offensive strategic weapons. We will make every effort to reach such an agreement at the earliest possible date. In addition, the United States remains firmly committed to seek an adequately verified comprehensive test ban. The Threshold Test Ban Treaty, negotiated in Moscow last summer, has significance not only for its restraining effect on U.S.-Soviet nuclear arms competition but also as a step toward our ultimate goal of a comprehensive ban. Indeed, in the first article of that treaty, we reaffirm our commitment to pursue further negotiations toward that goal.

*Third, steps should be taken to insure the widest possible adherence to the Nonproliferation Treaty.* It is noteworthy that, while

treaty parties have sometimes urged faster implementation of provisions of the Nonproliferation Treaty, there is virtual unanimity among them that the treaty's basic concepts and structure are sound and that the treaty continues to provide a valuable legal framework for dealing with both the peaceful and military applications of nuclear energy. My government continues to regard the NPT as one of the most significant international agreements of the post-World War II era. Recently, President Ford called the treaty "one of the pillars of United States foreign policy."

The Nonproliferation Treaty has been criticized as discriminatory in that it divides the world into two categories of states: those with nuclear explosive devices and those without. But the NPT did not create that distinction, nor is it intended to condone it. The negotiators of the NPT recognized that the only promising and realistic approach was to start with the world the way it was. Accordingly the treaty calls for a halt to the further spread of explosive capabilities and obligates existing nuclear powers to speed limitations and reductions of their own stockpiles.

If there had been no effort, such as the NPT, to halt the spread of nuclear weapons or if the effort had been postponed until nuclear-weapon states had abolished their arsenals, we would have found ourselves in a world of so many nuclear powers that further attempts to stop "vertical proliferation"—that is, to limit and reduce nuclear weapons—would be futile.

The distinguished leader of the Swedish disarmament delegation, Mrs. [Inga] Thorsson, put this matter in the proper perspective at the Conference of the Committee on Disarmament on July 30 of this year when she said:

The NPT is by nature discriminatory, but its purpose is such that it has been supported by the majority, and needs to be supported by the entirety, of the world community. It is in the interest of every single country in the world that this purpose be fulfilled.

As we approach the May 1975 Review Conference of the Nonproliferation Treaty,



we should consider ways of making the treaty more attractive to existing and prospective parties. Last summer my government announced that parties to the NPT will be given preferential consideration in the donation by the United States of special nuclear materials—primarily enriched uranium for use in IAEA medical research projects. We have also decided to give preference to NPT parties in allocating training and equipment grants for IAEA technical assistance programs. And we encourage others to adopt similar policies.

We would welcome further suggestions for increasing incentives for NPT membership.

*Fourth, thorough international consideration should be given to the question of peaceful nuclear explosives (PNE's).* The dilemma of the dual nature of nuclear energy is nowhere more evident than in the problem of PNE's. Indeed, because the technologies of PNE's and nuclear weapons are indistinguishable, it is impossible for a non-nuclear-weapon state to develop a capability to conduct nuclear explosions for peaceful purposes without, in the process, acquiring a device which could be used as a nuclear weapon. For this reason, the objective of preventing the spread of nuclear weapons is incompatible with the development or acquisition of peaceful nuclear explosives by non-nuclear-weapon states.

Article V of the NPT was developed to assure the states that give up the option of developing nuclear explosives that they will receive any benefits of peaceful nuclear explosions that eventually might materialize. To date, however, the commercial utility of PNE's has not been proved. Moreover, the use of PNE's is a highly complicated matter politically and legally, which has ramifications for the Limited Test Ban Treaty in the case of excavation projects and which would pose problems in relation to any test ban treaty.

The United States stands ready to honor its article V obligation to make the benefits of PNE's available on a nondiscriminatory basis when and if their feasibility and practicability are established. In the meantime,

we support the steps already taken in the IAEA context to implement article V, including the development of guidelines for PNE observation, the adoption of procedures for responding to requests for PNE services, and the approval of a U.S.-sponsored resolution authorizing the Director General to establish, at an appropriate time, an office in the IAEA Secretariat to deal with PNE requests.

We are willing to consider other suggestions concerning organizational arrangements for an international service.

*Fifth, we should work urgently toward strengthening the system of international safeguards against the diversion of nuclear materials and technology to the manufacture of nuclear explosives.* The interests of nuclear exporters and importers alike would be served by a system which provided confidence that nuclear technology was not being misused. Actions designed to inhibit the abuses of nuclear technology should not impede the full exploitation of its peaceful potential. The realization of peaceful benefits should be facilitated by a broad international commitment to curb the spread of nuclear explosive capabilities.

We should step up our efforts to improve the effectiveness and achieve the broadest possible acceptance of IAEA safeguards. In this connection, let us note that in his message to the recent IAEA General Conference, President Ford reaffirmed the U.S. offer to permit the application of IAEA safeguards to any U.S. nuclear activity except those of direct national security significance. We have offered to permit such safeguards to demonstrate our belief that there is no threat to proprietary information and no risk of suffering commercial disadvantage under NPT safeguards.

Nuclear exporters should make special efforts to insure that their transfers of nuclear materials and equipment do not contribute to the acquisition of nuclear explosive capabilities. The U.S. will shortly approach the principal supplier countries with specific proposals for making safeguards more effective.

One of the problems to be faced in the

years ahead is the challenge of meeting rapidly increasing demands for uranium enrichment and chemical reprocessing services without undermining safeguards. An alternative to developing national facilities for these services—one which would be both economical and conducive to effective safeguards—might be the establishment of multinational plants capable of satisfying world demands.

*Sixth, steps should be taken to insure the physical security of nuclear facilities and materials.* As the civil nuclear industry expands throughout the world, nuclear materials will become an increasing factor in international commerce and the threat of theft or diversion could become acute. While physical security must be the primary responsibility of national governments, we believe the world community can play an important role. Accordingly, Secretary Kissinger stated on September 23 that the United States will urge the IAEA to develop an international convention for enhancing physical security against theft or diversion of nuclear material.

Such a convention should outline specific standards and techniques for protecting materials while in use, storage, and transfer. The United States, moreover, agrees with Director General [A. Sigvard] Eklund's recommendation that the IAEA should prepare itself to be a source of advice and assistance to nations that wish to improve their physical security practices.

*Seventh, and finally, we should support and encourage the development of regional arrangements which contribute to nonproliferation objectives.* While the NPT has played a central role in efforts to curb nuclear proliferation, the United States believes that complementary tools should also be used to serve that objective. Accordingly, we support the treaty establishing a nuclear-free zone in Latin America, so far the only densely populated region in the world to set up a formal regime to ban nuclear weapons.

We also welcome the interest shown in nuclear-free zones at this General Assembly, in particular in the proposals for creating nuclear-free zones in the Middle East and South Asia.

On several occasions my government has put forward four criteria for the establishment of nuclear-free zones:

1. The initiative should be taken by the states in the region concerned.
2. The zone should preferably include all states in the area whose participation is deemed important.
3. The creation of the zone should not disturb necessary security arrangements.
4. Provision should be made for adequate verification.

We would take these criteria into account in assessing any specific regional arrangement.

Another factor my government would take into account would be the treatment of PNE's in any nuclear-free-zone proposal. When the United States adhered to Additional Protocol II of the Treaty for the Prohibition of Nuclear Weapons in Latin America, it was with the understanding that the treaty does not permit nonnuclear states party to the treaty to develop peaceful nuclear explosive devices. We accordingly regard the Latin American nuclear-free zone as consistent with our objective of curbing the spread of independent nuclear explosive capabilities.

We have suggested the principal tasks which we think should be undertaken in dealing with the vital issues of nuclear arms control and look forward to hearing the views of other delegations on these suggestions. A broadly based collective effort should be made by all—nuclear and nonnuclear, NPT parties and nonparties, industrially advanced and developing states alike—if we are to save our own and future generations from a world of many nuclear powers and unrestrained nuclear arms competition.

**Ambassador Martin, October 30**

USUN press release 152 dated October 30

In his statement to this committee October 21, Senator Symington discussed the tasks that we feel should be undertaken in a broad international effort to curb the further spread of nuclear explosive technology. Today I

would like to review the other important arms control issues before the Assembly at the current session.

In spite of some disappointment that we have not progressed further toward our disarmament objectives, my government continues to believe that encouraging progress has been made in the past decade. In recent years states have worked together seriously and cooperatively on arms control and disarmament to a degree which would not have been thought possible 10 years ago. The Strategic Arms Limitation Talks between my country and the Soviet Union, the discussions on mutual reductions of armed forces and armaments in Central Europe, and the successful negotiation of the Limited Test Ban Treaty, the Outer Space Treaty, the Treaty for the Prohibition of Nuclear Weapons in Latin America, the Nuclear Non-proliferation Treaty, the Seabed Arms Control Treaty, the Biological Weapons Convention, and the Threshold Test Ban Treaty are solid evidence of the progress that has been made.

Since our discussion of disarmament issues a year ago, encouraging progress has been made on the problem of chemical weapons. We were impressed by the submission by the delegation of Japan to the Conference of the Committee on Disarmament of a draft convention on chemical weapons, an important contribution to the deliberations on the question of effective international restraints on chemical weapons. Of equal interest have been the extensive comments and suggestions concerning the Japanese draft offered by other CCD delegations. We are taking careful note of the Japanese draft and these comments in our continuing review of possible actions in the chemical weapons field.

We were also gratified that, at the initiative of Sweden, the Conference of the Committee on Disarmament this summer held a productive informal meeting on technical chemical weapons questions, in which 22 experts from 13 countries discussed the best ways of defining chemical agents for purposes of international restraints, the scope of possible chemical weapons limitations,

and the possibilities of devising effective means of verification. Such discussions should provide a basis to make informed judgments on the question of chemical weapons restraints.

Furthermore, members of this committee will recall that the United States and the Soviet Union agreed at the 1974 summit to consider a joint initiative in the Conference of the Committee on Disarmament with respect to the conclusion, as a first step, of an international convention dealing with the most dangerous, lethal means of chemical warfare.

At its current session this committee will also address the problem of the dangers of the use of environment modification techniques for military purposes. In recent years new scientific and technical advances in the environmental sciences have given hope that man may be able to work purposefully to change the environment to his benefit. At present, although there has been promising progress in efforts in certain localities and under limited conditions to increase snowfall, lessen the severity of hailstorms, affect precipitation, and disperse fog, the limited success of these efforts thus far demonstrates how little we understand the interaction of natural forces and how rudimentary are man's attempts to influence those forces. Techniques may, however, one day be developed to alleviate drought, to mitigate the destructive power of hurricanes and typhoons, prevent floods, and perhaps eventually to change climate to respond to the universal desire for opportunity to increase living standards.

We believe that environment modification techniques, which are yet little understood and remain largely hypothetical, could have considerable potential for peaceful purposes. Unfortunately, the techniques to accomplish these goals might also be used for hostile purposes that could have widespread, long-lasting, and severe effects harmful to human welfare. Scientists have expressed concern about the future possibilities of triggering earthquakes, generating tidal waves and long-term climatic changes.

The United States has declared that it would not use climate modification techniques for hostile purposes even if such techniques come to be developed in the future. In the U.S.-U.S.S.R. joint statement on environmental warfare at the summit meeting, we expressed our willingness to examine with the Soviet Union what measures could be effective to overcome the dangers of the use of environment modification techniques for military purposes. We are prepared to study this question and to examine the measures that might become the subject of international agreement. If it is the general view that this question should be referred by the Assembly to the Conference of the Committee on Disarmament, we could support referral if it were accomplished without prejudgments of the Committee's consideration of the question.

In regard to international consideration of the question of napalm, other incendiaries, and certain other conventional weapons, the constructive and useful first step was taken by the International Committee of the Red Cross when it recently convened a meeting on this subject of government experts at Lucerne, Switzerland [Sept. 24-Oct. 18]. U.S. experts participated fully in this meeting; some useful data were compiled, and the report of the experts' group merits careful review.

We believe that no position on possible restrictions on these weapons can be developed until government experts have more extensively examined the technical, legal, military, medical, and humanitarian problems involved. We are gratified that this process is underway. We would consider it unrealistic, however, to try to impose a deadline on the work of the experts in this complex field.

The question of a world disarmament conference is again on our agenda. In three separate solicitations of views by the United Nations, a wide diversity of views on such a conference has been revealed. Some governments have suggested beginning preparations for such a conference soon; some others have stated their view that certain preconditions must be met; many have

stated that the conference could prove useful only if all nuclear powers were prepared to participate.

The views of the United States on this subject are unchanged. We recognize that a world disarmament conference could serve a useful function at an appropriate time, but we do not believe that such a conference now or in the near future would produce useful results. It is not the lack of a suitable forum, but the lack of political agreement, which prevents us from taking more far-reaching steps toward disarmament. A world conference could not in the foreseeable future solve this problem and thus would merely disappoint the hopes of its proponents.

Members of this committee have received a report on the question of the possible reduction of military budgets, prepared by a group of expert consultants to the Secretary General.<sup>1</sup> Although my delegation abstained on the resolution requesting this report,<sup>2</sup> for reasons which we explained at the time, we welcomed the suggestion of such a study because we recognized that the most promising path to genuine progress on this question of military expenditures is through a careful and thorough study of the issues. We are gratified that the experts' report examines the whole range of technical questions related to the feasibility of agreed reductions of military budgets. It analyzes the economic benefits that could result from allocating to social and economic development funds that might be saved by budget reductions. It also points out that reducing military budgets without diminishing the security of states would require careful and thorough preparation. Specifically, the preconditions for military budget reductions would include both agreement on what is and what is not to be included in military budgets and also the provision by all parties concerned of detailed data on military expenditures for the purpose of comparative measurement. The study brings out the necessity of guarding against destabilizing shifts in spending and the necessity for

<sup>1</sup> U.N. doc. A/9770.

<sup>2</sup> A RES/3093 (XXVIII), adopted by the Assembly on Dec. 7, 1973.

adequate verification of compliance with any agreed reductions.

Finally, the experts' study implicitly recognizes the need for greater openness in defense expenditures. My government regards openness as a particularly important point. We welcomed the suggestion made by Sweden last spring that the Conference of the Committee on Disarmament should consider the possibilities of ascertaining the willingness of states to account for their defense expenditures in comparable terms and to explain how their defense expenditures are allocated. We agree that greater knowledge about the defense expenditures of others could allay concerns that arise out of suspicion and misunderstandings, and thus promote confidence among states. The technical sections of the experts' report provide valuable guidelines which could be the basis of greater openness in defense expenditures.

We were gratified that a consensus was reached at the Conference of the Committee on Disarmament this year to invite five nations—the Federal Republic of Germany, the German Democratic Republic, Iran, Peru, and Zaïre—to join the Conference of the Committee on Disarmament. On behalf of my government I warmly welcome these nations to the Conference of the Committee on Disarmament. Their inclusion will make the Conference of the Committee on Disarmament a more representative body and will enhance its expertise without, however, enlarging it to a point that would impair its effectiveness as a negotiating body. We think that with these additions the Conference of the Committee on Disarmament will continue to be a valuable disarmament forum, contributing significantly to the work of the United Nations and to the furtherance of our disarmament objectives.

**Ambassador Martin, November 20**

The United States has strongly supported the draft resolution in document A/C.1/L.690 as a constructive step toward our common nonproliferation objective. Indeed, the efforts of the Japanese, Netherlands, and

Canadian delegations, as well as of others, in developing this draft resolution must be greatly appreciated, certainly by all the members of this committee who voted for it.

The United States wishes to explain its vote in one respect; namely, with regard to the statement in the sixth preambular paragraph, which reads:

... that it has not yet proven possible to differentiate between the technology for nuclear weapons and that for nuclear explosive devices for peaceful purposes.

For countries in the early stage of developing a nuclear explosive capability, we cannot see how it would be possible to develop such a capability for peaceful purposes without in the process acquiring a device which could be used as a nuclear weapon. In the case of advanced nuclear-weapon states, however, it may be possible, under certain conditions, to develop criteria that would be adequate to insure that nuclear explosions for peaceful purposes are not used to further nuclear-weapon development. But, I should add, if such criteria could be developed they would not be applicable to the problem posed by the development of a nuclear explosive capability by a non-nuclear-weapon state.

**Ambassador Martin, November 22**

The United States supports the concept of a nuclear-free zone in the Middle East and believes that it could make a considerable contribution to stability and nonproliferation in the area. We have therefore voted in favor of this draft resolution [A/C.1/L.700, as amended].

At the same time, we are dubious of the approach taken in operative paragraph 2 of the draft resolution, which urges states in the region to undertake immediate commitments with regard to the zone, in advance of actual negotiations and the conclusion of an agreement. Frankly, we do not believe this is an approach that will advance the purposes of the draft resolution.

Notwithstanding that reservation, we are prepared to lend our full cooperation to

efforts to realize the aims of the draft resolution. We assume that in the further formulation of the zone it will be made clear that the prohibitions of the zone apply to the development of nuclear explosive capability for any purpose.

## TEXTS OF RESOLUTIONS

### Resolution 3261D (XXIX)<sup>3</sup>

*The General Assembly,*

*Recalling* its resolutions on the urgent need for prevention of nuclear proliferation,

*Recalling also* its resolution 2829 (XXVI) of 16 December 1971,

*Recognizing* that the acceleration of the nuclear arms race and the proliferation of nuclear weapons endangers the security of all States,

*Convinced* that recent international developments have underlined the urgent necessity for all States, in particular nuclear-weapon States, to take effective measures to reverse the momentum of the nuclear arms race and to prevent further proliferation of nuclear weapons,

*Further convinced* that the achievement of these goals would be advanced by an effective comprehensive test ban,

*Bearing in mind* that it has not yet proven possible to differentiate between the technology for nuclear weapons and that for nuclear explosive devices for peaceful purposes,

*Noting with concern* that, in the course of this year, six States have engaged in nuclear testing,

*Recognizing* that even those States which renounce the possession of nuclear weapons may wish to be able to enjoy any benefits which may materialize from nuclear explosions for peaceful purposes,

*Noting with great concern* that, as a result of the wider dissemination of nuclear technology and nuclear materials, the possible diversion of nuclear energy from peaceful to military uses would present a serious danger for world peace and security.

*Considering* therefore that the planning and conducting of peaceful nuclear explosions should be carried out under agreed and non-discriminatory international arrangements, such as those envisaged in the Treaty on the Non-Proliferation of Nuclear Weapons, which are designed to help prevent the proliferation of nuclear explosive devices and the intensification of the nuclear arms race,

*Recalling* the statements made at the 1577th meeting of the First Committee, held on 31 May 1968, by the representatives of the Union of Soviet Socialist Republics and the United States of America concerning the provisions of article V of the Treaty on the Non-Proliferation of Nuclear Weapons which relate to the conclusion of a special international agreement on nuclear explosions for peaceful purposes,

*Noting* that the review conference of the Treaty on the Non-Proliferation of Nuclear Weapons will be held in Geneva in May 1975,

*Noting further* that, in the introduction to his report on the work of the Organization dated 30 August 1974, the Secretary-General of the United Nations pointed out the possible danger of peaceful nuclear explosions leading to nuclear weapons proliferation and suggested that the question of peaceful nuclear explosions in all its aspects should now be a subject for international consideration,

1. *Appeals* to all States, in particular nuclear-weapon States, to exert concerted efforts in all the appropriate international forums with a view to working out promptly effective measures for the cessation of the nuclear arms race and for the prevention of the further proliferation of nuclear weapons;

2. *Requests* the International Atomic Energy Agency to continue its studies on the peaceful applications of nuclear explosions, their utility and feasibility, including legal, health and safety aspects, and to report on these questions to the General Assembly at its thirtieth session;

3. *Calls upon* the Conference of the Committee on Disarmament, in submitting its report to the General Assembly at its thirtieth session on the elaboration of a treaty designed to achieve a comprehensive test ban, to include a section on its consideration of the arms control implications of peaceful nuclear explosions and, in so doing, to take account of the views of the International Atomic Energy Agency as requested in paragraph 2 above;

4. *Expresses the hope* that the review conference of the Treaty on the Non-Proliferation of Nuclear Weapons, to be held in Geneva in May 1975, will also give consideration to the role of peaceful nuclear explosions as provided for in that Treaty and will inform the General Assembly at its thirtieth session of the results of its deliberations;

5. *Invites*, in this connexion, the Union of Soviet Socialist Republics and the United States of America to provide the review conference of the Treaty on the Non-Proliferation of Nuclear Weapons with information concerning such steps as they have taken since the entry into force of the Treaty, or intend to take, for the conclusion of the special basic international agreement on nuclear explosions for peaceful purposes which is envisaged in article V of the Treaty;

<sup>3</sup> A/C.L/L.690, as amended; adopted by Committee I on Nov. 20 by a vote of 91 (U.S.) to 3, with 11 abstentions, and by the Assembly on Dec. 9 by a vote of 115 (U.S.) to 3, with 12 abstentions (text from U.N. press release GA/5194).

6. *Invites* the Secretary-General, should he deem it appropriate, to submit further comments on this matter, taking into account the reports referred to in paragraphs 2, 3 and 4 above.

### **Resolution 3263 (XXIX)<sup>4</sup>**

#### *Establishment of a nuclear-weapon-free zone in the region of the Middle East*

*The General Assembly,*

*Having considered* the question of the establishment of a nuclear-weapon-free zone in the region of the Middle East,

*Desiring* to contribute to the maintenance of international peace and security by bolstering and expanding the existing regional and global structures for the prohibition and/or prevention of the further spread of nuclear weapons,

*Realizing* that the establishment of nuclear-weapon-free zones with an adequate system of safeguards could accelerate the process towards nuclear disarmament and the ultimate goal of general and complete disarmament under effective international control,

*Recalling* the resolution adopted by the Council of the League of Arab States at its sixty-second session, held in Cairo from 1 to 4 September 1974, on this subject,

*Recalling* the message sent by His Imperial Majesty the Shahanshah of Iran on 16 September 1974 on the establishment of a nuclear-weapon-free zone in the region of the Middle East,<sup>5</sup>

*Considering* that the establishment of zones free from nuclear weapons, on the initiative of the States situated within each zone concerned, is one of the measures which can contribute most effectively to halting the proliferation of those instruments of mass destruction and to promoting progress towards nuclear disarmament, with the goal of total destruction of all nuclear weapons and their means of delivery,

*Mindful* of political conditions particular to the region of the Middle East and of the potential danger emanating therefrom, which would be further aggravated by the introduction of nuclear weapons in the area,

*Conscious,* therefore, of the need to keep the

countries of the region from becoming involved in a ruinous nuclear arms race,

*Recalling* the Declaration on Denuclearization of Africa issued by the Assembly of Heads of State and Government of the Organization of African Unity in July 1964,

*Noting* that establishment of a nuclear-weapon-free zone in the region of the Middle East would contribute effectively to the realization of aims enunciated in the above-mentioned Declaration on Denuclearization of Africa,

*Recalling* the notable achievement of the countries of Latin America in establishing a nuclear-free zone,

*Also recalling* resolution B of the Conference of Non-Nuclear-Weapon States, convened at Geneva on 29 August 1968, in which the Conference recommended that non-nuclear-weapon States not comprised in the Latin American nuclear-free zone should study the possibility and desirability of establishing military denuclearization of their respective zones,

*Recalling* the aims pursued by the Treaty on the Non-Proliferation of Nuclear Weapons and, in particular, the goal of preventing the further spread of nuclear weapons,

*Recalling* resolution 2373 (XXII) of 12 June 1968, in which it expressed the hope for the widest possible adherence to the Treaty on the Non-Proliferation of Nuclear Weapons by both nuclear-weapon and non-nuclear-weapon States,

1. *Commends* the idea of the establishment of a nuclear-weapon-free zone in the region of the Middle East;

2. *Considers* that, in order to advance the idea of a nuclear-weapon-free zone in the region of the Middle East, it is indispensable that all parties concerned in the area proclaim solemnly and immediately their intention to refrain, on a reciprocal basis, from producing, testing, obtaining, acquiring or in any other way possessing nuclear weapons;

3. *Calls upon* the parties concerned in the area to accede to the Treaty on the Non-Proliferation of Nuclear Weapons;

4. *Expresses the hope* that all States and, in particular, the nuclear-weapon States, will lend their full co-operation for the effective realization of the aims of this resolution;

5. *Requests* the Secretary-General to ascertain the views of the parties concerned with respect to the implementation of the present resolution, in particular with regard to its paragraphs 2 and 3, and to report to the Security Council at an early date and, subsequently, to the General Assembly at its thirtieth session;

6. *Decides* to include in the provisional agenda of its thirtieth session the item entitled "Establishment of a nuclear-weapon-free zone in the region of the Middle East".

<sup>4</sup> A/C.1/L.700, as amended; adopted by Committee I on Nov. 22 by a vote of 103 (U.S.) to 0, with 3 abstentions, and by the Assembly on Dec. 9 by a vote of 128 (U.S.) to 0, with 2 abstentions (text from U.N. press release GA/5194). By Resolution 3261F, adopted on Dec. 9, the General Assembly also requested the Conference of the Committee on Disarmament to make "a comprehensive study of the question of nuclear-weapon-free zones in all of its aspects" and to submit the study in its report to the General Assembly at its 30th session.

<sup>5</sup> U.N. doc. A/9693/Add. 3. [Footnote in original.]

## United Nations Reaffirms Continuing Responsibility in Korea

*Following is a statement made in Committee I (Political and Security) of the U.N. General Assembly by U.S. Representative W. Tapley Bennett, Jr., on December 2, together with the text of a resolution adopted by the committee on December 9 and by the Assembly on December 17.*

### STATEMENT BY AMBASSADOR BENNETT

USUN press release 183 dated December 2

For more than 20 years the United Nations has played an indispensable role in maintaining peace on the Korean Peninsula. In 1953, the commander in chief of U.N. forces in Korea signed the armistice agreement, which halted a war that had raged for three years. Since that time, the U.N. Command has participated in the meetings of the Military Armistice Commission, which was until 1972 the sole channel of communications between the two sides. The armistice agreement remains to this day the sole basis for the current state of peace in Korea. In considering the Korean question once again, this committee confronts two basic questions: how to preserve the peace in Asia and how to promote the peaceful reunification of Korea in a manner acceptable to all its people. In formulating our response to these questions, it is important that we not tamper with the present structure for peace without first having assured that a satisfactory alternative is in its place.

This committee should recall that last year the General Assembly reached an agreed conclusion aimed at promoting practical steps toward peace and accommodation in Korea. In a consensus statement read from the

Chair, it noted with satisfaction the July 1972 joint communique of North and South Korea and urged the two governments to continue their dialogue. In accordance with the Commission's recommendation, it also decided to terminate the U.N. Commission for the Unification and Rehabilitation of Korea.

The United States warmly supported this outcome. We believe that it appropriately highlighted the need for further progress in discussions between the two Koreas.

We were disappointed, therefore, when some member states, evidently at the urging of North Korea, chose to burden this Assembly again this year with a request to inscribe a one-sided partisan item on the agenda of the Assembly. We saw no reason for such a debate. We concluded, however, that if the Assembly were to take up this question, it should do so in a reasonable and balanced manner. For this reason, the United States and many other countries urgently requested inclusion of a Korean item on the agenda and simultaneously introduced the draft resolution contained in document A/C.1/L.676 for the Assembly's consideration. The subsequent introduction of the resolution contained in document A/C.1/L.677 confirmed our fears that its cosponsors looked to an intemperate and contentious debate. The First Committee now faces an important and fundamental choice. On the one hand it can reinforce its unanimous decision of last year by adopting the resolution in A/C.1/L.676, which once again urges the parties to reconcile their differences and arrive jointly at a new arrangement for peace. On the other hand, in resolution A/C.1/L.677 the committee is being asked to reverse last year's consensus and, in the process, to recommend abandon-



ing the arrangement which has preserved peace on the Korean Peninsula for more than 20 years.

Mr. Chairman, let us look for a moment at what lies behind the various words of these draft resolutions. For example, one suggests that peace might be maintained and peaceful reunification might be expedited by the removal of U.S. troops from Korea. History does not support this view, however. This particular solution to the Korean issue has already been tried once. It failed badly. In 1949, soon after World War II, American military forces were completely removed from the territory of South Korea. Within a year, North Korea launched an all-out military attack on South Korea.

I do not wish to dwell on the history of those unhappy events, the memory of which has poisoned international relations in Asia and elsewhere for the last 20 years. I do ask that each delegate weigh this tragic experience most carefully before he accepts the facile assertion that the way to solve all the problems of the Korean Peninsula is to remove foreign forces.

Mr. Chairman, U.S. forces were sent to Korea in 1950 in accordance with U.N. Security Council resolutions because we and other members of this organization were convinced that international aggression had to be stopped. We were also convinced that prevention of such aggression was, and is, a cardinal purpose of the United Nations. Therefore, I repeat, U.S. forces were dispatched to help South Korea defend itself in accordance with resolutions of the Security Council adopted in June and July of 1950.

After the armistice agreement was signed by the commander in chief of U.N. forces and by military representatives of the other side, two essential tasks remained.

The first was to maintain the armistice agreement and to carry out the obligations and responsibilities of the commander in chief of U.N. forces as a signatory of that agreement. This commander has been joined in the performance of his duties by representatives of many of the countries, originally numbering 16, which so generously lent

their assistance to the Republic of Korea.

The second essential task was to maintain peace and preserve stability on the Korean Peninsula until such time as conditions permitted more normal discourse and more definitive solutions among the countries of that area.

For this purpose, the United States and the Republic of Korea concluded a Mutual Defense Treaty in 1954, which was duly registered with the United Nations in accordance with article 102 of the charter. Under this treaty, U.S. forces remain in Korea with the full agreement of our two governments.

That these arrangements have provided an important element of stability on the Korean Peninsula is evidenced by the absence of major armed conflict there since 1953. That these arrangements have not prevented the opening of a more normal discourse between the two Koreas is clearly demonstrated by the North-South discussions which have been held since 1971.

It is against this background that the First Committee should carefully consider the two resolutions before it. One of these drafts, contained in L.677, rests on assumptions that are dangerous for the maintenance of international peace and security. This resolution would precipitately dismantle the arrangements which have for so many years preserved peace and security in Korea. It fails even to mention the need to maintain peace. It fails to mention the need to maintain the armistice agreement which has maintained peace in that area. And it fails to reaffirm in its operative portions the need for continuing dialogue and mutual accommodation between the two Koreas, by which peace can best be maintained in the future.

Fortunately, this session of the General Assembly has an alternative before it. There is another draft resolution which provides an opportunity to encourage a positive evolution of the situation in the Korean Peninsula. It would do so by encouraging the North-South dialogue as the most realistic means of promoting a reduction of tensions, of increasing contacts and exchanges, and furthering steps toward an eventual peaceful reuni-

fication. Moreover, the draft resolution in L.676 would not precipitately and dangerously destabilize the arrangements which have preserved peace in the area since 1953.

This resolution, which my government and 27 other member states have cosponsored, reaffirms the consensus reached last year by the General Assembly to urge the two Koreas to continue their dialogue and to expedite the peaceful reunification of Korea.

It recognizes the continuing importance of the armistice agreement of 1953 for the maintenance of peace and security in the Korean Peninsula.

It seeks to have the parties directly concerned discuss how peace and security on the peninsula is to be maintained, before the present arrangements are changed.

These are important steps. They insure that the existing equilibrium on the Korean Peninsula, within which the first tentative steps toward reconciliation have already been taken, will not be altered to the disadvantage of one side or the other.

This resolution would also encourage the parties directly concerned to discuss those aspects of the Korean question which fall within the responsibility of the Security Council, the most important of which is the U.N. Command and its relationship to the armistice agreement.

The U.S. Government and the Republic of Korea have both made it clear that they are willing to consider an alternative to these present arrangements, one which would help preserve the present armistice between the two sides and the machinery which supports it. We fully agree that the time has come—and is perhaps overdue—for reconsideration of the role played by the United Nations under the arrangements established by the Security Council in 1950.

But we are also convinced that such reconsideration cannot take place at the expense of the military stability on the Korean Peninsula which these very arrangements brought about and helped maintain. We need to be assured that, in the course of discussions between North and South Korea, North Korea and its associates are pledged to main-

tain and improve the conditions of peace and stability brought about by the armistice agreement, that they will continue to respect the provisions of the armistice agreement, and that they will continue to participate in the machinery established to administer that agreement.

We believe this is a reasonable objective, in light of the history of armed conflict on the peninsula and the continuing intransigent public statements of the North Korean authorities, such as that made by the North Korean Representative to this committee on November 25 or that of the North Korean Foreign Minister on November 8, when he said, speaking of the Government of the Republic of Korea, "we can never make any compromise with the splitters, nor can we join hands with the betrayers."

President Ford during his recent visit to the Republic of Korea reaffirmed that for its part the United States will continue its best efforts to insure the peace and security of the Pacific region. President Ford reiterated the support of the United States for efforts by the Republic of Korea to maintain a dialogue with North Korea designed to reduce tensions and establish peace on the Korean Peninsula and to lead eventually to the peaceful reunification of Korea.

Our President further joined President Park Chung Hee in expressing the hope that the current session of the General Assembly would recognize the importance of the security arrangements which have now preserved peace on the Korean Peninsula for more than two decades.

Finally, President Ford reaffirmed the determination of the United States to render prompt and effective assistance to repel armed attack against the Republic of Korea in accordance with the Mutual Defense Treaty of 1954 between the Republic of Korea and the United States.

The United States believes it is time to bring to a close the cold war on the Korean Peninsula. We have made serious efforts in that direction. The Republic of Korea, for its part, has made clear it would welcome good relations with any country regardless of

ideology. The Republic of Korea has also made it clear that as an interim measure pending reunification, it would welcome the entry of the Republic of Korea and the Democratic People's Republic of Korea as members of the United Nations. The United States supports these objectives. We look forward to a time of accommodation between North and South Korea, when there can be normal political, economic, and social ties between both sides leading to eventual reunification, the goal of all Koreans.

Progress must be achieved, however, without damage to either side and without threatening the existing balance and stability on the Korean Peninsula. We are convinced that the measures contained in our draft resolution will make a constructive contribution. We are equally convinced that the adoption of the resolution in L.677 would obstruct, not encourage, the movement toward durable arrangements for maintaining peace on the peninsula.

This overall peace on the Korean Peninsula is a precious asset of the people of both North and South Korea and of the wider world community. We should not take actions which could disrupt those arrangements which have been so successful in keeping the peace in this troubled area of the world. These arrangements can, and should, be modernized, but this must be done only with the cooperation of all the parties directly concerned.

My government strongly hopes that the General Assembly will once again urge upon the parties the negotiating process which offers them and the world the only hope of peaceful change in the Korean Peninsula.<sup>1</sup>

<sup>1</sup> On Dec. 9 the committee adopted draft resolution A/C.1/L/676/Rev. 1, as amended, by a rollcall vote of 61 (U.S.) to 42, with 32 abstentions; draft resolution A/C.1/L.677 was not adopted, the vote being 48 in favor and 48 (U.S.) against, with 38 abstentions.

## TEXT OF RESOLUTION <sup>2</sup>

### *Question of Korea*

*The General Assembly,*

*Desiring* that progress be made towards the attainment of the goal of peaceful reunification of Korea on the basis of the freely expressed will of the Korean people,

*Recalling* its satisfaction with the issuance of the joint communiqué at Seoul and Pyongyang on 4 July 1972 and the declared intention of both the South and the North of Korea to continue the dialogue between them,

*Aware,* however, that tension in Korea has not been totally eliminated and that the Armistice Agreement of 27 July 1953 remains indispensable to the maintenance of peace and security in the area,

*Recognizing* that, in accordance with the purposes and principles of the Charter of the United Nations regarding the maintenance of international peace and security, the United Nations has a continuing responsibility to ensure the attainment of this goal on the Korean peninsula,

1. *Reaffirms* the wishes of its members, as expressed in the consensus statement adopted by the General Assembly on 28 November 1973,<sup>3</sup> and urges both the South and the North of Korea to continue their dialogue to expedite the peaceful reunification of Korea;

2. *Expresses the hope* that the Security Council, bearing in mind the need to ensure continued adherence to the Armistice Agreement and the full maintenance of peace and security in the area, will in due course give consideration, in consultation with the parties directly concerned, to those aspects of the Korean question which fall within its responsibilities, including the dissolution of the United Nations Command in conjunction with appropriate arrangements to maintain the Armistice Agreement which is calculated to preserve peace and security in the Korean peninsula, pending negotiations and conciliation between the two Korean Governments leading to a lasting peace between them.

<sup>2</sup> A/RES/3333 (XXIX) (text from U.N. doc. A/9973); adopted by the Assembly on Dec. 17 by a rollcall vote of 61 (U.S.) to 43, with 31 abstentions.

<sup>3</sup> For text, see BULLETIN of Dec. 24, 1973, p. 775.

## OECD Environment Committee Ministerial Meeting Adopts Declaration on Environmental Policy

*The Environment Committee of the Organization for Economic Cooperation and Development (OECD) met at ministerial level at Paris November 13-14. Following is a statement made in the meeting on November 13 by Christian A. Herter, Jr., Deputy Assistant Secretary for Environmental and Population Matters,<sup>1</sup> together with the texts of a press communique and a Declaration on Environmental Policy issued at the conclusion of the meeting on November 14.*

### STATEMENT BY MR. HERTER

I should stress at the outset, Madam Chairman, that the United States views this meeting as extremely important.

In this regard, I should like to read the following message from President Ford:

The United States has viewed the collaborative efforts of the Organization for Economic Cooperation and Development in the environmental area as a good example of the constructive progress nations can achieve in harmonizing national policies to achieve common goals. We therefore regard the meeting of the OECD Environment Committee at ministerial level as most important.

In the aftermath of last winter's energy crisis, and with the need to bring inflation under control, I have noted expressions of concern in the United States and elsewhere that environmental protection might have to be sacrificed to current exigencies. I wish to assure the member states of the OECD that the United States remains firmly committed to its environmental goals. In my view, the achievement of our economic objectives and environmental improvement are not incompatible. Indeed, there are numerous areas such as energy conservation in which sound energy and environmental policies can be mutually reinforcing.

<sup>1</sup> Russell W. Peterson, Chairman of the Council on Environmental Quality (CEQ), who was to serve as U.S. Representative at the meeting, was unavoidably prevented from attending.

The United States looks forward to continued close collaboration with the other OECD member-countries in the pursuit of environmental quality. Your meeting provides an exceptional opportunity for all members of the OECD to reaffirm their continuing commitment to the protection of the environment. I wish you and your associates every success in your deliberations.

The President's message serves to underscore our belief that this is a particularly appropriate time for a meeting of this character, bearing in mind that the member countries of this body face all sorts of new and difficult environmental challenges. This conference also offers an unusual opportunity for policy-level assessment and guidance regarding OECD's future role in the environmental field during a period when the committee's mandate is being reviewed.

In approaching the future, it is useful for us to first take stock of where we have been in the past.

In the past decade, industrialized societies have come to realize that nature's resources are limited and that they cannot be exploited and expended with impunity in a pursuit of material wealth. They also have witnessed a massive and encouraging public revulsion against environmental degradation, as well as the evolution of a new ethic that recognizes that increased production and consumption are not the only components in an improved quality of life.

Indeed, most governments now have environmental ministries and comprehensive programs to abate and reverse pollution. Environmental considerations now loom large in the planning and execution of major governmental projects; many universities now offer programs in the environmental sciences; and there is a widely felt appreciation that future generations can be the victims

of unwise environmental decisions made today.

Within my country, for example, the National Environmental Policy Act of 1970 was a turning point in our concern for environmental values. We have been endeavoring, with gratifying success, to attack some of our more pressing environmental problems: air and water pollution, use of pesticides, ocean dumping, strip mining, urban sprawl, and waste management.

In this respect we also have witnessed much encouraging international cooperation born out of a realization that many of our most pressing problems pay no heed to national boundaries and require collective action for solution.

The United States believes that the OECD has been most helpful in fostering cooperation and harmony among its members in the formulation of their national environmental policies. In a relatively short period, notable strides have been made by the Organization in fashioning common policies, such as the "polluter pays" principle, to help encourage sound environmental practices and avoid trade distortion.

Systematic exchanges and cooperation have been initiated to solve some of the critical problems related to air and water pollution and to identify and control potentially harmful substances, including toxic chemicals. Some of the most challenging problems related to the urban environment are being collectively faced, and the environmental benefits of waste utilization, recycling, and conservation are being assessed.

We are jointly seeking to determine how to more effectively address some of the critical environmental problems posed by prospective energy demands and alternative sources of energy supply. And we are engaged in an important pioneering effort to frame new norms for resolving pollution problems of a transboundary character.

We further believe that the OECD can continue to provide a valuable forum for cooperative actions to safeguard and improve the environment, both nationally and internationally. We therefore are pleased that the

mandate of the Environment Committee has been extended.

OECD members can take pride in this progress, but we recognize that we face some current difficulties. In our own country, for example, important elements are questioning the priority to be given to environmental goals, citing the current inflation and high cost of oil and other raw materials and the pressure to reduce dependency on external sources of supply. Under these circumstances, we are sometimes asked whether the United States now regards the environmental movement as passé, whether we are easing up on our environmental policies and goals. To my mind, President Ford's message to this body gave the answer; namely, a resounding No.

We also are sometimes confronted with another question: Can we "afford" environmental protection in the light of current conditions? The accusation has recently been heard that the cost of antipollution measures has significantly contributed to inflation. Within the United States the studies that I have seen tend to strongly dispute the assertion that environmental controls are contributing significantly to inflationary pressures. Our own organization, the Council on Environmental Quality, for example, recently conducted an analysis of the impact of environmental programs on the U.S. economy. At most, we found that these programs account for roughly one-half of 1 percent of our current 11 percent rate of inflation. Put in perspective, expenditures made during 1973 to satisfy requirements of U.S. Federal water and air pollution control legislation amounted to approximately 1 percent of our gross national product. Projections for the future show similar results.

In a democratic society, of course, the priorities that the public ascribes to environmental values can be highly significant in determining future directions. Here, too, the data we have been able to pull together for our part is encouraging. Several recent surveys of U.S. public opinion indicate that environmental values remain extremely important in the mind of the U.S. public. Moreover, the current concerns about the availability of energy and inflation appear to have

had little effect on this attitude. Quite to the contrary, during the energy crisis in the United States it became clear that the public was tired of watching opposing groups place the blame on one another. It became clear that the people want both adequate energy and environmental quality. They are calling for workable solutions, not contrived issues.

As we look to the future, we face problems and challenges, of course, in the full achievement of our desires and goals for environmental protection.

*First*, the pressures on the environment of economic growth will continue to increase. In 1950, when the gross world product (GWP) reached its first trillion, there was little concern about pollution. The GWP is now \$3.5 trillion and may reach roughly \$12 trillion by the year 2000. This expected and continued huge expansion of production, especially in the presently developed countries of the world, will mean ever-increasing exploitation, processing, and consumption of resources. Such expansion will create progressively increasing demands for lower quality resources, whose recovery and use will accelerate pollution of the environment unless adequate protective measures keep apace.

What we urgently require is a concept of economic growth that takes into account the quality of life as well as the quantity of goods produced. We were delighted to see that this concept has been incorporated in the draft declaration now before us.

*Second*, as environmentalists, I believe we shall face some significant new problems in the years ahead in relating to the public, industry, and governments. While public support for environmental programs remains high, I believe we have to recognize that our task in justifying our efforts may become harder, particularly so long as current adverse economic trends continue. In a period of economic retrenchment, we shall have to do a continually effective job in convincing the average worker that we are not simply concerned with the niceties of life but with compelling problems relating to human health and survival. We will have to develop better scientific information to

show that the benefits of environmental actions justify the costs.

*Third*, and without discounting the difficulties, I believe it is high time to bury the old misconceptions that there are insuperable incompatibilities between economic growth, with its associated technological advances, and the preservation of environmental values. Rather, I am hopeful that we are entering a more sophisticated era where extremism and polarizations will be put aside; and when the environmentalist will no longer be characterized by his detractors as an elitist endeavoring to halt technology. Our objective should be to assure that environmental considerations are fully taken into account in all relevant decisions.

*Fourth*, the solution of environmental as well as most of the other major problems facing us today is dependent upon solving the population problem. If world population continues to grow at its current rate, there will be at least 6.7 billion men, women, and children on our planet by the year 2000 and 35 billion by 2074. This rate of increase clearly will create insuperable problems in feeding and providing other basic necessities for the populations of many regions of the world. It is clear to me that if we do not take early international cooperative action to effectively limit population growth, nature will take more drastic measures, making our concern about environmental quality in the affected regions largely academic. Therefore the United States strongly endorses the recently adopted World Population Plan of Action, which is aimed at achieving a balance between the number of people on earth and the planet's carrying capacity.

Turning to the future work of the Environment Committee, I would first like to make a few general remarks. While the United States fully appreciates the pressing need for budgetary restraint in this and other international organizations at this time, we hope the resulting impact on the work program of the Environment Committee can be minimized.

Furthermore, the United States would favor the concentration of our program on

a more limited number of high-priority projects than in the past. We would hope the committee could create some sort of overall review mechanism to promote this end.

As to program content, my country recognizes that in the field of toxic chemicals, including carcinogens, we face enormously complex problems. The difficulties we in the United States are encountering in how to deal with vinyl chloride serve as just one example of many. The OECD is making, and can continue to make, useful contributions in this area by encouraging nations systematically to identify potentially toxic chemicals prior to use. It also can continue to encourage the adoption of common techniques to facilitate the comparability of data and harmonization of policies and to follow the movement of key chemicals in international commerce.

The concept of framing general principles to govern significant episodes of transboundary pollution from land-based sources has occupied much of the committee's recent attention. Like others around this table, my government ascribes considerable importance to this activity. In some respects we consider the action proposal on this subject to be one of the most important before this body and a good touchstone of our willingness to cooperate in solving common problems.

We further strongly recommend that the Environment Committee, which has been considering this matter, now address itself to more concrete ways nations can cooperate to redress or adjudicate significant transboundary pollution problems.

There are a number of practical activities to which the committee might usefully direct its attention in addition to those studies of legal questions already underway. An area of interest might be the development of joint contingency plans for response to incidents of pollution affecting more than one country. Further, we might develop compatible procedures for the identification of trans-frontier pollution problems and for correcting them. Such measures as cooperative air and water quality baseline studies might be undertaken. Joint air and water quality ob-

jectives might be developed, and consideration could be given to developing compatible national programs to realize such agreed-upon objectives.

Procedures related to environmental assessment offer another area where the OECD can do useful work. As you may be aware, the United States is required by law to prepare environmental impact statements concerning all major Federal actions likely to significantly affect the human environment. The purpose of this requirement is to help assure that environmental implications are factored into the decisionmaking process. We support the action proposal that would urge us all to assure that meaningful assessments are performed on significant projects and to exchange information on our experiences. For our part, we are attempting to improve our procedures for quantifying the environmental data that go into our assessments. We shall be happy to share these results with others.

Our experience within the United States has impressed us with the fact that there are some real gaps in ecological data and hence in our ability to perform meaningful assessments. We suspect this is true of other nations as well. This, in our view, underscores the absolute necessity for the members of this Organization to vigorously support environmental research in the years ahead and exchange the products of their efforts.

As environmentalists, one of our most serious concerns for the next decade relates to the need to assure that our pattern of energy consumption and use will take place under terms that appropriately safeguard environmental values. As the consuming nations move together in developing new energy sources and policies, they have a companion interest in assuring that the environment is protected. This committee has already been supporting useful and relevant work in this area, in the air and water sector groups; and we commend the action proposal captioned "Energy and the Environment," which urges the Secretariat to inaugurate new and timely exchanges in this field.

We need to move further in assessing the ecological effects on aquatic systems of thermal and chemical discharges; and the change in effects and costs of alternative control techniques.

We need to continue to concert our efforts in developing a consensus and understanding of the magnitude of the sulfate problem, including the contribution of natural and manmade sources, the health implications, the transnational effects, and the contributions being made by powerplants and other sources, as well as the merits of alternate control strategies.

We also should continue to study the international environmental implications of energy resource development, particularly in the sensitive coastal zone and near-offshore areas. The United States has performed a number of studies in this area, the results of which we shall be pleased to make available.

Clearly, conservation of energy should be one of our prime mutual objectives in the decade ahead, and it is noteworthy that the recent Energy Coordinating Group highlighted this as a priority topic. Obviously, if we can reduce our demand or better utilize our energy resources, we will be fostering our environmental goals, adding to our self-sufficiency, and helping to reduce inflation. Projects aimed at studying the environmental implications of husbanding our energy resources, including recycling, waste-heat utilization, and demand restraint, all merit this committee's support.

We foresee a continuously useful role in the years ahead for those OECD activities that relate to problems of the urban environment and transportation. The automobile consumes a high percentage of our energy supplies and is a major contributor to urban air pollution. In considering the relevant action proposal now before us, I should note that a major effort must be made to make our cars more efficient by redesign and maximized use of improved technology. Studies in this field should continue to be undertaken by the relevant OECD member states, recognizing that they produce most of the world's motor vehicles.

One of the major challenges we all face in this decade will relate to the improved use of land. This is an area where a number of European countries have made advances from which we can all benefit. Studies are being conducted in the United States to give us a better idea of the impact of various patterns of urban growth on the quality of life. Within the United States our Council on Environmental Quality just issued a new study entitled "Costs of Sprawl" that concludes that higher density planned urban development, as contrasted to single-family conventional housing units, results in lower economic and environmental costs and natural resource consumption. For example, investment costs would be 44 percent lower, and air pollution 45 percent less. We are prepared to share the results of our studies with the members of this body and hope they will prove useful to local planning officials. A summary of CEQ's first report is available for each delegation.

Finally, a few words about the longer term. Over the next five to ten years, I believe we shall have to seriously devise new mechanisms and devices for assessing some of the longer term developments of an environmental character covering such matters as land use, population growth, and alternate environmental strategies. This is an area where I would hope we would develop intensive dialogues between the interested governmental authorities, private environmental institutions, and industrial groups that have given serious thought to environmental problems.

As we look ahead, I also suspect that our focus increasingly will encompass our responsibilities toward the developing countries. I believe the OECD's Development Center could provide a useful forum for concerting our efforts. I recommend that our Secretariat explore possibilities for assuring greater environmental input into OECD's Development Center, which has already issued interesting studies, for instance, on population. In looking at the developing world, I look to an era, not of confrontation, but one in which the advanced nations can work increasingly with the poorer nations



in solving common problems, whether they involve energy conservation, deforestation, desertification, or assurance of a sound ecological base for meeting the growing demands for food. Indeed, it is because of this global concern encompassing both the developing and the developed world that the United States also puts considerable emphasis on and support of the U.N. Environment Program.

I close with an exhortation to all of us not only to continue the efforts which have so effectively been started but to intensify those programs and actions which will assure for our peoples and those of the entire world a better quality of life, with both a higher material standard of living and a more healthful, wholesome environment in which to live.

## TEXTS OF PRESS COMMUNIQUE AND DECLARATION

### Press Communique

1. The Environment Committee of the OECD met at Ministerial Level on 13th and 14th November, 1974, at the Organisation's headquarters. The meeting elected as Chairman, Mrs. Grø Harlem Brundtland, Norwegian Minister of Environment; three Vice-Chairmen were elected; Dr. Cass (Australia), Mr. Gutierrez Cano (Spain) and Mr. Mohri (Japan).

2. Four years after the creation of the OECD Environment Committee, Ministers approved on behalf of their Governments a Declaration on Environmental Policy reaffirming their determination to pursue, under changing socio-economic conditions, their effort to protect and improve the human environment and quality of life. This important statement expresses *inter alia* the determination of OECD Member countries to promote a new approach to economic growth "that will take into account all components of the quality of life and not only the quantity of goods produced".

3. There was a general consensus that environmental policies should be pursued vigorously. It was agreed that environmental problems would continue to be a major challenge to Governments for the foreseeable future, calling for co-ordinated national policies and concerted international actions. Ministers were of the view that the present economic and energy situation should not adversely affect the stringency of environmental policies.

4. Ministers noted the significant results the OECD

has achieved over the last four years in analysing the economic and technical aspects of major environmental questions confronting the Member countries, in formulating generally agreed policy guidelines and in contributing international solutions to problems of common interest.

5. Focussing on environmental policies for the next decade, which was the main theme of the meeting, and mindful of the need to translate further into action the results of the Stockholm Conference on the Human Environment, Ministers stressed the great importance they ascribed to:

(i) meeting the challenges of continued population growth bearing in mind the stresses it might place on limited natural resources;

(ii) ensuring that environmental policies are carefully integrated with efforts to increase the world's food production;

(iii) continued efforts to husband, recycle and otherwise achieve a more rational use of natural resources, including energy supplies, bearing in mind that energy and environmental policies can be mutually reinforcing;

(iv) protecting mankind and nature, as much as possible through preventive measures against short-term and long-term hazards created by all forms of pollution;

(v) ensuring that the public is made fully aware of the concrete benefits of policies for environmental improvement with a view to facilitating informed public participation in the relevant decision-making processes;

(vi) ensuring that the environmental consequences of human activities are fully understood, by means of continued research and development in this field and by the application of sound assessment procedures;

(vii) improving the human environment particularly in cities and other urban settlements, through better land use planning and the implementation of other relevant policies.

6. Ministers moreover agreed that a number of problems arising during the next ten years could only be solved by further strengthening international co-operation particularly through the OECD. In this regard, they stressed:

(i) the need for jointly reviewing actions undertaken or proposed in the Member countries in order to achieve the above-mentioned objectives;

(ii) the importance they attached to continued work within the Organisation favouring the harmonization of environmental policies and avoiding restrictive effects or distortions such policies might create in international trade and investment;

(iii) their determination to join in seeking solutions to environmental problems such as transfrontier pollution or the management of shared environmental resources, which are inherently international;

(iv) the need to reinforce co-operation with the developing countries in the resolution of common environmental problems, bearing in mind the growing interdependence between nations.

7. Turning to the more immediate problems calling for international co-operation, Ministers adopted ten Action Proposals which took the form of Recommendations by the Organisation to the Member countries. These texts, which are made public, concern:

- (i) The Assessment of the Potential Environmental Effects of Chemicals;
- (ii) The Analysis of the Environmental Consequences of Significant Public and Private Projects;
- (iii) Noise Prevention and Abatement;
- (iv) Traffic Limitation and Low-Cost Improvement of the Urban Environment;
- (v) Measures Required for Further Air Pollution Control;
- (vi) Control of Eutrophication of Waters;
- (vii) Strategies for Specific Water Pollutants Control;
- (viii) Energy and Environment;
- (ix) Implementation of the Polluter-Pays Principle;
- (x) Principles Concerning Transfrontier Pollution.

8. Ministers emphasized the importance of these Recommendations which will, in several major areas, guide or strengthen the policies of Member countries, as well as OECD action, and they pointed to the need for these recommendations to be implemented as soon as possible.

## Declaration on Environmental Policy

### *The Governments of OECD Member countries:*<sup>2</sup>

Recognising that increasing population, industrialisation and urbanisation place growing pressures on the limited assimilative capacity of the environment, and on the finite stock of natural resources;

Conscious of the responsibility they share to safeguard and improve the quality of the environment, both nationally and in a global context, and at the same time to promote economic development, and confident that the achievement of these goals is within the reach of their national economies;

Noting the unique contribution the OECD can make in this field;

Recalling the Declaration adopted at the first United Nations Conference on the Human Environment held in Stockholm in 1972, to which they unanimously subscribed;

<sup>2</sup> The mention of "Governments" is deemed to apply also to the European Communities. [Footnote in original.]

### *Declare that:*

1. The protection and progressive improvement of the quality of the environment is a major objective of the OECD Member countries.

2. The improvement of the environment should reflect and promote a new approach to economic growth that will take into account all components of the quality of life and not only the quantity of goods produced. Therefore, economic and social development policies must be pursued in close connection with sound environment policies, in order to ensure a balanced contribution to the improvement of human well-being.

3. The enhancement of the human environment will require further action to evaluate and deal with the problems of cities.

4. The development, extraction, transportation, storage, use of energy and related waste disposal from existing and new sources as well as of other scarce resources, should take place under conditions that safeguard environmental values.

5. Their governments will actively seek to protect the environment by encouraging (i) the promotion of non-polluting technologies, (ii) conservation of energy and other scarce resources, (iii) intensified efforts to recycle materials, and (iv) the development of substitutes for scarce or environmentally harmful substances.

6. They will continue to observe and further refine the "Polluter-Pays Principle" and other agreed principles to encourage environmental protection and to avoid international economic distortions, and where desirable encourage the harmonisation of environmental policies.

7. They will cooperate towards solving transfrontier pollution problems in a spirit of solidarity and with the intention of further developing international law in this field.

8. Comprehensive environmental planning, including that pertaining to land use should constitute an important element of government policy.

9. In order to prevent future environmental deterioration, prior assessment of the environmental consequences of significant public and private activities should be an essential element of policies applied at the national, regional and local levels.

10. Particular attention should be given to the ratification and implementation of international conventions for the protection and conservation of the environment and to the development of new conventions.

11. They will undertake, extend and strengthen the foregoing efforts and their co-operation with other international organisations and other countries, conscious of the special circumstances of developing countries, including those which are Members of OECD; in so doing they are prepared to make the benefits of OECD co-operation with respect to environmental improvement readily available to all countries.

## Administration Urges Senate Approval of the Geneva Protocol of 1925 and the Biological Weapons Convention of 1972

*Following is a statement by Fred C. Iklé, Director, U.S. Arms Control and Disarmament Agency, made before the Senate Committee on Foreign Relations on December 10.<sup>1</sup>*

ACDA press release 74 10 dated December 10

I appreciate the opportunity to testify this morning on the Geneva Protocol of 1925 [Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare] and the Biological Weapons Convention of 1972. Ratification of these two arms control agreements in the field of chemical and biological warfare has the strong support of the President and the executive branch. We welcome the initiative of the committee in holding this hearing, which we hope will lead to prompt ratification of both agreements.

As you know, the Geneva Protocol of 1925 prohibits the use—in effect, the first use—of chemical and biological agents in war. Except for the United States, all militarily important countries are parties to the protocol.

The extensive hearings on the protocol held by this committee in March 1971 examined the reasons why U.S. ratification of the protocol has been so long delayed. In the interest of brevity, I shall not go back over this record now, although I would of course be happy to respond to any questions regarding the history of the protocol.

During the 1971 hearings, differing views were expressed on the question of including

riot control agents and herbicides within the scope of the protocol. As a result, the committee requested that the executive branch reexamine its interpretation of the protocol's scope.

In response to the committee's request, the executive branch has undertaken a comprehensive review. We have reconsidered our legal interpretation and analyzed possible alternatives for resolving differences of opinion on the scope of the protocol. We have evaluated the military utility of riot control agents and herbicides. And we have of course carefully considered alternative approaches that would accomplish our arms control objectives.

Mr. Chairman, the President considers it important that the United States ratify the Geneva Protocol at the earliest possible date. On the basis of an interagency review he has very recently taken decisions with a view to achieving Senate advice and consent to ratification. The President has authorized me to announce those decisions today.

The President has authorized me to state on his behalf that he is prepared, in reaffirming the current U.S. understanding of the scope of the protocol, to renounce as a matter of national policy:

1. First use of herbicides in war except use, under regulations applicable to their domestic use, for control of vegetation within U.S. bases and installations or around their immediate defensive perimeters.

2. First use of riot control agents in war except in defensive military modes to save lives such as:

a. Use of riot control agents in riot control circumstances to include controlling riot-

<sup>1</sup> The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

ing prisoners of war. This exception would permit use of riot control agents in riot situations in areas under direct and distinct U.S. military control.

b. Use of riot control agents in situations where civilian casualties can be reduced or avoided. This use would be restricted to situations in which civilians are used to mask or screen attacks.

c. Use of riot control agents in rescue missions. The use of riot control agents would be permissible in the recovery of remotely isolated personnel such as downed aircrews (and passengers).

d. Use of riot control agents in rear-echelon areas outside the combat zone to protect convoys from civil disturbances, terrorists, and paramilitary organizations.

The President intends to conform U.S. policy to this position, assuming the Senate consents.

Finally, the President, under an earlier directive still in force, must approve in advance any use of riot control agents and chemical herbicides in war.

Mr. Chairman, I believe that you may have several specific questions concerning this policy. I would be happy to respond to such questions at this time before I proceed to the section of my statement dealing with the Biological Weapons Convention.

The second agreement before the committee is the Biological Weapons Convention of 1972. The full title is the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction. As the title suggests, this convention completely prohibits biological and toxin weapons. Since it provides for the elimination of existing weapons, it is a true disarmament measure.

The convention is entirely consistent with U.S. policy concerning biological and toxin weapons, since the U.S. had already unilaterally renounced these weapons before the convention was negotiated. In fact, our entire stockpile of biological and toxin agents and weapons has already been destroyed. Our

biological warfare facilities have been converted to peaceful uses.

Since opening the convention for signature in April 1972, 110 nations have become signatories. This includes all members of the Warsaw Pact and all members of NATO except France. In order for this treaty to come into force it must be ratified by the three depositaries—the United States, the United Kingdom, and the U.S.S.R.—and at least 19 other countries. Enough countries have now ratified, some 36, so that only ratification by depositaries is still required. The British have completed all the parliamentary procedures for ratification and the Soviet Union has announced that it intends to ratify before the end of 1974. It is particularly important that U.S. ratification be accomplished in the near future so that we will not be the ones who prevent this treaty from coming into force.

There is one aspect of the convention to which I would like to give particular attention: the question of verification. Verification of compliance with this convention in countries with relatively closed societies is difficult, particularly for the prohibition of the development of these weapons.

Nevertheless, in our judgment, it is in the net interest of the United States to enter into this convention, basically for three reasons:

—First, the military utility of these weapons is dubious at best: the effects are unpredictable and potentially uncontrollable, and there exists no military experience concerning them. Hence the prohibitions of this convention do not deny us a militarily viable option, and verifiability is therefore less important.

—Second, biological weapons are particularly repugnant from a moral point of view.

—Third, widespread adherence to the convention can help discourage some misguided competition in biological weapons.

It is to be feared that without such a prohibition, new developments in the biological sciences might give rise to concern because they could be abused for weapons purposes.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Conservation

Agreement on the conservation of polar bears. Done at Oslo November 15, 1973.<sup>1</sup>

*Ratification deposited:* Canada (with declarations), December 16, 1974.

##### Customs

Customs convention on the international transport of goods under cover of TIR carnets, with annexes and protocol of signature. Done at Geneva January 15, 1959. Entered into force January 7, 1960; for the United States March 3, 1969. TIAS 6633.

*Accession deposited:* Canada, November 26, 1974.

##### Meteorology

Convention of the World Meteorological Organization. Done at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.

*Accession deposited:* Oman, January 3, 1975.

##### Nationality

Protocol relating to military obligations in certain cases of double nationality. Done at The Hague April 12, 1930. Entered into force May 25, 1937. 50 Stat. 1317.

*Notification of succession:* Lesotho, November 4, 1974.

##### Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

*Accession deposited:* Oman, January 3, 1975.

Operating agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annex. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

*Signature:* Oman, January 3, 1975.

##### Slavery

Convention to suppress the slave trade and slavery, as amended (TIAS 3532). Concluded at Geneva September 25, 1926. Entered into force March 9, 1927; for the United States March 21, 1929. 46 Stat. 2183.

*Notification of succession:* Lesotho, November 4, 1974.

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

Such anxieties could foster secretive military competition in a field of science that would otherwise remain open to international cooperation and be used solely for the benefit of mankind.

It is important, however, that the limited verifiability of this convention should not be misconstrued as a precedent for other arms limitation agreements where these special conditions would not obtain.

Mr. Chairman, the administration believes that the Biological Weapons Convention represents a useful arms control measure. We hope the United States will not prevent the treaty from entering into force through its failure to ratify. By failing to ratify, we would deny ourselves the benefit of having other countries legally committed not to produce weapons that we have already given up. And we would deny 109 other countries the benefit of a treaty that they have already signed.

This completes my prepared statement. I would be happy to respond to any further questions on either the Geneva Protocol or the Biological Weapons Convention.

### Congressional Documents Relating to Foreign Policy

#### 93d Congress, 2d Session

International Council for Exploration of the Sea. Report to accompany Ex. V, 93-1. S. Ex. Rept. 93-31. August 22, 1974. 3 pp.

Science, Technology, and American Diplomacy. Brain Drain: A Study of the Persistent Issue of International Scientific Mobility. Prepared for the Subcommittee on National Security Policy and Scientific Developments of the House Committee on Foreign Affairs by the Foreign Affairs Division, Congressional Research Service, Library of Congress, as part of an extended study of the interactions of science and technology with United States foreign policy. September 1974. 272 pp.

Consular Convention With the Czechoslovak Socialist Republic. Report to accompany Ex. A, 93-2. S. Ex. Rept. 93-32. September 16, 1974. 5 pp.

Temporary Suspension of Duty on Catalysts of Platinum and Carbon Used in Producing Caprolactam. Report to accompany H.R. 13370. S. Rept. 93-1176. September 25, 1974. 4 pp.

Supplementary convention on the abolition of slavery, the slave trade, and institutions and practices similar to slavery. Done at Geneva September 7, 1956. Entered into force April 30, 1957; for the United States December 6, 1967. TIAS 6418.  
*Notification of succession:* Lesotho, November 4, 1974.

### Trade

Arrangement regarding international trade in textiles, with annexes. Done at Geneva December 20, 1973. Entered into force January 1, 1974, except for article 2, paragraphs 2, 3, and 4, which entered into force April 1, 1974. TIAS 7840.  
*Acceptance deposited:* Brazil, December 5, 1974.

### Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971. Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Ratifications deposited:* Austria, December 27, 1974; Cuba (with declarations), December 30, 1974.

*Accession deposited:* Bolivia, December 27, 1974.

### Wills

Convention providing a uniform law on the form of an international will, with annex. Done at Washington October 26, 1973.<sup>1</sup>

*Signature:* Czechoslovakia (with a statement), December 30, 1974.

### Women—Political Rights

Convention on the political rights of women. Done at New York March 31, 1953. Entered into force July 7, 1954.<sup>2</sup>

*Accession deposited:* Lesotho (with a reservation), November 4, 1974.

## BILATERAL

### China

Agreement regarding the holding of "The Exhibition of Archeological Finds of the People's Republic of China" in the United States, with annexes and related notes. Effected by exchange of letters at Peking October 28, 1974. Entered into force October 28, 1974.

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

<sup>2</sup> Not in force for the United States.

### Gilbert and Ellice Islands

Agreement relating to the establishment of a Peace Corps program in the Gilbert and Ellice Islands. Effected by exchange of notes at Suva and Tarawa November 12 and 20, 1974. Entered into force November 20, 1974.

### Rwanda

Agreement relating to the establishment of a Peace Corps program in Rwanda. Effected by exchange of notes at Kigali December 20, 1974. Entered into force December 20, 1974.

## PUBLICATIONS

### GPO Sales Publications

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**Atomic Energy—Cooperation for Civil Uses.** Agreement with South Africa amending and extending the agreement of July 8, 1957, as amended and extended. TIAS 7845. 12 pp. 30¢. (Cat. No. S9.10:7845).

**Patents.** Second revision of the implementing procedures for the agreement for safeguarding of secrecy of inventions relating to defense. TIAS 7853. 32 pp. 50¢. (Cat. No. S9.10:7853).

**Narcotic Drugs—Detection of Opium Poppy Cultivation.** Agreement with Mexico. TIAS 7863. 7 pp. 25¢. (Cat. No. S9.10:7863).

**Atomic Energy—Application of Safeguards Pursuant to the Non-Proliferation Treaty.** Protocol with Australia suspending the agreement of September 26, 1966. TIAS 7865. 3 pp. 25¢. (Cat. No. S9.10:7865).

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Releases issued prior to December 30 which appear in this issue of the BULLETIN are Nos. 527 of December 13, 535 of December 17, 537 of December 18, and 543 of December 23.

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†2	1/2	Kissinger: interview with Business Week magazine.
3	1/2	Kissinger: interview with Newsweek magazine.
*4	1/3	Robinson sworn in as Under Secretary for Economic Affairs (biographic data).

\* Not printed.

† Held for a later issue of the BULLETIN.

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# THE DEPARTMENT OF STATE BULLETIN

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## Secretary Kissinger Interviewed for Business Week Magazine

*Following is the transcript of an interview with Secretary Kissinger on December 23 by Business Week Editor in Chief Lewis H. Young, Washington Bureau Chief Robert E. Farrell, and Boyd France, State Department correspondent for the magazine, which was published in the January 13 issue of Business Week.*

Press release 2 dated January 2

*Q. Until recently it was the U.S. position that the energy crisis could be solved only by an immediate and substantial reduction in the price of imported oil. Why has that policy changed?*

*Secretary Kissinger:* I would disagree with the word "immediate." It has been the U.S. position that the energy crisis cannot be fundamentally changed without a substantial reduction in the price of oil. This remains our view. It is also our view that the prospects for an immediate reduction in oil prices are poor. I have always had the most serious doubts that an immediate reduction in oil prices could be achieved, because I did not see the incentives for the oil producers to do this in the absence of consumer solidarity. A reduction in energy prices is important. It must be achieved, and we must organize ourselves to bring it about as rapidly as possible.

*Q. Why was it impossible to reduce the price of oil immediately?*

*Secretary Kissinger:* Because in the absence of consumer solidarity, pressures required to bring oil prices down would create a political crisis of the first magnitude. And this would tempt other consuming countries simply stepping into the vacuum created by the United States and would therefore not be effective.

*Q. Can you describe the kind of political problems that would develop without consumer solidarity?*

*Secretary Kissinger:* The only chance to bring oil prices down immediately would be massive political warfare against countries like Saudi Arabia and Iran to make them risk their political stability and maybe their security if they did not cooperate. That is too high a price to pay even for an immediate reduction in oil prices.

If you bring about an overthrow of the existing system in Saudi Arabia and a Qadhafi takes over, or if you break Iran's image of being capable of resisting outside pressures, you're going to open up political trends which could defeat your economic objectives. Economic pressures or incentives, on the other hand, take time to organize and cannot be effective without consumer solidarity. Moreover, if we had created the political crisis that I described, we would almost certainly have had to do it against the opposition of Europe, Japan, and the Soviet Union.

*Q. In your University of Chicago speech [Nov. 14, 1974], you said, "The price of oil will come down only when objective conditions for a reduction are created, and not before." What are these objective conditions, and when do you think they will be achieved?*

*Secretary Kissinger:* The objective conditions depend upon a number of factors: One, a degree of consumer solidarity that makes the consumers less vulnerable to the threat of embargo and to the dangers of financial collapse. Secondly, a systematic effort at energy conservation of sufficient magnitude to impose difficult choices on the producing countries. Thirdly, institutions of financial soli-

clarity so that individual countries are not so obsessed by their sense of impotence that they are prepared to negotiate on the producers' terms. Fourth, and most important, to bring in alternative sources of energy as rapidly as possible so that that combination of new discoveries of oil, new oil-producing countries, and new sources of energy creates a supply situation in which it will be increasingly difficult for the cartel to operate. We think the beginning of this will occur within two to three years.

*Q. Over the past year the oil producers have been able to cut back production as demand has declined. Doesn't that indicate that conservation alone will not break the oil cartel?*

*Secretary Kissinger:* Yes, but there's a limit beyond which that cannot go. Many producers are dependent on their revenues for economic development. Countries which can cut production most painlessly are those that are simply piling up balances. Countries that need oil revenues for their economic development, like Algeria, Iran, and Venezuela, do not have an unlimited capacity to cut their production. If the production of these countries is cut by any significant percentage, their whole economic development plan will be in severe jeopardy. Therefore the problem of distributing the cuts is going to become more and more severe. I understand that Libya has already had to take a disproportionate amount of the reductions, which it can do because it has really no means of spending all its income. In the absence of an Arab-Israeli explosion, Saudi Arabia's incentive to cut production indefinitely is limited for political reasons. Other countries will have less and less of an economic incentive to cut production. As the number of OPEC [Organization of Petroleum Exporting Countries] countries increases and as alternative sources come in, I think these cuts will grow increasingly difficult to distribute.

*Q. Are the conservation goals to cut something like 3 million barrels a day in 1975 enough?*

*Secretary Kissinger:* I think 3 million bar-

rels a day will be enough, plus alternative sources, plus an increase in later years. We have to continue this conservation over the years.

*Q. Are the Europeans accepting your proposal for a 1-million-barrel-a-day cut by the United States and a 2-million-barrel-a-day cut by the other consumers? Or are they pressing for a more equal distribution?*

*Secretary Kissinger:* We have to announce our conservation plans more concretely before we will have an effective negotiating position with the Europeans. I believe that the major objective of our strategy can be implemented, and the desire of some European countries for a consumer-producer conference can be used to accelerate consumer cooperation. We will not go to a consumer-producer conference without prior agreement on consumer cooperation.

*Q. Are there any political pressures the United States can bring to bear on the oil cartel?*

*Secretary Kissinger:* A country of the magnitude of the United States is never without political recourse. Certainly countries will have to think twice about raising their prices, because it would certainly involve some political cost. But I don't want to go into this very deeply.

*Q. Businessmen ask why we haven't been able to exploit King Faisal's fear of communism to help lower prices.*

*Secretary Kissinger:* We have a delicate problem there. It is to maintain the relationship of friendship that they have felt for us, yet make clear the consequences of these prices on the structure of the West and of the non-Communist world.

I think we will find that Saudi Arabia will not be the leader in the reduction of prices but that it will not be an impediment to a reduction if enough momentum can be created in the Arab world—indeed, it will be discreetly encouraging.

The Saudi Government has performed the enormously skillful act of surviving in a leadership position in an increasingly radical

Arab world. It is doing that by carefully balancing itself among the various factions and acting as a resultant of a relation of forces and never getting too far out ahead. Therefore I never for a moment believed, nor do I believe today, that the lead in cutting prices will be taken by Saudi Arabia. On the other hand, the Saudis will happily support a cut in prices proposed by others. The Saudis have no interest in keeping up prices. They don't know what to do with their income today.

*Q. But all along it has seemed that the Saudis have taken the lead in saying they want to get the price of oil down and that has never happened. In fact the joke is we can't take another cut in oil prices from the Saudis because we can't afford it.*

*Secretary Kissinger:* I think that's true. I have always assessed the Saudi statements in the context of their positioning themselves in a general constellation of forces. In my opinion, they will not take the lead. But they will not oppose it.

*Q. Who is likely to take the lead, or what producer nations?*

*Secretary Kissinger:* It is my opinion that a reduction in prices cannot come from Iran alone, though its voice is important, given the powerful personality of the Shah.

Among the Arab countries Algeria is important; Kuwait could be important; Syria, even though it's not an OPEC country, has a moral influence for political reasons. But it will not come, in my view, from Saudi Arabia.

*Q. Do you think there is something that could happen in the Arab-Israeli situation that could result in a reduction in oil prices?*

*Secretary Kissinger:* Not really. I think that if the situation deteriorates there could be a reduction in supply. I don't believe it is wise for us to try to sell the Israeli concessions for a reduction in oil prices, because this would create the basis for pressures in the opposite direction during a stalemate. Every time the OPEC countries want something from us politically, they could threaten to raise the prices again.

*Q. So there's nothing tied to the Jerusalem problem or the refugee problem that would have anything to do with the price of oil?*

*Secretary Kissinger:* No, it has never been raised.

*Q. Many bankers claim that all the schemes for recycling oil money—including the one you suggested in the University of Chicago speech—are only band-aids because each scheme piles bad debt on top of good. Most of the countries have no way to ever repay the loans. Do you see how the \$25 billion fund you proposed would be repaid?*

*Secretary Kissinger:* We have two problems. We have an economic problem, and we have a political problem. The political problem is that the whole Western world, with the exception perhaps of the United States, is suffering from political malaise, from inner uncertainty and a lack of direction. This also affects economic conditions because it means that you have no settled expectations for the future and therefore a lowered willingness to take risks.

One of the principal objectives of our energy policy is to restore among the industrialized countries some sense that they can master their own fate. And even if this would involve some questionable debts, these are debts that have to be met somehow. It would be enormously important for the general cohesion of the industrialized world, and for its capacity to deal with the future, that they are dealt with systematically and not as the outgrowth of some crisis. Moreover, one way of disciplining some of the industrial countries is by the conditions that are attached to the funds that might be available.

*Q. Where would this \$25 billion come from?*

*Secretary Kissinger:* The United States, the Federal Republic of Germany, small sums from other countries.

*Q. But the United States and West Germany would bear the brunt?*

*Secretary Kissinger:* That's probably true.

But you have to look at it as a guarantee rather than as a debt.

*Q. Will this require congressional approval?*

*Secretary Kissinger:* I'm told that we could actually do it by borrowing and not require congressional approval. However, we have decided that in undertaking even potential obligations of this magnitude we'd better seek some congressional concurrence.

*Q. How long will it take this program to really get rolling?*

*Secretary Kissinger:* We will not go to a producer-consumer conference without having this program well established. If we don't have consumer solidarity, we're better off conducting bilateral negotiations with the producers. However, I think that within the next three months—by the end of March certainly—the major elements of our program will be in place.

*Q. Who will have the job of getting these elements in place?*

*Secretary Kissinger:* Our new Under Secretary for Economic Affairs, Mr. [Charles W.] Robinson; Tom Enders [Assistant Secretary for Economic and Business Affairs Thomas O. Enders]. Of course, the Treasury Department has a vital role. Secretary [of the Treasury William E.] Simon has been intimately associated with the entire program. We have a committee dealing with the international implications of the oil crisis. It is composed of myself, Simon, Bennett [Jack F. Bennett, Under Secretary of the Treasury for Monetary Affairs], Robinson, Ingersoll [Deputy Secretary of State Robert S. Ingersoll], Burns [Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System]. Another committee, under Secretary [of the Interior Rogers C. B.] Morton, links domestic and international policy.

*Q. Have you had any discussion with the Soviets about what their position would be if there were a confrontation between the*

*oil cartel and the Western consumer governments?*

*Secretary Kissinger:* No, and I think it would be a very foolish question to ask them.

*Q. Do you know if the Arabs are using their petrodollars to force a favorable resolution of the Arab-Israeli conflict?*

*Secretary Kissinger:* I don't think they've done it up to now. If we don't have consumer solidarity that may happen eventually.

*Q. There was some concern last month about the British pound.*

*Secretary Kissinger:* I've seen these reports. They were denied. It is certainly an option they have. And that is one reason why we are so determined to create institutions of financial solidarity; because if you have these institutions, then that sort of pressure will not be possible. The producers could not take on one currency then.

*Q. Is it possible that we may have to engage in an emergency financial bailout of Italy or Britain before the financial facility is in place?*

*Secretary Kissinger:* Very possibly, in this sense, the proposed facility merely institutionalizes what will have to happen anyway, because if present trends continue, there will have to be a bailout sooner or later. But it makes a lot of difference whether you bail somebody out in an emergency and therefore enhance the sense of vulnerability and create conditions for a new emergency. Or whether, having perceived the emergency, you can convey to the public that there is a structure that makes it possible to master your fate and to deal with difficulties institutionally.

*Q. How do you rate the chances for another Arab-Israeli war in the spring?*

*Secretary Kissinger:* In the absence of a political settlement there is always the danger of another Arab-Israeli war. On the other hand, war is talked about much too loosely. Both sides lost grievously in the

last war. Neither side really won. I think the readiness of either side to go to war is often exaggerated. I also believe that there is some possibility of political progress before the spring.

*Q. Then you don't anticipate the possibility of another oil embargo soon?*

*Secretary Kissinger:* Not unless there is a war.

*Q. Well, what about after the spring?*

*Secretary Kissinger:* I don't anticipate an oil embargo in the absence of war. I am not even sure of an oil embargo in the event of a war. It would now be a much more serious decision than it was the last time. We're now engaged in rather delicate negotiations and these still show promise, so why speculate about their failure while they're still in train?

*Q. The Shah of Iran has indicated that in the next war he'd be on the side of the Arabs. Does this represent to you a shifting of forces over there?*

*Secretary Kissinger:* I would have to analyze exactly what he said. In the past the Shah maintained a rather neutral position. What he means by being on the side of the Arabs I would have to understand a little better. But obviously the trends in the Moslem world are in the direction of greater solidarity.

*Q. Have the Israelis indicated to you a willingness to give back the oil lands in the Sinai they captured in the 1967 war?*

*Secretary Kissinger:* I don't want to go into the details of any specific ideas the Israelis may have suggested, but the Israelis have indicated their willingness to make some further territorial withdrawals.

*Q. One of the things we also hear from businessmen is that in the long run the only answer to the oil cartel is some sort of military action. Have you considered military action on oil?*

*Secretary Kissinger:* Military action on oil prices?

*Q. Yes.*

*Secretary Kissinger:* A very dangerous course. We should have learned from Vietnam that it is easier to get into a war than to get out of it. I am not saying that there's no circumstance where we would not use force. But it is one thing to use it in the case of a dispute over price; it's another where there is some actual strangulation of the industrialized world.

*Q. Do you worry about what the Soviets would do in the Middle East if there were any military action against the cartel?*

*Secretary Kissinger:* I don't think this is a good thing to speculate about. Any President who would resort to military action in the Middle East without worrying what the Soviets would do would have to be reckless. The question is to what extent he would let himself be deterred by it. But you cannot say you would not consider what the Soviets would do. I want to make clear, however, that the use of force would be considered only in the gravest emergency.

*Q. What do you expect is going to be achieved in the first meeting between the consumers and the producers?*

*Secretary Kissinger:* The industrialized nations suffer in general from the illusion that talk is a substitute for substance. And what *might* happen is used as an excuse for not doing what *can* happen. What can happen at a consumer-producer meeting depends entirely upon whether the consumers manage to bring about concrete cooperation and whether they can concert common positions *before* the conference. In the absence of these two conditions, the consumer-producer conference will not take place with our participation. If it did take place, it would only repeat in a multilateral forum the bilateral dialogues that are already going on.

There is too much talk to the effect that there is no consumer-producer dialogue now. There's plenty of dialogue. We talk to *all*

of the producers. We have excellent relations with Iran and Saudi Arabia. The Europeans are talking to the producers; the Japanese are talking to the producers.

We do not suffer from the absence of dialogue, but from the absence of a systematic approach, the lack of a clear direction in which to go. If you don't have a systematic coordinated approach, then a consumer-producer conference can only repeat in a multilateral forum under worse circumstances what is already going on bilaterally. So you ought to ask me the question again in about two months, when we're further down the road.

But I want to make absolutely clear that the United States is willing to have this conference. It is in fact eager to have a consumer-producer dialogue. In our original proposals to the Washington Energy Conference in February, we argued that consumer cooperation must lead as soon as possible to a consumer-producer dialogue. At that time we envisaged it for the fall of 1974. But we also want the dialogue to be serious and concrete.

It must deal with the problem of recycling. It must deal with the problem of the less developed countries. It must deal with the problem of price over a period of time. In terms of the producers, we can consider some assurance of long-term development for them. But all this requires some very careful preparation.

*Q. Does President Giscard d'Estaing now share our views as to how the consumer-producer conference should go forward?*

*Secretary Kissinger:* It's my impression that he shares it. Of course he has to speak for himself. But he can be under no misapprehension of our view of the matter.

*Q. Many people have felt that the U.N. meeting on population in Bucharest last summer and the meeting on food in Rome were unsuccessful because there were too many countries represented at them. Will this problem plague the oil meetings, too?*

*Secretary Kissinger:* None of the organizing countries have yet decided how many

countries to invite and in what manner to conduct the negotiations. Personally, I would favor a rather small negotiating group, but we will not make an issue of it. A lot of countries will favor this in theory until they come to the problem of whom to invite and whom to exclude, so the tendency will be toward expanding the membership. In general I would say the larger the membership the more unwieldy the procedures are likely to be and the more difficult it will be to achieve a consensus.

We worked hard to make the World Food Conference a success. I think that the proposals we made in Rome will probably be the basis of food policy for some time to come. Our basic point was that there already exists a large global food deficit which is certain to grow. The gap cannot be closed by the United States alone or even primarily. Whether our food aid is 4 million tons or 3 million tons is important for moral and humanitarian reasons; it is not decisive in dealing with the world food deficit, which is already approaching 25 million tons and which can grow to 80 million tons in 10 years.

What we need is a systematic effort to increase world food production, especially in the less developed countries, to have the exporting countries organize themselves so that they know where to put their efforts, and to improve world food distribution and financing. That was the major thrust of our ideas.

In addition, we're willing to give the maximum food aid that our economy can stand. But food aid by the United States cannot be decisive. It's a pity that it turned out to be the principal issue in the public debate. What happened after the conference in terms of setting up food reserves, exporters groups, and so forth actually indicates that progress is being made. The conference was quite successful, but the focus of some of the domestic debate was off center.

*Q. What policy do you think the world has to adopt for making sure countries have access to raw materials?*

*Secretary Kissinger:* Last year at the special session of the General Assembly, I



pointed out that we are facing a substantial change in world economic patterns. In the past, even the very recent past, almost all producing countries were afraid of surpluses. We're now in a period in which the idea of surpluses will seem a relic of a golden era. The pressures of population, industrialization, and increasing interdependence of the world economy impose on us some form of rational planning and interaction.

I proposed a systematic study of world resources, of raw materials, to obtain a systematic estimate of what we will be up against, even with good will, over a period of the next decade or so. I believe that we need the sort of coherent approach which is now being attempted in the field of energy; it will either be imposed on us or we will have to take the lead in developing it in other fields, including food. One of our efforts at the Rome food conference was to show how a constructive approach might work in contrast to a restrictive cartel approach of the energy producers.

*Q. Do you think there will be any legislation in the United States because the food situation, in which we have the position of the OPEC countries, is an explosive political question domestically?*

*Secretary Kissinger:* We're going to face a problem. We have to come to an understanding with the Congress about the proper relationship between the executive and the legislative functions—what Congress should legislate and what should be left to executive discretion. The attempt to prescribe every detail of policy by congressional action can, over a period of time, so stultify flexibility that you have no negotiating room left at all. We recognize that the Congress must exercise ultimate policy control. But what is meant by that, how much detail, is what we intend to discuss very seriously with the congressional leadership when it reassembles. I would hope that the Congress would keep in mind that we need some flexibility.

Now back to your question of how we can allocate food for use abroad and yet not drive food prices too high in this country. That's a tough problem. We have to make

decisions on that periodically in the light of crop reports, in the light of sustainable prices. Suppose we put on export controls that drove the prices down domestically, then we would also have a problem. We have to be prepared to pay some domestic price for our international position.

If Japan were suddenly cut off from major imports of American agricultural goods, you would almost certainly have a dramatic re-orientation of Japanese political life. That would have profound economic consequences for us also over a period of time. They may not be measurable today, they certainly are not fully demonstrable, but the consequences are certain.

On the other hand, if you undermine your domestic position totally in the sense that the American public thinks the high food prices are largely due to foreign sales, then you have another unmanageable problem. On the whole, the United States is a healthy society, so that the national leadership, if it explains its position properly, has a good chance of carrying the day.

*Q. How long do you think the economies of Italy, the United Kingdom, and France can go without serious trouble because of the strains imposed by the oil deficits?*

*Secretary Kissinger:* All West European economies, with the exception of the Federal Republic of Germany, are going to be in more or less serious trouble within the next 18 months. Which is another reason for striving for a much closer coordination of economic policies.

*Q. Can this economic trouble lead to political trouble?*

*Secretary Kissinger:* Without any question. Every government is judged not only by its performance but whether it is believed to be trying to master the real problems before it. F. D. Roosevelt could go along for several years without a great improvement in the economic conditions because the public *believed* he was dealing with the problems. The danger of purely national policies is that they are patently inadequate for dealing with economic problems—especially in Europe—

and as the sense of impotence magnifies, the whole political base will erode.

As it is, the Communist vote in Italy, and to some extent in France, has remained constant regardless of economic conditions. A substantial proportion of the population has felt sufficiently disaffected with the system, even when the system was performing well, that they voted Communist in order to keep pressure on. As the Communist vote grows, the flexibility of the political system diminishes. Economic decline in Europe would therefore have serious political consequences.

*Q. There appears to be a rise in enthusiasm for the far right, too, a feeling that what is needed is an authoritative man that can cope with these labor problems, these inflation problems, et cetera.*

*Secretary Kissinger:* If you have a major economic crisis, the emergence of authoritarian governments of the left or the right is a distinct possibility.

*Q. In Europe, the charge is made that you have sold out Western civilization for 18 months of peace in the Middle East. Why do Europeans feel this hostility toward the United States and toward you?*

*Secretary Kissinger:* Well, of course I'd like to know who these Europeans are—for my own education. What would they have had us do?

*Q. They're talking about military action.*

*Secretary Kissinger:* The fact of the matter is that the governments they represent systematically opposed every move we made in the Middle East; every strong action that was taken in the Middle East was taken by the United States. Had we taken military action in the Middle East, we would have faced violent opposition from their own governments.

Our difficulty in the Middle East is caused in part by our inability to organize cooperation even for nonmilitary action. The efforts the administration made diplomatically to lift the oil embargo reduced, at least for a time, the dangers in the Middle East. It gave everyone a breathing space. We gave up nothing.

Except the possibility of military action, which was a chimerical idea.

When we went on a military alert for one day, we were accused of having done it for political reasons. Was it conceivable that in the middle of Watergate the United States take military action? And for what purpose?

Why are the Europeans so hostile to the United States? I think they suffer from an enormous feeling of insecurity. They recognize that their safety depends on the United States, their economic well-being depends on the United States, and they know that we're essentially right in what we're doing. So the sense of impotence, the inability to do domestically what they know to be right, produces a certain peevishness which always stops just short of policy actions. No foreign minister ever says this.

*Q. Even though the trade bill has been passed, do you think the economic difficulties here in the United States and abroad will make it possible to reduce tariffs and non-tariff barriers?*

*Secretary Kissinger:* I think it is essential that we go into these trade negotiations with the attitude of creating a new international trading system. It is the only hope we have of avoiding the political consequences we talked about earlier. If we begin to draw into ourselves, we will cause a loss of confidence. We must act as if these problems can be overcome. Maybe they can't be, but they will never be licked if we do not build a new international economic environment with some conviction.

*Q. Will Congress' restrictions on Export-Import Bank credits have any impact on trade with the Soviet Union or détente?*

*Secretary Kissinger:* The congressional restrictions have deprived the United States of important and maybe fundamental leverage. The Soviet Union was much more interested in credits than it was in trade, because for the next four or five years it will have very little to give in reciprocal trade.

And this is one of those examples I had in mind before. If the Congress cannot trust

the executive enough to use its credit authority with discretion, then Congress will not be able to deal with the problem by the sort of restrictions it put on—aimed at depriving the credit authority granted by Congress of any effective meaning.

Three hundred million dollars over a period of four years is simply not enough to use as a bargaining chip with a major country. It has no significant impact on its economy, and therefore it is the surest guarantee it will be wasted.

For two years, against the opposition of most newspapers, we refused to extend credit to the Soviet Union until there was an amelioration of its foreign policy conduct. You remember various congressional amendments were introduced urging us to liberalize trade. The corollary of this was if there was more moderate Soviet conduct, trade and credits could open up. I believe that the recent Soviet statements on Jewish emigration have been caused, in part, by Soviet disappointment with the credit restrictions.

But beyond that, a President who has only \$300 million of credit flexibility over four years is forced in a crisis more and more to rely on diplomatic or military pressures. He has no other cards. The economic card has been effectively removed from his hand.

*Q. We were intrigued by the timing of the Soviet statement; it came when the trade bill was still in conference.*

*Secretary Kissinger:* I think the Soviets wanted to make clear ahead of time what their attitude was so later they could not be accused of having doublecrossed us.

*Q. Do you think that Soviet disappointment over credits will cause a hardening of their position on emigration of Jews?*

*Secretary Kissinger:* If these trends continue in the United States, you can expect a general hardening of the Soviet position across the board over a period of time. They will not go back to the cold war in one day. But there are many things the Soviet Union could do that would make our position much more complicated. What could happen in Europe, in the Middle East, in Southeast

Asia, if the Soviet Union pursued a policy of maximizing our difficulties? Most of the criticism leveled at the Soviet Union these days is that they are not solving our difficulties, not that they are exacerbating them. I think the restrictions on Exim credits will have an unfortunate effect on U.S.-Soviet relations.

*Q. Do you see any way that the countries of the world can better coordinate their economic and financial policies?*

*Secretary Kissinger:* One interesting feature of our recent discussions with both the Europeans and Japanese has been this emphasis on the need for economic coordination. In April 1973, in my "Year of Europe" speech, I proposed the coordination of economic policies and of energy policies. At that time, the proposal was generally resisted on the grounds that we were trying to produce a linkage where the obligations had never run to economic matters. In all the recent meetings of the President with heads of government, and all the meetings I have had with Foreign Ministers, our allies and friends have absolutely insisted that we coordinate economic policies. So you have had a 180-degree turn in one year.

How you in fact coordinate policies is yet an unsolved problem, but it must be solved. Otherwise we will have a succession of beggar-thy-neighbor policies and countries trying to take a free ride on the actions of their partners.

*Q. Do you believe we have to go beyond what is done at the Organization for Economic Cooperation and Development?*

*Secretary Kissinger:* I don't know if we need new structures, but I think we need new approaches to existing structures. I haven't thought through whether we need new structures.

In the next 10 years you will have coordinated fiscal policy, including ours. I am not saying they have to be identical, but they have to be coordinated.

We have greater latitude than the others because we can do much on our own. The others can't. But it is an important aspect

of leadership to exercise our freedom of action with restraint and to let others participate in decisions affecting their future.

*Q. Is there any chance of coordinating better U.S. international economic policy, particularly since the Council on International Economic Policy seems to be losing its power?*

*Secretary Kissinger:* You can't look at policies of a government in terms of organizational mechanisms. The Council on International Economic Policy was created at a time when the National Security Council was essentially divorced from economic policies. Then it became clear that every economic policy had profound foreign policy implications and really required political inspiration and leadership to make it effective. You could never implement the energy policy as a purely economic matter; it has been a foreign policy matter from the beginning.

When that happens, the issue tends to be pulled back into the orbit of the National Security Council. What you have had is a greater foreign policy involvement in economic policy decisions.

On the other hand, I think the relations between the State Department and Treasury have never been better, despite the occasional disagreements that surface in the newspapers. You expect disagreements. The issue is not whether there are disagreements, but how they are settled. And they are always settled in a constructive, positive way.

On energy we have a group, which I described before, of Arthur Burns, Simon, myself, Robinson, and a few others who meet regularly to set the basic strategy in the international field. Whether we meet as the Council on International Economic Policy or as the National Security Council, the group has essentially the same membership.

*Q. Should there be additional legislation to protect U.S. industry from ownership by Arab oil money? If so, what shape should the legislation take?*

*Secretary Kissinger:* We are now study-

ing the ways that oil producers' money could be invested in the United States and what we should protect against. We haven't come to any conclusions because if you get a manageable minority interest, that would be in our interest. If you get actual control over strategic industries, then you have to determine how that control would be exercised before you know how to avoid it. There are some industrial segments we would not want to be dominated by potentially hostile investors. Since we haven't completed the study, I can't give you a conclusive answer. By the middle of January we will have concluded the study.

*Q. Do you think a request for legislation will be the result of that study?*

*Secretary Kissinger:* It may be a request for some sort of a board to monitor foreign investment, and the board would formulate some proposal. I am not sure about the shape of the proposal, but we need a systematic monitoring.

## **Foreign Assistance Act of 1974 Signed into Law**

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

I have signed S. 3394, the Foreign Assistance Act of 1974, with some reservations but with appreciation for the spirit of constructive compromise which motivated the Congress.

I sought a bill which would serve the interests of the United States in an increasingly interdependent world in which the strength and vitality of our own policies and society require purposeful and responsible participation in the international community. Foreign assistance is indispensable in exercising the role of leadership in the cooperative and peaceful resolution of conflicts, in pursuing political stability and economic

<sup>1</sup> Issued at Vail, Colo., on Dec. 30 (text from White House press release); as enacted, the bill is Public Law 93-559, approved Dec. 30, 1974.

progress, and in expressing the American spirit of helping those less fortunate than we are.

In most respects, the Foreign Assistance Act of 1974 will serve those ends. It includes, however, several restrictions that may pose severe problems to our interests. I must bring them to the attention of the Congress as matters which will be of continuing concern and which may require our joint efforts to remedy if circumstances require.

First are the numerous and detailed limitations on assistance to Indochina. The economic and military assistance levels for Cambodia, particularly, are clearly inadequate to meet minimum basic needs. Our support is vital to help effect an early end to the fighting and a negotiated settlement. This is also the objective of the U.N. General Assembly, which approved a resolution calling for a negotiated settlement. I intend to discuss this critical issue with the congressional leadership at the earliest possible time.

In South Viet-Nam, we have consistently sought to assure the right of the Vietnamese people to determine their own futures free from enemy interference. It would be tragic indeed if we endangered, or even lost, the progress we have achieved by failing to provide the relatively modest but crucial aid which is so badly needed there. Our objective is to help South Viet-Nam to develop a viable, self-sufficient economy and the climate of security which will make that development possible. To this end, the economic aid requested represented the amount needed to support crucial capital development and agricultural productivity efforts. The lower amount finally approved makes less likely the achievement of our objectives and will significantly prolong the period needed for essential development.

I appreciate the spirit of compromise which motivated the Congress to extend to February 5, 1975, the period during which military

assistance to Turkey may continue under specified circumstances. I regret, however, that the restriction was imposed at all. Turkey remains a key element of U.S. security and political interests in the eastern Mediterranean. The threat of cutoff of aid, even if unfulfilled, cannot fail to have a damaging effect on our relations with one of our staunch NATO allies whose geographic position is of great strategic importance. This, in turn, could have a detrimental effect on our efforts to help achieve a negotiated solution of the Cyprus problem.

I regret the action of the Congress in cutting off the modest program of military assistance to Chile. Although I share the concern of the Congress for the protection of human rights and look forward to continuing consultation with the Chilean Government on this matter, I do not regard this measure as an effective means for promoting that interest.

Finally, the Congress has directed that during the current fiscal year no more than 30 percent of concessional food aid should be allocated to countries which are not among those most seriously affected by food shortages—unless the President demonstrates that such food is required solely for humanitarian purposes. I understand and share the spirit of humanitarianism that prompted a statement of congressional policy on this subject. But that policy could unduly bind the flexibility of the United States in an arbitrary way in meeting the needs of friendly countries and in pursuing our various interests abroad.

As with other differences which the Congress and the executive branch worked out in consideration of this bill, I look forward to working with the 94th Congress in meeting and solving the problems that are still before us. We share the common goal of best serving the interests of the people of the United States. Working together, we shall continue to serve them responsibly.

## International Narcotics Control: A High-Priority Program

*Address by Sheldon B. Vance*<sup>1</sup>

Alcohol and drug problems are genuine concerns of anyone with management responsibilities, and in this sense my personal involvement is not new. However, my interest has been more immediate and full time since early this year when Secretary Kissinger named me his Senior Adviser on Narcotics Matters.

The Federal international narcotics control program is a combined effort of several U.S. agencies, operating within the framework of the Cabinet Committee on International Narcotics Control, which is chaired by Secretary of State Kissinger. I also serve as the Executive Director of the Cabinet Committee and therefore direct or coordinate, under the President's and Secretary's control, what our Federal Government is attempting to do abroad in this field, whether in the enforcement, treatment, or prevention areas.

My remarks today will not address alcohol abuse, not because we believe alcohol a lesser or insignificant problem—we definitely do not—but because our international narcotics control program does not extend to alcohol. The Cabinet Committee was, in fact, formed largely in response to the tragic victimization of American youth by heroin traffickers in the late 1960's and early 1970's. As you know, the same period also saw a sharp rise in the abuse of other drugs over which we seek tighter controls, including marihuana, hashish, cocaine, amphetamines, barbiturates,

tranquilizers, and LSD and other hallucinogens. Poly-drug abuse, the mixing or alternating consumption of different drugs, also emerged as a problem requiring special attention.

The American drug scene is not confined to our borders. It extends to our military forces and other Americans residing abroad, as well as to tourists. As of September 30 of this year, 1,289 U.S. citizens were languishing in foreign prisons on narcotics charges, principally in Mexico, Germany, Spain, and Canada. The 1,289 compares with the figure of 242 in September of 1969.

However hard we fight the problem of drug abuse at home, we cannot move significantly to solve it unless we succeed in winning and maintaining comprehensive and effective cooperation of foreign governments. Some of the key drugs of abuse originate in foreign countries. There is a legitimate need for opium as a source for codeine and other medicinal compounds, but illicit opium—from which heroin can be processed—has been produced in such countries as Turkey (prior to its ban), Afghanistan, Pakistan, Burma, Thailand, Laos, and neighboring Mexico. Opium is also being produced legally in India and Turkey for export and in Iran and a number of other countries for domestic medical and research utilization.

Some idea of the dimensions of our problem can be gained when we consider that the world's annual legal production of opium is close to 1,500 tons and illegal production is estimated at 1,200 tons. Similarly, the cocaine used in the United States is of foreign origin, produced as the coca plant princi-

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<sup>1</sup> Made before the North American Congress on Alcohol and Drug Problems at San Francisco, Calif., on Dec. 17. Ambassador Vance is Senior Adviser to the Secretary of State and Coordinator for International Narcotics Matters.

pally in Bolivia, Peru, and Ecuador. Colombia transforms more coca paste into cocaine than other countries. Cannabis, from which we get marihuana and hashish, is both imported and grown in the United States; the biggest supplier of the U.S. market is Mexico, followed by Jamaica.

We have had our problems with U.S.-manufactured amphetamines, barbiturates, and other mind-bending drugs. We are attempting to deal with the U.S. sources through domestic measures, but for the foreign substances we must look to other governments for cooperation. Frequently, it has been a case of persuading them that the problem is not just ours but is also theirs.

We have been increasingly successful in these efforts since mid-1971, when stopping the flow of narcotics to the United States—with emphasis on heroin and cocaine—became one of our principal foreign policy objectives. At that time, the Department of State was assigned the primary responsibility for developing an intensified international narcotics control effort and for managing the expenditures under the program.

To encourage cooperation from other governments and to assist them and international organizations to strengthen their antidrug capabilities, we have provided an annual average of \$22 million in grant assistance over the past three years. Our request for international control funds for the current fiscal year is \$42.5 million. Our bilateral programs emphasize cooperative law enforcement and exchange of intelligence. The major categories of grant assistance are training programs and equipment for foreign enforcement personnel and financial assistance for crop substitution and related agricultural projects. We are also exploring useful cooperative ventures in the fields of drug abuse education, treatment, and prevention.

During the past two months, I visited many of the countries in Latin America, the Near East, and Asia to examine our programs and look for ways to strengthen them. I can report that all of these governments expressed a sincere willingness to help stamp out illicit production and trafficking. But

these governments also face serious internal problems. The opium poppy, for example, usually flourishes in the more isolated areas where central government control is weak or nonexistent. In many areas it is the only cash crop of unbelievably poor tribesmen, and it also provides their only medication and relief from serious disease and hardship.

On my trip I saw something of the poppy-growing areas in Afghanistan in Badakshan and Nangarhar Provinces and of the Buner and Swabi poppy-producing areas of Pakistan's Northwest Frontier Province when I drove from Kabul, Afghanistan, to Peshawar, Pakistan, through the Kabul Gorge and Khyber Pass and then went on to Islamabad by Pakistani Government helicopter. I also helicoptered over the northern mountains of Thailand, where the Meo hill tribes grow opium like the tribesmen in the neighboring mountains of Burma and Laos in what is called the Golden Triangle.

The experience vividly demonstrated to me the conditions which make it very difficult for these governments—despite a genuine desire to stamp out illegal opium—to control production effectively any time soon. We and producing countries cannot expect to see a high degree of success in our cooperative enforcement efforts until significant adjustments are made in the social attitudes and economic conditions in the opium-growing areas.

#### **Western Hemisphere Control Programs**

*Mexico*—Today, the number-one priority country in our international narcotics control efforts is Mexico. The Mexican opium crop and heroin laboratories are the current source of more than half of the heroin on our streets. The so-called Mexican brown heroin has not only moved into our largest cities but is also spreading to some of the smaller cities throughout our country. When President Ford met with President Echeverria in October, narcotics control was very high on their agenda and they agreed that an even more intensified joint effort is needed.

The Mexican Government under President

Echeverría has assigned high priority to its antidrug campaign and has directed Attorney General Pedro Ojeda Paullada to coordinate its eradication and control efforts.

We are helping them by providing aircraft, mainly helicopters, to assist in the eradication of opium poppy cultivation in the western mountains. This cultivation is illegal in Mexico, and there is no question of the Mexican Government offering income substitution to the farmer. There is also a crash program to strengthen antismuggling controls on both sides of the border. Our crooks smuggle guns and appliances into Mexico, in coordination with their crooks who supply ours with heroin and marihuana. U.S.-Mexican cooperative measures are paying off, but much remains to be done before illicit trafficking can be reduced in a major way.

For fiscal year 1975, about \$10 million, or almost one-quarter, of our international narcotics control funds are being allocated to the Mexican program. Our Mexican neighbors are spending much more. My colleague John Bartels, Administrator of the Drug Enforcement Administration (DEA), and I meet three or four times a year with our friend Pedro Ojeda Paullada, either in Mexico City or Washington, in order to coordinate our respective efforts.

*Colombia*—A country with extensive coastlines and huge land areas, Colombia is the major transit point for illegal shipments of cocaine entering the U.S. market. The Colombian Government has launched a great effort to eliminate the criminal element, to combat drug trafficking, and to crack down on the laboratories processing coca base smuggled in from Peru, Bolivia, Ecuador, and Chile. The United States is moving forward with an assistance program tailored to help the new Colombian Government thrust. We are furnishing such enforcement items as jeeps, motorcycles, radios, and laboratory equipment. We are also providing antinarcotics technical training for the Judicial Police, the National Police, and Customs.

*Jamaica*—This Caribbean island has emerged as a major supplier of marihuana

to the United States, surpassed only by Mexico. Moreover, there is evidence that Jamaica is a transit point for the smuggling of cocaine and heroin to our country from South America. Within the past year, the Jamaican Government has undertaken major steps to curb illicit drug activities. In response to urgent requests for assistance from the Jamaican Government, U.S. technical assistance and equipment was extended to a Jamaican task force set up to intercept boats and aircraft engaged in narcotics smuggling, to disrupt trafficking rings, and to destroy commercial marihuana cultivation. Well over 600,000 pounds of commercially grown marihuana have been destroyed thus far. U.S. support consists of loaning of helicopters and transfers of communications equipment and investigative-enforcement aids together with training and technical assistance.

#### **The Situation in Turkey**

*Turkey*—In 1971, with the realization that a substantial amount of opium legally produced in Turkey was being diverted to illicit narcotics trafficking, the Turkish Government concluded that a total ban on poppy growing would be the most effective way to stop the leakage. However, the Turkish Government which assumed office in January 1974 reconsidered the ban, amid great internal political debate, and on July 1 rescinded it on the grounds that what is grown in Turkey is a sovereign decision of the Turks.

In high-level dialogue between our two governments we have made clear our very deep concern at the possibility of a renewed massive flow of heroin from Turkish opium to the United States. We stressed our hope they would adopt effective controls. A special U.N. team held discussions on this subject in Turkey on the invitation of the Turkish Government, which has stated publicly many times that it will not allow its resumption of poppy cultivation to injure other peoples.

In mid-September, the Turkish Government issued a statement that it would adopt



a method of harvesting the poppies called the poppy straw process, which involves the collection by the Turkish Government of the whole poppy pod rather than opium gum. This was the procedure recommended by the U.N. experts. Traditionally, the opium gum was taken by the farmers through lancing the pod in the field, and it was a portion of this gum that was illegally bought by the traffickers.

Last month I talked with senior Turkish Government officials and with police officials. The word has moved all the way down the chain to the poppy farmer that opium gum production is definitely prohibited, and the enforcement mechanism is moving into place. Turkey and the U.N. narcotics organization are cooperating fully in this effort, and all will be watching closely to endeavor to prevent and to head off diversions into the illicit traffic.

#### **Joint Efforts in Southeast Asia**

*Southeast Asia*—The Golden Triangle area, where Burma, Laos, and Thailand come together, is the largest source of illicit opium in the world, with an estimated annual production of 600–700 tons. Most of this production is consumed by opium or heroin smokers in Southeast Asia. Since 1970, when heroin processed from opium in Golden Triangle refineries began to become widely available to U.S. troops in Viet-Nam, we have been concerned that heroin from this source would increasingly reach the United States, especially as the ban on opium production in Turkey and disruption efforts along the way dried up the traditional Middle Eastern-European route to the United States.

For the past three years, therefore, we have made Southeast Asia a major object of our international control efforts. We have devoted a significant share of our suppression efforts and resources to our cooperative programs in Thailand, Laos, Viet-Nam, the Philippines, and Hong Kong. The biggest concentration has been in Thailand, which serves as the major transit area for Burmese-origin opium. A recent series of agreements for

U.S. assistance to Thailand include helicopters, communications equipment, vehicles, and training programs. Important steps were also taken on the income-substitution side, including the approval of an aerial survey of northern Thailand, where opium is grown by the hill tribes. In Burma, the government has stepped up its antinarcotics efforts. For fiscal year 1975, Southeast Asia will account for over \$10 million of our international narcotics control funds.

While our joint suppression efforts are making some headway in Southeast Asia, we should not view the situation there through rose-colored glasses. Antinarcotics efforts in Southeast Asia run up against several unique problems. Burma and Thailand are threatened by insurgent groups which control or harass large areas of the opium-growing regions. The governments have limited resources and few trained personnel available for narcotics control. In addition, the lack of internal security hampers police action and intelligence operations against traffickers. The Government of Burma, for example, does not have effective administrative control over a significant portion of the area where most Asian poppies are grown.

The topography of the Golden Triangle area is mountainous, wild, and uncontrollable. When one smuggling route is uncovered and plugged by police and customs teams, the traffickers can easily detour to alternate routes and modes of transportation. We need only look at the difficulties that our own well-trained and well-equipped law enforcement agencies have in blocking narcotics traffic across our clearly defined peaceful border with Mexico to gain a better appreciation of the difficulties in Southeast Asia.

Moreover, use of opium has been tolerated in the area, and opium has been regarded as a legitimate commodity of commerce for centuries under both colonial and indigenous governments. For the hill tribes, opium is still the principal source of medicinal relief for endemic diseases and is also the most lucrative crop to sell or barter for basic necessities. We are actively seeking alternative crops and other sources of income for these

peoples, in close cooperation with similar efforts by the U.N. narcotics organizations; but progress will be slow, as a way of life of primitive and remote peoples must be modified.

And so the situation in Southeast Asia is complex and long term.

### **Multilateral Approaches**

Concurrently with our bilateral action programs, we have given full support to the multilateral or international efforts in the fight against illicit narcotics production and trafficking.

For example, the United States was a leading proponent of the establishment of the United Nations Fund for Drug Abuse Control. To date, we have contributed \$10 million of the \$13.5 million made available to the Fund by all countries. In Thailand, the Fund is assisting in a comprehensive program designed to develop alternate economic opportunities for those who grow opium; the Fund has a similar project in Lebanon for the development of alternatives to cannabis production. Within the past year, the Fund has financed a World Health Organization worldwide study of the epidemiology of drug dependence which we hope will contribute toward clarifying the nature of the problem we seek to solve. It is also financing treatment and rehabilitation activities for drug addicts in Thailand, fellowships and consultancies in rehabilitation in various countries, and seminars on community rehabilitation programs in Europe.

The U.S. Government has also taken a leading role in formulating two major pieces of international narcotics legislation. The first relates to the 1961 Single Convention on Narcotic Drugs. I am happy to report that the U.S.-sponsored amending protocol, which would considerably strengthen controls over illicit production and trafficking, has been ratified by 32 of the 40 countries necessary for its coming into force. The United States was one of the first countries to ratify the protocol, on November 1, 1972.

The second major area of international legislation pertains to the Convention on Psychotropic Substances, which would provide international control over LSD and other hallucinogens, the amphetamines, barbiturates, and tranquilizers. The administration submitted the convention to the Senate in mid-1971 with a request for its ratification. We are now waiting for congressional approval of the proposed enabling domestic legislation that would pave the way for ratification of this essential international treaty. U.S. approval of the Psychotropic Convention would strengthen our hand in obtaining cooperation from other governments in controlling the classic narcotic substances.

The approach to a successful antidrug program cannot, of course, relate to supply alone. Nor is an attack on the demand side alone the answer. Only through a combined effort can the job be done. Thus the initial objective of our international program has been to reduce availabilities of illicit supplies so that addicts will be driven into treatment and others will be deterred from experimentation. We are also examining ways to foster international cooperation in the fields of treatment and prevention to augment awareness that drug abuse is not exclusively an American problem but one that seriously affects developing countries just as it plagues the affluent. We also hope to demonstrate our progress in treatment and prevention and to learn from other countries the methods that they have found effective.

As many of you know, we have several cooperative treatment and research projects with a number of concerned governments throughout the world. For example, with the Government of Mexico through Dr. Guido Belsasso's organization, the Mexican Center for Drug Dependency Research, we have provided some assistance to the Mexican epidemiological study and we are jointly studying heroin use along our common border.

I think we can point with pride to our role over the past three years toward a tightening of international controls. Worldwide seizures and arrests of traffickers have become more

and more significant as other countries have joined in the battle. And there has been a move in the direction of more effective controls through treaty obligations. However, the job is far from done. It should be apparent to us all that abundant supplies of narcotics—both in storage and under cultivation—quickly respond to illicit high profits. Our task, then, is to further strengthen the international control mechanism to reduce illicit trafficking.

On October 18, John Bartels, the Administrator of DEA, Dr. Robert DuPont, Director of the Special Action Office for Drug Abuse Prevention, and I met with President Ford to review the U.S. drug abuse programs. The President stated that he had personally seen examples of the human devastation caused by drug abuse and said he wanted every appropriate step taken to further the U.S. Government's drug abuse program both at home and abroad. On the international front, the President specifically directed that all American Ambassadors be made aware of the prime importance he attaches to our efforts to reduce the flow of illicit drugs to the United States and requested that each Ambassador review the activities of his mission in support of the drug program.

Thus, drug control continues to be a high-priority foreign policy issue. In cooperation with our missions abroad and the governments to which they are accredited, we shall carry on with our efforts against the scourge of drug abuse.

## **Department Welcomes TWA-Swissair Agreement on Airline Capacity**

*Department Announcement*<sup>1</sup>

The Department of State welcomes the announcement by Trans World Airlines (TWA) that it has reached an agreement with Swissair for the reduction of airline capacity in the U.S.-Switzerland market for the summer 1975 season. The agreement, which is subject to the approval of the Civil Aeronautics Board, will reduce the overall capacity in the U.S.-Switzerland market by over 25 percent compared with the 1973 base year. The Swissair reduction will be even larger because the agreement calls for an expansion of TWA services in order to improve its position in the U.S.-Switzerland market.

The United States had earlier requested consultations with Switzerland concerning the problem of excess capacity. The U.S. Government is now considering whether the proposed agreement between the two airlines will make intergovernmental talks unnecessary insofar as the upcoming summer season is concerned.

The reduction of excess capacity in the transatlantic market is part of the President's seven-point action program to assist the U.S. international airline industry.

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<sup>1</sup> Issued on Dec. 23 (text from press release 543); the announcement by TWA was included in the Department's press release.

## U.S. Warns That Present Voting Trends May Overshadow Positive Achievements of the United Nations

*Following are statements made in the U.N. General Assembly on December 6 and 12 by U.S. Representative John Scali, together with the texts of two resolutions adopted by the Assembly on December 12.*

### STATEMENTS BY AMBASSADOR SCALI

#### Statement of December 6

USUN press release 191 dated December 6

Last year the U.S. delegation sought to call attention to a trend which we believed threatened the U.N.'s potential as an instrument for international cooperation. We were deeply concerned then over the growing tendency of this organization to adopt one-sided, unrealistic resolutions that cannot be implemented.

Today, more than a year later, my delegation feels that we must return to this subject because this trend has not only continued but accelerated. Added to this, there is now a new threat—an arbitrary disregard of U.N. rules, even of its charter. What my delegation spoke of 12 months ago as a potential threat to this organization, unhappily, has become today a clear and present danger.

The U.S. Government has already made clear from this rostrum its concern over a number of Assembly decisions taken during the sixth special session last spring and during the current session. These decisions have dealt with some of the most important, the most controversial, and the most vexing issues of our day: the global economic crisis,

the turmoil in the Middle East, and the injustice in southern Africa. I will not today discuss again our main concerns with each of these decisions. Rather, I wish to take this opportunity to discuss the more general question of how self-centered actions endanger the future of this organization.

The United Nations, and this Assembly in particular, can walk one of two paths. The Assembly can seek to represent the views of the numerical majority of the day, or it can try to act as a spokesman of a more general global opinion. To do the first is easy. To do the second is infinitely more difficult. But, if we look ahead, it is infinitely more useful.

There is certainly nothing wrong with like-minded groups of nations giving voice to the views they hold in common. However, organizations other than the United Nations exist for that purpose. Thus, there are organizations of African states, of Asian states, of Arab states, of European states, and of American states. There are groups of industrialized nations, of developing nations, of Western and Eastern nations, and of nonaligned nations. Each of these organizations exists to promote the views of its membership.

The United Nations, however, exists not to serve one or more of these special-interest groups while remaining insensitive to the others. The challenge of the United Nations is to meld and reflect the views of all of them. The only victories with meaning are those which are victories for us all.

The General Assembly fulfills its true function when it reconciles opposing views

and seeks to bridge the differences among its member states. The most meaningful test of whether the Assembly has succeeded in this task is not whether a majority can be mobilized behind any single draft resolution, but whether those states whose cooperation is vital to implement a decision will support it in fact. A better world can only be constructed on negotiation and compromise, not on confrontation, which inevitably sows the seeds of new conflicts. In the words of our charter, the United Nations is "to be a center for harmonizing the actions of nations in the attainment of these common ends."

No observer should be misled by the coincidental similarities between the General Assembly and a legislature. A legislature passes laws. The General Assembly passes resolutions, which are in most cases advisory in nature. These resolutions are sometimes adopted by Assembly majorities which represent only a small fraction of the people of the world, its wealth, or its territory. Sometimes they brutally disregard the sensitivity of the minority.

Because the General Assembly is an advisory body on matters of world policy, the pursuit of mathematical majorities can be a particularly sterile form of international activity. Sovereign nations, and the other international organs which the Assembly advises through its resolutions, sometimes accept and sometimes reject that advice. Often they do not ask how many nations voted for a resolution, but who those nations were, what they represented, and what they advocated.

Members of the United Nations are endowed with sovereign equality; that is, they are equally entitled to their independence, to their rights under the charter. They are not equal in size, in population, or in wealth. They have different capabilities and therefore different responsibilities, as the charter makes clear.

Similarly, because the majority can directly affect only the internal administration of this organization, it is the United Nations itself which suffers most when a majority,

in pursuit of an objective it believes overriding, forgets that responsibility must bear a reasonable relationship to capability and to authority.

Each time this Assembly adopts a resolution which it knows will not be implemented, it damages the credibility of the United Nations. Each time that this Assembly makes a decision which a significant minority of members regards as unfair or one-sided, it further erodes vital support for the United Nations among that minority. But the minority which is so offended may in fact be a practical majority in terms of its capacity to support this organization and implement its decisions.

Unenforceable, one-sided resolutions destroy the authority of the United Nations. Far more serious, however, they encourage disrespect for the charter and for the traditions of our organization.

No organization can function without an agreed-upon framework of rules and regulations. The framework for this organization was built in the light of painful lessons learned from the disastrous failure of its predecessor, the League of Nations. Thus, the U.N. Charter was designed to insure that the important decisions of this organization reflected real power relationships and that decisions, once adopted, could be enforced.

One of the principal aims of the United Nations, expressed in the preamble of its charter, is "to practice tolerance and live together in peace with one another as good neighbors." The promise the American people and the peoples of the other founding nations made to each other—not as a matter of law, but as a matter of solemn moral and political obligation—was to live up to the charter and the duly made rules unless or until they were modified in an orderly, constitutional manner.

The function of all parliaments is to provide expression to the majority will. Yet, when the rule of the majority becomes the tyranny of the majority, the minority will cease to respect or obey it, and the parliament will cease to function. Every majority

must recognize that its authority does not extend beyond the point where the minority becomes so outraged that it is no longer willing to maintain the covenant which binds them.

My countrymen have made a great investment in this world organization over the years—as host country, as the leading financial contributor, and as a conscientious participant in its debates and negotiations and operational programs. Americans have loyally continued these efforts in a spirit of good faith and tolerance, knowing that there would be words spoken which we did not always like and resolutions adopted which we could not always support.

As the 29th General Assembly draws to a close, however, many Americans are questioning their belief in the United Nations. They are deeply disturbed.

During this 29th General Assembly, resolutions have been passed which uncritically endorse the most far-reaching claims of one side in dangerous international disputes. With this has come a sharply increased tendency in this Assembly to disregard its normal procedures to benefit the side which enjoys the favor of the majority and to silence, and even exclude, the representatives of member states whose policies the majority condemns. In the wake of some of the examples of this Assembly, the General Conference of UNESCO [United Nations Educational, Scientific and Cultural Organization] has strayed down the same path, with the predictable consequences of adverse reaction against the United Nations. Innocent bystanders such as UNICEF [United Nations Children's Fund] already have been affected.

We are all aware that true compromise is difficult and time consuming, while bloc voting is fast and easy. But real progress on contentious issues must be earned. Paper triumphs are, in the end, expensive even for the victors. The cost is borne first of all by the United Nations as an institution and, in the end, by all of us. Our achievements cannot be measured in paper.

A strong and vital United Nations is im-

portant to every member state; and actions which weaken it weaken us all, particularly the smaller and the developing nations. Their security is particularly dependent on a collective response to aggression. Their prosperity particularly depends on access to an open and expanding international economy. Their ability to project their influence in the world is particularly enhanced by membership in international bodies such as the United Nations.

In calling attention to the dangerous trends, I wish also to call attention to the successes of the United Nations during the past year.

U.N. members overcame many differences at the World Population Conference and the World Food Conference. There was also progress at the Law of the Sea Conference. There was agreement on programs encouraging states to maintain a population which they can feed and feed the population which they maintain. As a result of these U.N. conferences the world community has at last begun to grapple with the two fundamental issues which are central to any meaningful attempt to provide a better life for most of mankind.

In the Middle East a unique combination of multilateral and bilateral diplomacy has succeeded in halting last year's war and in separating the combatants. With good will and cooperation, the Security Council has renewed the mandate for the peace forces, allowing time for a step-by-step negotiating process to bear fruit. My government believes that this negotiating process continues to hold the best hope in more than a quarter of a century for a just and lasting peace in that area.

On Cyprus, the Security Council, the Assembly, and our Secretary General have all contributed to progress toward peace and reconciliation. Much remains to be done, but movement toward peace has been encouraged.

Perhaps the U.N.'s most overlooked success of the past year resulted from the mission of the Secretary General's representative, Mr. [Luis] Weckmann-Munoz. This

effort, which was undertaken at the request of the Security Council, succeeded in mediating a particularly dangerous border dispute between Iran and Iraq. This example of how to prevent a small conflict from blowing up into a much bigger war must rank among the U.N.'s finest, if least heralded, achievements.

Thus, despite the disturbing trend toward the sterile pursuit of empty majorities, recent U.N. achievements demonstrate that this organization can still operate in the real world in the interests of all its members. Unfortunately, failure and controversy are threatening to overshadow the record of successes. Its lapses are long remembered and remain a source of lasting grievance for those who feel wronged.

Before concluding my remarks, I would like to say a few words, not as the U.S. Representative to this organization but as an American who has believed deeply in the United Nations since 1945 when, as a young reporter just returned from the war, I observed the birth of this organization.

I must tell you that recent decisions of this Assembly and of other U.N. bodies have deeply affected public opinion in my country. The American people are deeply disturbed by decisions to exclude member states and to restrict their participation in discussions of matters of vital concern to them. They are concerned by moves to convert humanitarian and cultural programs into tools of political reprisal. Neither the American public nor the American Congress believes that such actions can be reconciled with the spirit or letter of the U.N. Charter. They do not believe that these decisions are in accord with the purposes for which this organization was founded. They believe the United Nations, in its forums, must show the same understanding, fair play, and responsibility which its resolutions ask of individual members.

My country cannot participate effectively in the United Nations without the support of the American people and of the American Congress. For years they have provided that support generously. But I must tell you

honestly that this support is eroding—in our Congress and among our people. Some of the foremost American champions of this organization are deeply distressed at the trend of recent events.

A majority of our Congress and our people are still committed to a strong United Nations. They are still committed to achieving peaceful solutions to the issues which confront this organization—in the Middle East, in South Africa, and elsewhere. They are still committed to building a more just world economic order. But the trends and decisions of the past few months are causing many to reflect and reassess what our role should be.

I have not come to the General Assembly today to suggest that the American people are going to turn away from the United Nations. I believe that World War II taught Americans the tragic cost of standing aside from an organized international effort to bring international law and justice to bear on world problems. But, like every nation, we must from time to time reassess our priorities, review our commitments, and redirect our energies. In the months ahead, I will do all in my power to persuade my countrymen that the United Nations can return to the path the charter has laid out and that it can continue to serve the interests of *all* of its members.

If the United Nations ceases to work for the benefit of all of its members, it will become increasingly irrelevant. It will fade into the shadow world of rhetoric, abandoning its important role in the real world of negotiation and compromise.

We must join to prevent this. The reasons for which this world organization was founded remain as valid and as compelling today as they were in 1945. If anything, there is added reason: the specters of nuclear holocaust, world depression, mass famine, overpopulation, and a permanently ravaged environment.

If we are to succeed, we must now renew our commitment to the central principles of tolerance and harmony upon which the U.N. Charter was built. We must redouble our

efforts to use this organization as the world's ultimate instrument for compromise and negotiation. I pledge my nation to these efforts.

## Statement of December 12

USUN press release 196 dated December 12

My delegation will vote in favor of draft resolution A/L.748. This resolution reflects the views of the U.S. Government on strengthening the role of the United Nations.

My delegation also welcomes the initiative of the Australian delegation contained in its draft resolution A/L.749 on peaceful settlement of international disputes. We are pleased to announce my delegation will vote in favor of this resolution.

I want also to take the occasion to thank my colleagues who have spoken since this discussion began last Friday. I do not agree with everything I have heard, just as others disagree with some of the points I made.

I am encouraged that the debate has turned into a constructive dialogue with much sober reflection. If we can maintain this willingness to listen carefully to one another, we can write a record that peoples everywhere can applaud.

## TEXTS OF RESOLUTIONS

### Resolution 3282 (XXIX)<sup>1</sup>

*Strengthening of the role of the United Nations with regard to the maintenance and consolidation of international peace and security, the development of co-operation among all nations and the promotion of the rules of international law in relations between States*

*The General Assembly,*

*Recalling its resolutions 2925 (XXVII) of 27 November 1972 and 3073 (XXVIII) of 30 November 1973,*

*Emphasizing that the active participation of all Member States in efforts aimed at strengthening the United Nations and enhancing its role in contemporary international relations is essential for the success of those efforts,*

*Aware that strengthening of the role of the United Nations requires continuous improvement in the functioning and effectiveness of its principal organs in the exercise of their responsibilities under the United Nations Charter,*

*Considering that it is desirable for the General Assembly to keep constantly under review the overall problems connected with the role and the effectiveness of the United Nations and to consider them periodically with a view to evaluating the progress achieved and adopting appropriate measures aimed at strengthening the role of the world Organization in international life,*

1. *Reaffirms* the provisions of its resolutions 2925 (XXVII) and 3073 (XXVIII) concerning the strengthening of the role of the United Nations in contemporary international relations;

2. *Takes note with appreciation* of the report of the Secretary-General,<sup>2</sup> prepared pursuant to resolution 3073 (XXVIII), containing the views, suggestions and proposals of Member States regarding the strengthening of the role of the United Nations;

3. *Transmits* to its thirtieth session for consideration, the views, suggestions and proposals of Member States contained in the above-mentioned report and in any communications that may be submitted in accordance with paragraph 5 below with regard to improving the functioning and effectiveness of the General Assembly in the exercise of its responsibilities under the United Nations Charter;

4. *Draws the attention* of the other principal organs of the United Nations to the views, suggestions and proposals of Member States contained in the relevant sections of the report of the Secretary-General so that they may be taken into consideration in the process of effectively improving the activities and functioning of those organs and invites them to keep the General Assembly informed on this subject in such manner as they may consider appropriate;

5. *Requests* Member States to give further study to ways and means of strengthening the role of the United Nations and enhancing its effectiveness and to communicate to the Secretary-General, not later than 30 June 1975, their views, suggestions and proposals in that regard with a view to supplementing the report prepared on the basis of resolution 3073 (XXVIII);

6. *Decides* to include in the provisional agenda of its thirtieth session the item entitled "Strengthening of the role of the United Nations with regard to the maintenance and consolidation of interna-

<sup>1</sup> Draft resolution A/L.748; adopted by the Assembly on Dec. 12 by consensus (text from U.N. press release GA/5194).

<sup>2</sup> U.N. doc. A/9695. [Footnote in original.]



tional peace and security, the development of co-operation among all nations and the promotion of the rules of international law in relations between States”.

### Resolution 3283 (XXIX)<sup>3</sup>

#### *Peaceful settlement of international disputes*

##### *The General Assembly,*

Noting that the Charter of the United Nations obliges Member States to settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered,

Recalling in particular that the Security Council is charged under the terms of Article 24 of the Charter with primary responsibility for the maintenance of international peace and security, and that disputes may be brought to the attention of the Council for purposes of pacific settlement under the provisions of Chapter VI of the Charter,

Recalling also that Article 33 of the Charter directs that parties to any dispute, the continuation of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice,

Recalling further that the International Court of Justice is the principal judicial organ of the United Nations and, as such, is available to Members for the settlement of legal disputes, that it has recently amended its Rules of Court with a view to simplifying its procedure so as to avoid delays and simplify hearings, and that it may establish chambers to hear and determine cases by summary procedure allowing for the speediest possible settlement of disputes,

Mindful of the existence of other facilities and machinery available for the settlement of disputes by mediation, conciliation, arbitration or judicial settlement, including the Permanent Court of Arbitration at The Hague and established regional agencies or arrangements,

Reaffirming that recourse to peaceful settlement of international disputes shall in no way constitute an unfriendly act between States,

Mindful also of the continuing threat to international peace and security posed by serious disputes of various kinds and the need for early action

to resolve such disputes by resort in the first instance to the means recommended in Article 33 of the Charter,

1. *Draws the attention* of States to established machinery under the Charter of the United Nations for the peaceful settlement of international disputes;

2. *Urges* Member States not already parties to instruments establishing the various facilities and machinery available for the peaceful settlement of disputes to consider becoming parties to such instruments and, in the case of the International Court of Justice, recognizes the desirability that States study the possibility of accepting, with as few reservations as possible, the compulsory jurisdiction of the Court in accordance with Article 36 of the Statute of the Court;

3. *Calls upon* Member States to make full use and seek improved implementation of the means and methods provided for in the Charter of the United Nations and elsewhere for the exclusively peaceful settlement of any dispute or any situation, the continuance of which is likely to endanger the maintenance of international peace and security, including negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, good offices including those of the Secretary-General, or other peaceful means of their own choice;

4. *Requests* the Secretary-General to prepare an up-to-date report concerning the machinery established under the Charter relating to the peaceful settlement of international disputes, inviting his attention in particular to the following resolutions of the General Assembly:

(a) Resolution 268 D (III) of 28 April 1949, in which the Assembly established the Panel for Inquiry and Conciliation;

(b) Resolution 377 A (V) of 3 November 1950, section B, in which the Assembly established the Peace Observation Commission;

(c) Resolution 1262 (XIII) of 14 November 1958, in which the Assembly considered the question of establishing arbitral procedure for settling disputes;

(d) Resolution 2329 (XXII) of 18 December 1967, in which the Assembly established a United Nations register of experts for fact-finding;

(e) Resolution 2625 (XXV) of 24 October 1970, in which the Assembly approved the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations;

5. *Invites* the attention of the Security Council, the Special Committee on Peace-keeping Operations, the International Court of Justice and the Secretary-General to the present resolution.

<sup>3</sup> Draft resolution A/L.749, as amended; adopted by the Assembly on Dec. 12 by a recorded vote of 68 (U.S.) to 10, with 35 abstentions (text from U.N. press release GA/5194).

## U.S. Gives Views on Question of Review of the U.N. Charter

*Statement by Robert Rosenstock*<sup>1</sup>

As the Sixth Committee considers suggestions regarding the review of the U.N. Charter, my delegation is again impressed with the profound implications of the questions we are discussing and with the diversity of those suggestions which have been made.

The charter, as any fundamental governing document, must have the capacity to allow those who adhere to it to deal efficiently and effectively with the questions they face. Because of the broad spectrum of interests, the full range of political diversity, and the considerable discrepancy in the types of contributions which can be made by the various members of the United Nations, the charter must truly be an extraordinary document in order to provide the basic ground rules within which we all can agree to attempt to solve our common problems.

The charter has generally proven to be such an extraordinary document for the past 29 years. For this we all owe a profound appreciation to those who developed its text during those complex and difficult negotiations in San Francisco. Neither then nor now have sensible persons believed all the charter language was perfect and immutable for all time. We know of no significant governing document with a long life which is or could be perfect or immutable.

This is not to suggest that our organizational problems have been overcome or that the United Nations has always dealt effectively with the challenges before it. It is to

suggest, however, that those problems are solvable by full and proper use of the machinery we have, rather than by creating new machinery. We certainly hope we can engage in self-criticism without opening the entire charter to the whims of the moment. In this we associate ourselves with the views of the late Krishna Menon which were recalled this morning.

We are surprised by the comments of some that the charter has been unchanged since 1945. Quite apart from the several amendments which have been made to the text and to which I shall refer later, the charter has, by the normal process of interpretation and evolution, gone through very significant modifications as times and circumstances have changed, as new members with new views have joined the United Nations, and as we have been able through years of experience to understand better the needs of this central multinational organization.

The fact that the present charter has allowed such flexibility is clear evidence of the fundamental value and wisdom of its text. As general political needs have changed, so in many cases, have our collective interpretations of charter provisions.

These changes have taken place gradually and effectively—a constructive evolution in which all members have participated. Such an evolution is, in our view, an invaluable way in which the charter is maintained as a living, current document, an avenue of change vastly preferable to sudden radical shifts which, by virtue of the extreme diversity among the member states, almost inevitably would result in loss of the funda-

<sup>1</sup> Made in Committee VI (Legal) of the U.N. General Assembly on Dec. 5 (text from USUN press release 190). Mr. Rosenstock is Legal Affairs Adviser to the U.S. Mission to the United Nations.

mental consensus which is the foundation of the charter. The loss or weakening of that consensus can only result in diminution of the effectiveness of the organization and thus the meaningfulness of any changes which some might urge.

Evolution has taken place in some of the most important provisions of the charter. For example, if in 1945 or 1950 we had asserted that the charter granted peoples the right to self-determination, most members would have disagreed. If in 1960 we had made the same assertion, many would have pointed out that all that existed as a matter of law was a principle, not a right. Today if anyone questioned the interpretation that there exists a charter right to self-determination, his views would be considered preposterous or, at the least, anachronistic and wrong.

In 1964 some states asserted that there was no charter prohibition on intervention by states in the domestic affairs of other states. If anyone asserted that view today we would think him mad or worse.

Can anyone deny that article 2, paragraph 7, means something different from what it meant before various decisions by the Security Council, before the adoption of the Universal Declaration of Human Rights, and before the numerous subsequent resolutions which deal with human rights and various forms of denial of those rights, such as apartheid?

In 1950 certain delegations attacked Resolution 377A (V) as illegal and contrary to the charter. In 1967 the state which led the earlier attack against that resolution relied upon it in moving to convene an emergency session of the Assembly.

The Friendly Relations Declaration with its interpretations of key concepts of the charter, including the prohibition of the threat or use of force, nonintervention, equal rights and self-determination, and peaceful settlement, is merely one of the more obvious examples of the process of evolution. The Friendly Relations Declaration was negotiated and unanimously adopted essentially by today's membership.

If we proceed pellmell into a review exercise without the requisite broad agreement, we shall encourage states to harden positions; we shall widen the difference among us and reduce our own flexibility to compromise. We shall harm the chances for continued evolutionary change. A review exercise may well prove the greatest impediment to change rather than a catalyst for change.

During the past two days we have heard several delegations for diverse reasons call for a variety of modifications to the charter. We have heard delegations state that reluctance to consider or make such modifications in one specific way—namely, through the proposed ad hoc committee—would amount to obstruction of the will of the majority of states and would demonstrate opposition to the basic idea of any change in the charter at all. Because of the importance and the sensitivity of these questions, I would like again to express the position of my government on these issues.

In the first place we have participated, in some cases by leading, in the many evolutionary changes that have taken place since 1945. At no time have we sought to oppose this concept of the charter as a living, breathing document which must be made to respond flexibly to the contemporary needs of the organization.

In the second place we have been in the forefront of those who supported the amendments which have been adopted. Nor can these amendments be lightly passed over. For example, the expansion of the Security Council has breathed new life into the general consensus principle which has and must underlie the functioning of the Security Council. In 1955 no decision could be taken by the Security Council over the objections of the East or the West. In the late fifties and early sixties the membership of the organization underwent a fundamental change. Today a majority of the membership of the Council represents what is frequently called the Third World. Not only may no decision be taken without the active support of these members, but most of the decisions which are taken in the Council these days are at their

request and based upon proposals drafted by one or more of them. The peacekeeping forces in the Middle East, for example, were created largely because the states of India, Kenya, and Yugoslavia took the lead to press the Council to establish them rather than a U.S.-Soviet peacekeeping force.

Finally, in addition to supporting evolutionary change and specific amendments to the charter we have sought to retain an open mind on the concept of charter review. In our reply to the Secretary General's request for the views of states on the question of review,<sup>2</sup> we expressed a willingness to participate even in a charter review conference if it is the general view of the membership that the outcome of such a conference would be constructive. I think it fair to say that there is not such a feeling that an overall review would solve problems. There is certainly no broad agreement at this time on what specific changes might be desirable. There does seem to be widespread recognition that very great damage could be done to confidence in the basic fabric of the United Nations if considerable care is not exercised to insure very broad support before any type of review of the charter is undertaken.

It is the view of my delegation that such broad support can most realistically be amassed if we approach charter review on a case-by-case basis. We have amended the charter successfully in the past by this approach, enlarging the Security Council and the Economic and Social Council when the requisite measure of consensus has been achieved.

We are dealing, in this field of international cooperation, with an activity based essentially not on the ability of some states to compel action by others but rather, on our ability to find standards of behavior and ground rules for cooperation to which we are all willing to adhere.

We have all freely accepted the charter. We must obviously take great care to develop that consensus, particularly for changes so significant as those to the U.N. Charter, if

we intend to maintain it as a realistic instrument by which all member states will be guided. This may be a cautious approach, but it emphatically is not a negative approach. We have amended the charter in the past; we can, and presumably will, amend the charter in the future.

Although we and others have not and presumably will not always agree with every suggestion made for amendment of the charter, we have recognized and we do recognize the usefulness of giving serious and thorough consideration to any specific proposal when it appears to be a constructive effort to improve our ability to deal with the problems we face and when it will preserve the delicate balance which we have developed to allow so many nations so different from each other to work together. There may well be variations in the formula under which that balance can be maintained. If there is broad and serious support for a specific proposal for change, it should at the least be fully considered.

It would, however, do neither member states nor the organization itself any service to proceed with any specific amendments without being confident at least of basic agreement among the member states on a given amendment, much less to undertake a general review. The risk is too great both of poisoning the cooperative atmosphere which is essential for our work and of polarizing this highly diversified body without constructive gain. We are well aware of the protection afforded us by article 108; our fears are for the very foundations of the United Nations.

In our view the establishment of the proposed ad hoc committee would almost inevitably result in a general, wide-ranging review of the charter. Even among the few replies received from states and among the fewer still which urge change, there is a very broad range of suggestions for modification of the charter, many of them mutually exclusive. For these reasons we strongly oppose the draft resolution contained in A/C.6/L.1002. We are prepared to vote in favor of the draft contained in A/C.6/L.1001 or any

<sup>2</sup> U.N. doc. A/8746/Add. 1, p. 13.

other text which commands sufficiently broad support and which does not endanger the foundations of our institution.

We, like others, were moved by General Romulo's speech [Carlos Romulo, Philippine Secretary of Foreign Affairs]. While we do not believe that there is now sufficient agreement to make it useful to undertake a process of review and revision, the time may well come when a basis for agreement will exist. General Romulo continues his very great service to the international community by reminding us from time to time to examine whether the requisite widespread agreement exists.

In order to strike a balance between our important common interests in insuring that the charter is kept responsive to a changing world and in insuring that there is essentially overwhelming agreement to any changes in our basic ground rules, the United States believes that an appropriate step for this committee to recommend might be to request the Secretary General to undertake a detailed assessment of which of the suggestions for charter amendments so far received have broad support among the U.N. members and which of the goals behind such suggestions might be accomplished without charter revision. Member states which have not yet done so should be invited to submit their views on this subject.

Although it is commonly understood that the percentage of states which reply to requests for their views on particular issues is usually not high, we are not dealing here with an ordinary matter. We are dealing here with the most basic and fundamental rules of international cooperation. It has been suggested that a reason for charter review is that only 51 of the present 138 members of the United Nations were present at San Francisco. Surely it is of even greater significance that only 38 of the present 138 member states have so far submitted their views on suggestions regarding charter review. This is not an ordinary questionnaire;

we owe it to ourselves not to settle for such a small number of responses before undertaking a review exercise.

In conclusion, Mr. Chairman, as we have repeatedly stated, the United States is fully prepared to maintain an open mind regarding modifications to the charter which are broadly supported. It is as much in our interest as that of any other state to insure that the charter is a viable, up-to-date, and respected document. We must not be afraid to consider appropriate modifications to that document; yet we must not confuse dissatisfaction with policies of states with inadequacy of the charter. If there is broad desire to consider a particular amendment, let us in an appropriate forum undertake such a consideration as we have in the past.

Let us first, however, take care first to determine that support. At the least, an assessment by the Secretary General of the states' views he has received and a concentrated effort to obtain the comments of the vast majority of member states should precede any such specific deliberations, much less the establishment of an ad hoc committee. We shall vote in favor of L.1001; we shall vote against L.1002 if it is put to a vote. The resolution contained in L.1001 also commends itself to my delegation—not because it perfectly expresses our view but because we would hope it is a middle ground toward which the overwhelming majority could move.<sup>3</sup>

Let us, above all, do nothing to erode the foundations of the only international institution concerned with peace and security which through its flexible adaptability to the contemporary needs of the world community has stood the test of over a quarter of a century.

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<sup>3</sup> Draft resolution A/C.2/L.1002, establishing an *Ad Hoc* Committee on the Charter of the United Nations, was adopted by the committee on Dec. 9 by a rollcall vote of 77 to 20 (U.S.), with 32 abstentions, and by the Assembly on Dec. 17 by a recorded vote of 82 to 15 (U.S.), with 36 abstentions (A/RES/3349 (XXIX)). Draft resolutions A/C.2/L.1001 and A/C.2/L.1011 were not put to the vote.

## U.S. Reaffirms Support for Goals of World Population Plan of Action

*Following are texts of a statement made in Committee II (Economic and Financial) of the U.N. General Assembly on December 2 by Senator Charles H. Percy, U.S. Representative to the General Assembly, and a statement made in plenary session of the Assembly on December 17 by U.S. Representative Clarence Clyde Ferguson, Jr., together with the text of a resolution adopted by the committee on December 5 and by the Assembly on December 17.*

### U.S. STATEMENTS

#### Senator Percy, Committee II, December 2

USUN press release 185 dated December 2

I am pleased to have the opportunity to express the views of the U.S. delegation on the report of the World Population Conference.<sup>1</sup>

The conference was convened in an attempt to focus the attention of the international community on one of the most complex problems of our time: spiraling global population growth. The difficulty in dealing with population problems lies in the fact that population questions are entirely interrelated with virtually every other problem that currently confronts people and nations. They cannot be dealt with in isolation. They must be considered within the context of other social and economic issues—health care, education, racial and sexual equality, housing, agriculture, nutrition, old age security, religious and moral values, economic development, and others.

The United States believes that the World Population Conference achieved real success and that its success is a direct result of the

consideration of population in its social and economic context. The World Population Conference attained a most significant goal: It brought to the attention of all nations the concept that population is an integral aspect of the quality of life of all people.

Certainly the consensus of participating nations on the World Population Plan of Action was the major triumph of the conference, and the United States is extremely hopeful that the plan will be accepted by this committee and subsequently by the General Assembly because of what we believe are the plan's many very positive and helpful recommendations and resolutions. The United States believes that the plan of action contains provisions which will have immeasurably beneficial consequences for people everywhere for generations to come.

Although the United States does not intend to comment on each of the provisions of the plan of action, we do wish to highlight a few items which we feel are of special significance.

The pronouncement within the plan of action which the United States views as the foundation for all the others is the affirmation of the basic human right of individuals "to decide freely and responsibly the number and spacing of their children and to have the information, education and means to do so." The United States strives to assure this basic right in our own country, and we welcome its acceptance by the world community.

Although the plan of action does not make outright recommendations of target dates for specific population goals, the concept of quantitative goals is included. The United States believes that the mention of quantitative goals to reduce mortality, increase life expectancy, and reduce fertility and rates of population growth will give those countries choosing to do so helpful targets at which to aim. The United States particularly wel-

<sup>1</sup> U.N. doc. 5585; for U.S. statements at the World Population Conference at Bucharest Aug. 19-30 and an unofficial text of the World Population Plan of Action, see BULLETIN of Sept. 30, 1974, p. 429.

comes the concurrence of nations of all levels of development and all points of view on the inclusion of these possible goals in the World Population Plan of Action.

While in Bucharest I stated my hope that the conference would take a clear and strong stand on the future role of women in developed as well as developing nations. Perhaps the most unexpected positive development of the World Population Conference and one that the United States considers to be an outstanding accomplishment was the relatively easily reached agreement among nations that additional emphasis on the role of women in population policies and in economic and social development should be included in the plan of action. Thus one of the plan's objectives became:

To promote the status of women and expansion of their roles, the full participation of women in the formulation and implementation of socio-economic policy including population policies, and the creation of awareness among all women of their current and potential roles in national life.

A number of specific recommendations in the areas of education, planning and development, legislation, and family life are made that would allow countries to achieve this objective. The United States strongly supports those recommendations.

These provisions in the World Population Plan of Action are based on the recognition by all governments that an improved status for women will yield progress not only for individual women but for their societies as well. Development and implementation of population policies can most particularly benefit from expanded participation by women. The United States is making strong efforts to improve the status of women in our own country and welcomes this goal as part of the plan of action.

The report of the World Population Conference and the plan of action reflect that the nations of the world are in agreement on a very important point: Population policies and goals cannot be achieved without accompanying economic and social development.

One of the major contributions of the debate at Bucharest was to focus attention on the reciprocal relationship—the interface be-

tween population factors and development.

The United States believes that the underlying reasons for countries requesting assistance for their population or family planning programs is that such programs form a part—and only a part, but an essential part—of overall economic and social development efforts. The guidance of Bucharest is that any country wishing to succeed in either will be wise to press both. Many countries have found that despite their development efforts, population growth has caused their per capita standard of living to stand still or even recede. They have in effect been running hard to stand still or have even lost ground. The balance of attention to each program will of course vary according to the situation of the individual country and according to its own sovereign determination.

One of the major innovations of the World Population Plan of Action was its recommendation (Par. 31) that countries wishing to affect levels of fertility should give priority to those factors of development that have a greater impact on fertility than others. This recommendation was based on much recent evidence and thinking that some factors of development do have this effect. They are listed in paragraph 32. We agree with this concept and with the call of paragraph 31 for priority in international cooperation for carrying out such strategies.

The United States is sensitive to the continuing large gap between the developed and developing nations with regard to levels of economic development. Because the United States recognizes the relationship between population growth rates and economic development, we affirm the inclusion in the World Population Plan of Action of emphasis on efficient use of resources. The plan states:

It is imperative that all countries, and within them all social sectors, should adapt themselves to more rational utilization of natural resources, without excess, so that some are not deprived of what others waste.

We further affirm that the United States will continue to seek to reduce wasteful consumption of resources in our own country and will encourage other nations to do the same.

At Bucharest we regretted the lack of attention given to the role of population growth on present availability of food for the peoples of the developing countries—although the Deputy Director General of the Food and Agriculture Organization in his address there warned in the most somber terms:

First, that action must be initiated *now* to reduce the rate of population growth if we are to have any chance at all of meeting the world's food needs 25 years from now.

Second, while family planning and population policy are matters for individuals and governments, there is at the same time a clear need for international action.

The documents prepared by FAO authorities for the Rome Conference [World Food Conference, November 5–16] recognize clearly that the main reason for the growing imbalance between the food supply and demand is the rate of population growth, which in the developing countries is twice as fast as in the developed world. They call on all countries to recognize urgently the gravity of the challenge to feed growing populations and to formulate and implement policies for population growth control.

It was with these thoughts in mind that the Rome Conference adopted a special resolution calling on governments and people everywhere to support sound population policies relevant to national needs within a strategy of development which would assure the right of all couples to decide the spacing and size of their own families.

The conclusion is inescapable that the efforts already being made by many countries to reduce population growth rates must succeed—and more rapidly than at present. At the same time, it is both fair and essential that developed countries reduce their population growth and their consumption of foods produced by wasteful means in order that more can be available for those in grave need.

Mr. Chairman, the word “population” derives from the Latin word “populus” for “people.” The United States reaffirms the report of the World Population Conference and supports the provisions of the World Population Plan of Action, for we believe

that they truly seek to improve the quality of life of the earth's people. We will continue to support and cooperate in those efforts of the international community that approach that same goal. In this spirit, my delegation is pleased to be a cosponsor of draft resolution A/C.2/L.1388/Rev.1.<sup>2</sup>

#### **Ambassador Ferguson, Plenary, December 17**

My delegation, with deep regret, abstained on draft resolution VI,<sup>3</sup> this despite the fact that, as is well known, my delegation and my government have been committed to the study of world population questions for some time.

We regret it very much, but the presence of a single paragraph, paragraph 5, in the draft resolution, which reads:

*Stresses* that the implementation of the World Population Plan of Action should take full account of the Programme of Action on the Establishment of the New International Economic Order, and thus contribute to its implementation;

is the sole reason my delegation abstained. We object to the substance of the paragraph, and I must state on behalf of my delegation that we also very much regret the manner in which, procedurally, that paragraph was negotiated.

#### **TEXT OF RESOLUTION <sup>4</sup>**

*The General Assembly,*

*Recalling* its resolution 2211 (XXI) of 17 December 1966 on population growth and economic development following the World Population Conference in 1965 and Economic and Social Council resolution 1484 (XLVIII) of 3 April 1970 calling for a World Population Conference which would be the first held at the intergovernmental level,

*Recalling further* that the Economic and Social Council in resolution 1835 (LVI) of 14 May 1974,

<sup>2</sup> Draft resolution A/C.2/L.1388/Rev.2, as amended, was adopted by the committee on Dec. 5 by a vote of 108 to 0, with 2 abstentions (U.S., Niger).

<sup>3</sup> Draft resolution A/C.2/L.1388/Rev.2, as amended, was recommended to the Assembly as draft resolution VI in part II of the Committee II report (U.N. doc. A/9886/Add.1) on agenda item 12, “Report of the Economic and Social Council.”

<sup>4</sup> A/RES/3344 (XXIX); adopted by the Assembly on Dec. 17 by a vote of 131 to 0, with 1 abstention (U.S.) (text from U.N. press release GA/5194).



considered that the results of the Conference would constitute an important contribution to the preparations for the special session of the General Assembly devoted to development and international economic co-operation,

*Recalling further* the decision adopted by the Economic and Social Council, at its resumed fifty-seventh session on 19 November 1974, on the report of the World Population Conference,

*Recalling further* its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974 containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order,

*Greatly concerned* with the gap between developed and developing countries and with the inequities and injustices still existing in international economic relations,

*Stressing* that the formulation and implementation of population policies are the sovereign right of each nation, and that such a right is to be exercised in accordance with national objectives and needs and without external interference, taking into account universal solidarity in order to improve the quality of life of the peoples of the world,

*Recognizing* that population and development are interrelated and that, consequently, the basis for an effective solution of population problems is, above all, socio-economic transformation and development,

*Further recognizing* that the consideration of population problems cannot be reduced to the analysis of population trends exclusively,

*Believing* that, in the formulation of population policies, consideration must be given, together with other economic and social factors, to the supplies and characteristics of natural resources, the quality of the environment, and particularly, to all aspects of food supply, and that attention must be given to the just distribution of resources and minimization of wasteful aspects of their use throughout the world,

*Having considered* the report, resolutions, recommendations and the World Population Plan of Action adopted by the World Population Conference, held at Bucharest from 19 to 30 August 1974,

1. *Takes note with satisfaction* of the report of the World Population Conference, including the resolutions and recommendations of the Conference and the World Population Plan of Action;

2. *Expresses its appreciation* to the Government of Romania for its co-operation and gracious hospitality;

3. *Commends* the Secretary-General and the Secretary-General of the World Population Conference for the successful organization of the Conference;

4. *Affirms* that the World Population Plan of Action is an instrument of the international community for the promotion of economic development, quality of life, human rights and fundamental freedoms within the broader context of the internationally adopted strategies for national and international progress;

5. *Stresses* that the implementation of the World Population Plan of Action should take full account of the Programme of Action on the Establishment of the New International Economic Order, and thus contribute to its implementation;

6. *Invites* Governments to consider the recommendations for action at the national level and to implement population policies and programmes which they determine are appropriate;

7. *Calls upon* the Population Commission and the governing bodies of the United Nations Development Programme, the United Nations Fund for Population Activities, the regional economic commissions, the specialized agencies and all other United Nations bodies which report to the Economic and Social Council to determine how each can best assist in the implementation of the World Population Plan of Action and on adjustments which may be necessary in their work programmes and to report thereon to the Economic and Social Council;

8. *Requests the Economic and Social Council*, within the in-depth consideration of the report of the World Population Conference at its fifty-eighth session, to pay particular attention to the implementation of the World Population Plan of Action, including the functions of the monitoring and review and appraisal of the Plan also at the regional level;

9. *Invites* the Economic and Social Council to continue to provide over-all policy guidance within the United Nations system on population-related matters and to this end to consider these issues on a regular basis, in a manner to be determined by it;

10. *Requests* the Population Commission at its eighteenth session, within its competence, to report to the Economic and Social Council at its fifty-eighth session on the implications of the World Population Conference, including the implications for the Population Commission itself;

11. *Requests* the Economic and Social Council at its fifty-eighth session to forward its views and recommendations through the Preparatory Committee to the seventh special session and the thirtieth regular session of the General Assembly;

12. *Invites* the Secretary-General to report to the Economic and Social Council at its fifty-eighth session on ways and means of strengthening the over-all capacity of the relevant units of the Secretariat, within the existing framework to meet the need for a broad approach in the population field, consonant with the principles and the objectives of the World Population Plan of Action;

13. *Urges* that assistance to developing countries should be increased in accordance with the goals of the Second United Nations Development Decade and that international assistance in the population field should be expanded, particularly to the United Nations Fund for Population Activities, for the proper implementation of the World Population Plan of Action.

## United States Calls for Renewal of World Commitment to UNRWA

*Following is a statement made in the Special Political Committee of the U.N. General Assembly on December 5 by U.S. Representative William E. Schaufele, Jr.*

USUN press release 188 dated December 5

The United States has expressed each year in this forum its admiration and appreciation for the dedicated and skillful work of the Commissioner General of UNRWA [United Nations Relief and Works Agency for Palestine Refugees in the Near East] and his associates in the face of difficult circumstances. More than any time in UNRWA's history, the last 12 months have presented even greater challenges and have demanded even higher qualities of leadership and dedication. War and its aftermath, the uncertainties of the ensuing search for peace, the internationalization of inflation, and shortages of key commodities—all of these have presented the Commissioner General and his colleagues with increasingly complicated and interrelated financial and administrative problems.

These problems are not abstract issues in management and financing. They are problems of people—because the money which must be found and effectively disbursed is the indispensable means to continue education programs, to provide or to improve housing, and to assure necessary health services; in short, to preserve for the promising if uncertain future even the limited material security and the cautious hope which UNRWA in the past has been able to bring to those it serves.

In the year ahead, UNRWA faces a financial crisis of unprecedented seriousness. Other speakers here have called for recognition of this crisis and for action to avert it. We share their apprehension. We intend to do our part, and we strongly urge others to do the same.<sup>1</sup> This is not an easy time for most nations to increase financial commitments of any kind. Many of us have difficulty

enough simply to maintain the present level of financial outlays in both our national and international activities. Nevertheless, in view of drastic redistributions of the world's wealth in recent months, other governments with vastly increased resources can appropriately do more than they felt able to do in the past. I strongly urge them to do so.

Our basic humanitarian standards, and the principles of international life to which we are committed by the U.N. Charter, demand that we respond fully to this human requirement to which the work of UNRWA is directed. Just as those standards and those principles were initially proclaimed and accepted voluntarily by each nation member of the United Nations, so it is right and proper that the response to them represented by UNRWA's program should be a voluntary one.

It is in this spirit that we introduce this resolution today. It acknowledges the continuing importance and justice of the humanitarian demands which UNRWA and the condition of the Palestinian refugees make on all, on every member of the international community. Finally, it renews UNRWA's tenure for another three years, a period in which we hope that its task will at last be fully accomplished.

Taking all these elements into account this resolution represents a firm call for the renewal and reaffirmation of the commitment of each nation represented here to insure that UNRWA will in fact be able to carry out its work. The commitment is clear. It obligates each of us, individually and collectively, to act to fulfill it.<sup>2</sup>

<sup>1</sup> On Dec. 3 in a meeting of the Ad Hoc Committee of the General Assembly for the Announcement of Voluntary Contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East, Ambassador Schaufele announced the U.S. pledge of \$24,940,000 to UNRWA for calendar year 1975. For his statement in the ad hoc committee, see USUN press release 186 dated Dec. 3.

<sup>2</sup> The U.S. draft resolution (A/SPC/L.317) was adopted by the committee on Dec. 6 by a vote of 106 to 0, with 2 abstentions, and by the Assembly on Dec. 17 by a vote of 122 to 0, with 3 abstentions (A/RES/3331A (XXIX)).

## U.S. and Japan Initial Agreements on Pacific Fisheries

Press release 538 dated December 18

Representatives of the United States and Japan reached agreement on December 13 on two fishery agreements dealing primarily with fishing in the northeastern Pacific and the Bering Sea following discussions held in Tokyo November 15–December 13. Thomas A. Clingan, Jr., Acting Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, initialed for the United States, and Hiromu Fukada, Deputy Director General, American Affairs Bureau, Ministry of Foreign Affairs, initialed for Japan.

The new agreements do not change the stipulation in previous agreements, first signed in 1967, that Japan will refrain from fishing within the nine-mile contiguous fishery zone of the United States, except in certain selected areas, primarily in the Aleutian Islands.

In order to preserve the fish resources of the northern Pacific, the first new agreement establishes new and better balances between fishing and the condition and size of fishery resources in the northeastern Pacific and eastern Bering Sea. The principal features of this new agreement include:

1. In order to protect declining pollock resources, the Japanese pollock catch in the eastern Bering Sea will be reduced to 1.1 million metric tons from the over 1.5 million metric tons of pollock Japan caught in 1973.

2. For conservation purposes, controls will also be placed on the harvest of other fin-fishes, such as Pacific Ocean perch, in both the Bering Sea and the northeastern Pacific Ocean in areas of special concern to the U.S. fisheries. These controls are being imple-

mented by means of catch limitations and area and time closures.

3. The agreement stipulates that Japan may fish within the contiguous zone of the United States and conduct loading and transfer operations in certain specified areas. In return, Japan has agreed to refrain from fishing in certain areas of the high seas during prescribed periods in order to avoid conflicts with American fishermen arising out of differences in types of fishing gear.

4. Japan has also agreed to adopt procedures and measures to reduce and control incidental catches of king and tanner crabs in their trawl fisheries. As one means of achieving this objective, Japanese fishermen will equip their trawl gear with bobbins during months when crabs are concentrated to reduce incidental crab catches.

The second agreement involves fishing for king and tanner crabs in the eastern Bering Sea. These fisheries are important to both the United States and Japan. Under the new agreement, Japan's king crab quota is reduced by nearly 60 percent, from 700,000 to 300,000 crabs (953 metric tons). Japan's tanner crab quota (14 million in 1974) is reduced by a smaller percentage, but that portion of their total quota which can be taken in the traditional grounds, which are also fished by U.S. fishermen, was reduced by a substantial amount (about 70–80 percent).

As a result of the new arrangements, the United States will become the principal harvester of crab resources in the traditional grounds in the southeastern Bering Sea. It should be noted that the United States claims that both the king and tanner crabs are "creatures of the U.S. continental shelf" and that we have complete jurisdiction over these resources.

The two countries also emphasized the need to take all possible measures to refrain from polluting the seas and to avoid dumping undesirable products in the water. Both governments also agreed to inform each other of lost fishing gear which may create danger to navigation.

The new arrangements provide for enforcement measures more stringent than ever implemented before, with both governments agreeing to cooperate fully in their enforcement efforts. In this connection, U.S. observers will be provided the opportunity to observe the conduct of enforcement and to work closely with their counterparts from Japan.

The U.S. delegation also included Robert Schoning, Director, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, and fishing industry representatives from Alaska and the Pacific Northwest, as well as experts from the concerned Federal and state government agencies.

## Current Actions

### MULTILATERAL

#### Atomic Energy

Statute of the International Atomic Energy Agency, as amended. Done at New York October 26, 1956. Entered into force July 29, 1957. TIAS 3873, 5284, 7668.

*Acceptance deposited:* Mauritius, December 31, 1974.

#### Disputes

Convention on the settlement of investment disputes between states and nationals of other states. Done at Washington March 18, 1965. Entered into force October 14, 1966. TIAS 6090.

*Ratification deposited:* The Gambia, December 27, 1974.

#### Exhibitions

Protocol revising the convention of November 22, 1928, as amended (TIAS 6548, 6549), relating to international expositions, with appendix and annex. Done at Paris November 30, 1972.<sup>1</sup>

*Ratification deposited:* Switzerland, November 25, 1974.

#### Health

Constitution of the World Health Organization, as amended. Done at New York July 22, 1946. Entered into force April 7, 1948; for the United States June 21, 1948. TIAS 1808, 4643.

*Acceptance deposited:* Grenada, December 4, 1974.

#### Narcotic Drugs

Convention for limiting the manufacture and regulating the distribution of narcotic drugs, with protocol of signature, as amended by the protocol

signed at Lake Success December 11, 1946 (TIAS 1671, 1859). Done at Geneva July 13, 1931. Entered into force July 9, 1933. 48 Stat. 1543.

*Notification of succession:* Lesotho, November 4, 1974.

Protocol bringing under international control drugs outside the scope of the convention of July 13, 1931, for limiting the manufacture and regulating the distribution of narcotic drugs (48 Stat. 1543), as amended by the protocol signed at Lake Success on December 11, 1946 (TIAS 1671, 1859). Done at Paris November 19, 1948. Entered into force December 1, 1949; for the United States September 11, 1950. TIAS 2308.

*Notification of succession:* Lesotho, November 4, 1974.

#### Telecommunications

Telegraph regulations, with appendices, annex, and final protocol. Done at Geneva April 11, 1973. Entered into force September 1, 1974.<sup>2</sup>

*Notification of approval:* Jamaica, October 4, 1974.

Telephone regulations, with appendices and final protocol. Done at Geneva April 11, 1973. Entered into force September 1, 1974.<sup>2</sup>

*Notification of approval:* Jamaica, October 4, 1974.

#### Wheat

Protocol modifying and extending the food aid convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Proclaimed by the President:* December 31, 1974.

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Proclaimed by the President:* December 31, 1974.

### BILATERAL

#### Brazil

Agreement modifying and extending the agreement of May 9, 1972, as extended (TIAS 7603, 7770, 7862), concerning shrimp. Effected by exchange of notes at Brasilia December 30 and 31, 1974. Entered into force December 31, 1974.

#### Canada

Agreement extending the agreement of May 18 and June 28 and 29, 1965, as amended and extended (TIAS 5826, 6646, 7102), relating to a seismic research program known as VELA UNIFORM. Effected by exchange of notes at Ottawa August 14 and December 19, 1974. Entered into force December 19, 1974; effective July 1, 1974.

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

<sup>2</sup> Not in force for the United States.

## Japan

Convention for the protection of migratory birds and birds in danger of extinction, and their environment, with annex. Signed at Tokyo March 4, 1972. Entered into force September 19, 1974.

*Proclaimed by the President:* December 31, 1974.

Agreement relating to salmon fishing in waters contiguous to the United States territorial sea, with agreed minutes. Effected by exchange of notes at Washington December 20, 1972. Entered into force December 20, 1972. TIAS 7528.

*Terminated:* December 24, 1974.

Agreement concerning salmon fishing in waters contiguous to the territorial sea of the United States, with agreed minutes. Effected by exchange of notes at Tokyo December 24, 1974. Entered into force December 24, 1974.

Agreement regarding the king and tanner crab fisheries in the eastern Bering Sea, with appendix, agreed minutes, and Japanese note. Effected by exchange of notes at Washington December 20, 1972. Entered into force December 20, 1972. TIAS 7527.

*Terminated:* January 1, 1975.

Agreement concerning king and tanner crab fisheries in the eastern Bering Sea, with appendix, agreed minutes, and related notes. Effected by exchange of notes at Tokyo December 24, 1974. Entered into force December 24, 1974; effective January 1, 1975.

Agreement concerning certain fisheries off the coast of the United States, with related note and agreed minutes. Effected by exchange of notes at Tokyo December 24, 1974. Entered into force December 24, 1974; effective January 1, 1975.

## Korea

Agreement amending the agreement for sales of agricultural commodities of April 12, 1973 (TIAS 7610). Effected by exchange of notes at Seoul December 7, 1974. Entered into force December 7, 1974.

## Malaysia

Agreement amending and extending the agreement of September 8, 1970, as amended, relating to trade in wool and man-made fiber textile products. Effected by exchange of notes at Kuala Lumpur December 23 and 27, 1974. Entered into force December 27, 1974.

Agreement amending and extending the agreement of September 8, 1970, relating to trade in cotton textiles. Effected by exchange of notes at Kuala Lumpur December 23 and 27, 1974. Entered into force December 27, 1974.

## Mexico

Agreement relating to a training program for Mexican helicopter pilots and mechanics as part of U.S.-Mexican cooperative efforts to reduce traffic in illegal narcotics. Effected by exchange of letters at México September 30, 1974. Entered into force September 30, 1974.

Agreement relating to the provision of assistance to Mexico in narcotics enforcement training activities. Effected by exchange of letters at México

December 4, 1974. Entered into force December 4, 1974.

Agreement amending the agreement of June 24, 1974 (TIAS 7907) providing additional helicopters and related assistance to Mexico in support of its efforts to curb production and traffic in illegal narcotics. Effected by exchange of letters at México December 4, 1974. Entered into force December 4, 1974.

Agreement relating to cooperative arrangements to support Mexican efforts to curb the illegal traffic in narcotics. Effected by exchange of letters at México December 11, 1974. Entered into force December 11, 1974.

## Union of Soviet Socialist Republics

Agreement extending the following: agreement of June 21, 1973, on certain fishery problems on the high seas in the western areas of the middle Atlantic Ocean (TIAS 7664); and agreements of February 21, 1973, (1) on certain fisheries problems in the northeastern part of the Pacific Ocean off the coast of the United States of America (TIAS 7573), (2) relating to fishing operations in the northeastern Pacific Ocean (TIAS 7572), and (3) relating to fishing for king and tanner crab (TIAS 7571). Effected by exchange of notes at Washington December 31, 1974. Entered into force December 31, 1974.

## PUBLICATIONS

### 1948 "Foreign Relations" Volume on Far East and Australasia Released

Press release 541 dated December 23

The Department of State released on December 30 volume VI in the series "Foreign Relations of the United States" for the year 1948. This volume is entitled "The Far East and Australasia."

Two volumes on China for the year 1948 (volumes VII and VIII) were released in August and December 1973, so that the publication of volume VI completes the issuance in the series of material on the Far East for 1948.

This volume of 1,379 pages contains previously unpublished documentation showing U.S. policy on many important topics including nationalist opposition to restoration of French rule in Indochina and Netherlands rule in the East Indies (Indonesia), as well as lengthy sections on occupation and control of Japan and events leading to the establishment of the Republic of Korea.

The volume was prepared by the Historical Office,

Bureau of Public Affairs. Copies of volume VI (Department of State publication 8681; GPO cat. no. S 1.1:948 v. VI) may be obtained for \$14.40 (domestic postpaid). Checks or money orders should be made out to the Superintendent of Documents and should be sent to the U.S. Government Book Store, Department of State, Washington, D.C. 20520.

## GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

**Background Notes:** Short, factual summaries which describe the people, history, government, economy, and foreign relations of each country. Each contains a map, a list of principal government officials and U.S. diplomatic and consular officers, and a reading list. (A complete set of all Background Notes currently in stock—at least 140—\$21.80; 1-year subscription service for approximately 77 updated or new Notes—\$23.10; plastic binder—\$1.50.) Single copies of those listed below are available at 30¢ each.

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Bolivia . . . . .	Cat. No. S1.123:B 63 Pub. 8032 7 pp.
China, People's Republic of	Cat. No. S1.123:C 44 Pub. 7751 11 pp.
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South Viet-Nam . . . . .	Cat. No. S1.123:V 67 Pub. 7933 11 pp.
Yemen, People's Democratic Republic of	Cat. No. S1.123:508Y/ Pub. 8170 5 pp.

**An Action Program for World Investment.** Remarks by Thomas O. Enders, Assistant Secretary of State for Economic and Business Affairs, at the National Foreign Policy Conference for Senior Business Executives held at the Department of State in Washington, D.C., September 5 and 6, 1974. Pub. 8780. General Foreign Policy Series 289. 14 pp. 35¢. (Cat. No. S1.71:289).

**Atomic Energy—Application of Safeguards by the IAEA to the United States-Spain Cooperation Agreement.** Agreement with Spain and the International Atomic Energy Agency amending the agreement of December 9, 1966. TIAS 7856. 5 pp. 25¢. (Cat. No. S9.10:7856).

**Safeguarding of Classified Information.** Agreement with Iran. TIAS 7857. 5 pp. 25¢. (Cat. No. S9.10:7857).

**Defense—Relinquishment of Certain Land at Camp Wallace.** Agreement with the Philippines. TIAS 7858. 2 pp. 25¢. (Cat. No. S9.10:7858).

**Suez Canal—Salvage or Removal of Navigational Hazards.** Arrangement with Egypt. TIAS 7859. 4 pp. 25¢. (Cat. No. S9.10:7859).

**Agricultural Commodities.** Agreement with Guinea amending the agreement of May 8, 1974, as amended. TIAS 7860. 3 pp. 25¢. (Cat. No. S9.10:7860).

**Pollution—Contingency Plans for Spills of Oil and Other Noxious Substances.** Agreement with Canada. TIAS 7861. 4 pp. 25¢. (Cat. No. S9.10:7861).

**Fisheries—Shrimp.** Agreement with Brazil extending the agreement of May 9, 1972, as extended. TIAS 7862. 2 pp. 25¢. (Cat. No. S9.10:7862).

## DEPARTMENT AND FOREIGN SERVICE

### Confirmations

The Senate on December 13 confirmed the following nominations:

Richard B. Parker to be Ambassador to the Democratic and Popular Republic of Algeria.

Dixy Lee Ray to be an Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.

Leonard F. Walentynowicz to be Administrator, Bureau of Security and Consular Affairs.

The Senate on December 19 confirmed the following nominations:

Monroe Leigh to be Legal Adviser of the Department of State.

Michael A. Samuels to be Ambassador to Sierra Leone.

William Saxbe to be Ambassador to India.

Thomas J. Scotes to be Ambassador to the Yemen Arab Republic.

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**Check List of Department of State  
Press Releases: January 6-12**

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

Releases issued prior to January 6 which appear in this issue of the BULLETIN are Nos. 538 of December 18, 541 and 543 of December 23, and 2 of January 2.

No.	Date	Subject
*5	1/6	Study Group 1 of the U.S. National Committee for the CCITT, Feb. 13.
*6	1/7	Study Group 8 of the U.S. National Committee for the CCIR, Feb. 13.
*7	1/7	Study Groups 10 and 11 of the U.S. National Committee for the CCIR, Feb. 6.
*8	1/8	Laise appointed Director General of the Foreign Service.
*9	1/8	Study Group 5 of the U.S. National Committee of the CCITT, Feb. 6.
*10	1/10	Soviet journalists visit U.S., Jan. 10-24.
†11	1/10	Kissinger, Sultan of Oman: exchange of toasts, Jan. 9.

\* Not printed.

† Held for a later issue of the BULLETIN.

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# THE DEPARTMENT OF STATE BULLETIN

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# THE DEPARTMENT OF STATE **BULLETIN**

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*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 U.S. foreign relations and on the work of the Department and the Foreign Service.*

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## The State of the Union

*Address by President Ford to the Congress (Excerpts)*<sup>1</sup>

Economic disruptions we and others are experiencing stem in part from the fact that the world price of petroleum has quadrupled in the last year.

But in all honesty, we cannot put all of the blame on the oil-exporting nations. We, the United States, are not blameless. Our growing dependence upon foreign sources has been adding to our vulnerability for years and years, and we did nothing to prepare ourselves for such an event as the embargo of 1973.

During the 1960's, this country had a surplus capacity of crude oil which we were able to make available to our trading partners whenever there was a disruption of supply. This surplus capacity enabled us to influence both supplies and prices of crude oil throughout the world. Our excess capacity neutralized any effort at establishing an effective cartel, and thus the rest of the world was assured of adequate supplies of oil at reasonable prices.

By 1970 our surplus capacity had vanished, and as a consequence, the latent power of the oil cartel could emerge in full force. Europe and Japan, both heavily dependent on imported oil, now struggle to keep their economies in balance. Even the United States, our country, which is far more self-sufficient than most other industrial countries, has been put under serious pressure.

I am proposing a program which will begin to restore our country's surplus ca-

capacity in total energy. In this way we will be able to assure ourselves reliable and adequate energy and help foster a new world energy stability for other major consuming nations.

But this nation, and in fact the world, must face the prospect of energy difficulties between now and 1985. This program will impose burdens on all of us, with the aim of reducing our consumption of energy and increasing our production. Great attention has been paid to the considerations of fairness, and I can assure you that the burden will not fall more harshly on those less able to bear them.

I am recommending a plan to make us invulnerable to cutoffs of foreign oil. It will require sacrifices, but it—and this is most important—it will work.

I have set the following national energy goals to assure that our future is as secure and as productive as our past:

—First, we must reduce oil imports by 1 million barrels per day by the end of this year and by 2 million barrels per day by the end of 1977.

—Second, we must end vulnerability to economic disruption by foreign suppliers by 1985.

—Third, we must develop our energy technology and resources so that the United States has the ability to supply a significant share of the energy needs of the free world by the end of this century.

To attain these objectives, we need immediate action to cut imports. Unfortunately, in the short term there are only a limited number of actions which can increase do-

<sup>1</sup> Delivered on Jan. 15 (text from Weekly Compilation of Presidential Documents dated Jan. 20).

mestic supply. I will press for all of them.

I urge quick action on the necessary legislation to allow commercial production at the Elk Hills, California, Naval Petroleum Reserve. In order that we make greater use of domestic coal resources, I am submitting amendments to the Energy Supply and Environmental Coordination Act, which will greatly increase the number of power plants that can be promptly converted to coal.

Obviously, voluntary conservation continues to be essential, but tougher programs are needed, and needed now. Therefore I am using Presidential powers to raise the fee on all imported crude oil and petroleum products.

The crude oil fee level will be increased \$1 per barrel on February 1, by \$2 per barrel on March 1, and by \$3 per barrel on April 1. I will take action to reduce undue hardships on any geographical region. The foregoing are interim administrative actions. They will be rescinded when the broader but necessary legislation is enacted.

To that end, I am requesting the Congress to act within 90 days on a more comprehensive energy tax program. It includes: excise taxes and import fees totaling \$2 per barrel on product imports and on all crude oil, deregulation of new natural gas, and enactment of a natural gas excise tax. I plan to take Presidential initiative to decontrol the price of domestic crude oil on April 1. I urge the Congress to enact a windfall profits tax by that date to insure that oil producers do not profit unduly.

The sooner Congress acts the more effective the oil conservation program will be and the quicker the Federal revenues can be returned to our people.

I am prepared to use Presidential authority to limit imports, as necessary, to guarantee success.

I want you to know that before deciding on my energy conservation program, I considered rationing and higher gasoline taxes as alternatives. In my judgment, neither would achieve the desired results, and both would produce unacceptable inequities.

A massive program must be initiated to

increase energy supply, to cut demand, and provide new standby emergency programs to achieve the independence we want by 1985. The largest part of increased oil production must come from new frontier areas on the outer continental shelf and from the Naval Petroleum Reserve No. 4 in Alaska. It is the intent of this administration to move ahead with exploration, leasing, and production on those frontier areas of the outer continental shelf where the environmental risks are acceptable.

Use of our most abundant domestic resource—coal—is severely limited. We must strike a reasonable compromise on environmental concerns with coal. I am submitting Clean Air [Act] Amendments which will allow greater coal use without sacrificing clean air goals.

I vetoed the strip-mining legislation passed by the last Congress. With appropriate changes, I will sign a revised version when it comes to the White House.

I am proposing a number of actions to energize our nuclear power program. I will submit legislation to expedite nuclear leasing [licensing] and the rapid selection of sites.

In recent months, utilities have canceled or postponed over 60 percent of planned nuclear expansion and 30 percent of planned additions to nonnuclear capacity. Financing problems for that industry are worsening. I am therefore recommending that the one-year investment tax credit of 12 percent be extended an additional two years to specifically speed the construction of power plants that do not use natural gas or oil. I am also submitting proposals for selective reform of state utility commission regulations.

To provide the critical stability for our domestic energy production in the face of world price uncertainty, I will request legislation to authorize and require tariff import quotas or price floors to protect our energy prices at levels which will achieve energy independence.

Increasing energy supplies is not enough. We must take additional steps to cut long-term consumption.

I therefore propose to the Congress legislation to make thermal efficiency standards mandatory for all new buildings in the United States; a new tax credit of up to \$150 for those homeowners who install insulation equipment; the establishment of an energy conservation program to help low-income families purchase insulation supplies; and legislation to modify and defer automotive pollution standards for five years which will enable us to improve automobile gas mileage by 40 percent by 1980.

These proposals and actions, cumulatively, can reduce our dependence on foreign energy supplies from 3 to 5 million barrels per day by 1985.

To make the United States invulnerable to foreign disruption, I propose standby emergency legislation and a strategic storage program of 1 billion barrels of oil for domestic needs and 300 million barrels for national defense purposes.

I will ask for the funds needed for energy research and development activities. I have established a goal of 1 million barrels of synthetic fuels and shale-oil production per day by 1985, together with an incentive program to achieve it.

I have a very deep belief in America's capabilities. Within the next 10 years, my program envisions 200 nuclear power plants, 250 major new coal mines, 150 major coal-fired power plants, 30 major new [oil] refineries, 20 major new synthetic fuel plants, the drilling of many thousands of new oil wells, the insulation of 18 million homes, and the manufacturing and the sale of millions of new automobiles, trucks, and buses that use much less fuel.

I happen to believe that we can do it. In another crisis, the one in 1942, President Franklin D. Roosevelt said this country would build 60,000 [50,000] military aircraft. By 1943, production in that program had reached 125,000 aircraft annually. They did it then. We can do it now.

If the Congress and the American people will work with me to attain these targets, they will be achieved and will be surpassed.

Now let me turn, if I might, to the international dimension of the present crisis. At no time in our peacetime history has the state of the nation depended more heavily on the state of the world; and seldom, if ever, has the state of the world depended more heavily on the state of our nation.

The economic distress is global. We will not solve it at home unless we help to remedy the profound economic dislocation abroad. World trade and monetary structure provides markets, energy, food, and vital raw material for all nations. This international system is now in jeopardy.

This nation can be proud of significant achievements in recent years in solving problems and crises; the Berlin agreement, the SALT agreements, our new relationship with China, the unprecedented efforts in the Middle East are immensely encouraging, but the world is not free from crisis.

In a world of 150 nations—where nuclear technology is proliferating and regional conflicts continue—international security cannot be taken for granted.

So, let there be no mistake about it; international cooperation is a vital factor of our lives today. This is not a moment for the American people to turn inward. More than ever before, our own well-being depends on America's determination and America's leadership in the whole wide world.

We are a great nation—spiritually, politically, militarily, diplomatically, and economically. America's commitment to international security has sustained the safety of allies and friends in many areas—in the Middle East, in Europe, and in Asia. Our turning away would unleash new instabilities, new dangers, around the globe, which in turn would threaten our own security.

At the end of World War II, we turned a similar challenge into an historic opportunity, and I might add, an historic achievement. An old order was in disarray; political and economic institutions were shattered. In that period, this nation and its partners built new institutions, new mechanisms of mutual support and cooperation. Today, as then, we face an historic opportunity.

If we act imaginatively and boldly, as we acted then, this period will in retrospect be seen as one of the great creative moments of our nation's history. The whole world is watching to see how we respond.

A resurgent American economy would do more to restore the confidence of the world in its own future than anything else we can do. The program that this Congress passes can demonstrate to the world that we have started to put our own house in order. If we can show that this nation is able and willing to help other nations meet the common challenge, it can demonstrate that the United States will fulfill its responsibilities as a leader among nations.

Quite frankly, at stake is the future of industrialized democracies, which have perceived their destiny in common and sustained it in common for 30 years.

The developing nations are also at a turning point. The poorest nations see their hopes of feeding their hungry and developing their societies shattered by the economic crisis. The long-term economic future for the producers of raw materials also depends on cooperative solutions.

Our relations with the Communist countries are a basic factor of the world environment. We must seek to build a long-term basis for coexistence. We will stand by our principles. We will stand by our interests. We will act firmly when challenged. The kind of a world we want depends on a broad policy of creating mutual incentives for restraint and for cooperation.

As we move forward to meet our global challenges and opportunities, we must have the tools to do the job.

Our military forces are strong and ready. This military strength deters aggression against our allies, stabilizes our relations with former adversaries, and protects our homeland. Fully adequate conventional and strategic forces cost many, many billions, but these dollars are sound insurance for our safety and for a more peaceful world.

Military strength alone is not sufficient. Effective diplomacy is also essential in preventing conflict in building world under-

standing. The Vladivostok negotiations with the Soviet Union represent a major step in moderating strategic arms competition. My recent discussions with the leaders of the Atlantic community, Japan, and South Korea have contributed to meeting the common challenge.

But we have serious problems before us that require cooperation between the President and the Congress. By the Constitution and tradition, the execution of foreign policy is the responsibility of the President. In recent years, under the stress of the Vietnam war, legislative restrictions on the President's ability to execute foreign policy and military decisions have proliferated. As a Member of the Congress I opposed some, and I approved others. As President I welcome the advice and cooperation of the House and the Senate.

But if our foreign policy is to be successful, we cannot rigidly restrict in legislation the ability of the President to act. The conduct of negotiations is ill suited to such limitations. Legislative restrictions intended for the best motives and purposes can have the opposite result, as we have seen most recently in our trade relations with the Soviet Union.

For my part, I pledge this administration will act in the closest consultation with the Congress as we face delicate situations and troubled times throughout the globe.

When I became President only five months ago, I promised the last Congress a policy of communication, conciliation, compromise, and cooperation. I renew that pledge to the new Members of this Congress.

Let me sum it up. America needs a new direction, which I have sought to chart here today, a change of course which will put the unemployed back to work, increase real income and production, restrain the growth of Federal Government spending, achieve energy independence, and advance the cause of world understanding.

We have the ability. We have the know-how. In partnership with the American people, we will achieve these objectives. As our 200th anniversary approaches, we owe

it to ourselves and to posterity to rebuild our political and economic strength.

Let us make America once again and for centuries more to come what it has so long been, a stronghold and a beacon light of liberty for the whole world.

## **President Ford Signs Trade Act of 1974**

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

Mr. Vice President, distinguished members of the Cabinet, Members of the Congress, including the leadership, ladies and gentlemen:

The Trade Act of 1974, which I am signing into law today, will determine for many, many years American trade relations with the rest of the world. This is the most significant trade legislation passed by the Congress since the beginning of trade agreement programs some four decades ago.

It demonstrates our deep commitment to an open world economic order and interdependence as essential conditions of mutual economic health. The act will enable Americans to work with others to achieve expansion of the international flow of goods and services, thereby increasing economic well-being throughout the world.

It will thus help reduce international tensions caused by trade disputes. It will mean more and better jobs for American workers, with additional purchasing power for the American consumer.

There are four very basic elements to this Trade Act: authority to negotiate further reductions and elimination of trade barriers; a mandate to work with other nations to improve the world trading system and thereby avoid impediments to vital services as well as markets; reform of U.S. laws involving injurious and unfair competition; and improvement of our economic relations with

nonmarket economies and developing countries.

Our broad negotiating objectives under this act are to obtain more open and equitable market access for traded goods and services, to assure fair access to essential supplies at reasonable prices, to provide our citizens with an increased opportunity to purchase goods produced abroad, and to seek modernization of the international trading system.

Under the act, the administration will provide greater relief for American industry suffering from increased imports and more effective adjustment assistance for workers, firms, and communities.

The legislation allows us to act quickly and to effectively counter foreign import actions which unfairly place American labor and industry at a disadvantage in the world market. It authorizes the administration, under certain conditions, to extend nondiscriminatory tariff treatment to countries whose imports do not currently receive such treatment in the United States.

This is an important part of our commercial and overall relations with Communist countries. Many of the act's provisions in this area are very complex and may well prove difficult to implement. I will of course abide by the terms of the act, but I must express my reservations about the wisdom of legislative language that can only be seen as objectionable and discriminatory by other sovereign nations.

The United States now joins all other major industrial countries, through this legislation, in a system of tariff preferences for imports from developing countries.

Although I regret the rigidity and the unfairness in these provisions, especially with respect to certain oil-producing countries, I am now undertaking the first steps to implement this preference system by this summer. Most developing countries are clearly eligible, and I hope that still broader participation can be possible by that time.

As I have indicated, this act contains certain provisions to which we have some objection and others which vary somewhat

<sup>1</sup> Made in the East Room at the White House on Jan. 3 (text from Weekly Compilation of Presidential Documents dated Jan. 6). As enacted, the bill (H.R. 10710) is Public Law 93-618, approved Jan. 3.

from the language we might have preferred. In the spirit of cooperation, spirit of cooperation with the Congress, I will do my best to work out any necessary accommodations.

The world economy will continue under severe strain in the months ahead. This act enables the United States to constructively and to positively meet challenges in international trade. It affords us a basis for cooperation with all trading nations. Alone, the problems of each can only multiply; together, no difficulties are insurmountable.

We must succeed! I believe we will.

This is one of the most important measures to come out of the 93d Congress. I wish to thank very, very generously and from the bottom of my heart the Members of Congress and members of this administration—as well as the public—who contributed so much to this legislation's enactment. At this point I will sign the bill.

## **Oil Cargo Preference Bill Vetoed by President Ford**

### *Memorandum of Disapproval*<sup>1</sup>

I am withholding my approval from H.R. 8193, the Energy Transportation Security Act of 1974.

The bill would initially require that 20 percent of the oil imported into the United States be carried on U.S. flag tankers. The percentage would increase to 30 percent after June 30, 1977.

This bill would have the most serious consequences. It would have an adverse impact

<sup>1</sup> Issued at Vail, Colo., on Dec. 30 (text from White House press release).

on the United States economy and on our foreign relations. It would create serious inflationary pressures by increasing the cost of oil and raising the prices of all products and services which depend on oil. It would further stimulate inflation in the ship construction industry and cut into the industry's ability to meet ship construction for the U.S. Navy.

In addition, the bill would serve as a precedent for other countries to increase protection of their industries, resulting in a serious deterioration in beneficial international competition and trade. This is directly contrary to the objectives of the trade bill which the Congress has just passed. In addition, it would violate a large number of our treaties of Friendship, Commerce, and Navigation.

Although this bill would undoubtedly benefit a limited group of our working population, such benefit would entail disproportionate costs and produce undesirable effects which could extend into other areas and industries. The waiver provisions which the Congress included in an effort to meet a few of my concerns fail to overcome the serious objections I have to the legislation.

Accordingly, I am not approving this bill because of the substantial adverse effect on the Nation's economy and international interest.

I wish to take this opportunity to reiterate my commitment to maintaining a strong U.S. Merchant Marine. I believe we can and will do this under our existing statutes and programs such as those administered by the Maritime Administration in the Department of Commerce.

GERALD R. FORD.

THE WHITE HOUSE, *December 30, 1974.*



## Secretary Kissinger's News Conference of January 14

*Following is the transcript of a news conference held by Secretary Kissinger in the press briefing room at the Department of State at 6:30 p.m. on Tuesday, January 14.*

Press release 13 dated January 14

*Secretary Kissinger:* Ladies and gentlemen, I am sorry to get you all together at this hour. We had originally agreed with the Soviet Government to make a statement, which I am about to read, on Thursday. But there have been a number of inquiries this afternoon which led us to believe that there might be stories that were based on inadequate information and perhaps based on misunderstandings. And in order to avoid exacerbating the situation, and in an already rather delicate moment, we asked the Soviet Embassy whether we might release the statement this evening.

So I will now read a statement, of which the Soviet Government is aware, and we will have copies for you when you leave. Now, the text of the statement is as follows:

Since the President signed the Trade Act on January 3, we have been in touch with the Soviet Government concerning the steps necessary to bring the 1972 U.S.-Soviet Trade Agreement into force.

Article 9 of that agreement provides for an exchange of written notices of acceptance, following which the agreement, including reciprocal extension of nondiscriminatory tariff treatment (MFN) [most-favored-nation] would enter into force. In accordance with the recently enacted Trade Act, prior to this exchange of written notices, the President would transmit to the Congress a number of documents, including the 1972 agreement, the proposed written notices, a formal proclamation extending MFN to the U.S.S.R., and a statement of reasons for the 1972 agreement. Either House of Congress would then have had 90 legislative days to veto the agreement.

In addition to these procedures, the President would also take certain steps, pursuant to the

Trade Act, to waive the applicability of the Jackson-Vanik amendment. These steps would include a report to the Congress stating that the waiver will substantially promote the objectives of the amendment and that the President has received assurances that the emigration practices of the U.S.S.R. will henceforth lead substantially to the achievement of the objectives of the amendment.

It was our intention to include in the required exchange of written notices with the Soviet Government language, required by the provisions of the Trade Act, that would have made clear that the duration of three years referred to in the 1972 Trade Agreement with the U.S.S.R. was subject to continued legal authority to carry out our obligations. This caveat was necessitated by the fact that the waiver of the Jackson-Vanik amendment would be applicable only for an initial period of 18 months, with provision for renewal thereafter.

The Soviet Government has now informed us that it cannot accept a trading relationship based on the legislation recently enacted in this country. It considers this legislation as contravening both the 1972 Trade Agreement, which had called for an unconditional elimination of discriminatory trade restrictions, and the principle of noninterference in domestic affairs. The Soviet Government states that it does not intend to accept a trade status that is discriminatory and subject to political conditions and, accordingly, that it will not put into force the 1972 Trade Agreement. Finally, the Soviet Government informed us that if statements were made by the United States, in the terms required by the Trade Act, concerning assurances by the Soviet Government regarding matters it considers within its domestic jurisdiction, such statements would be repudiated by the Soviet Government.

In view of these developments, we have concluded that the 1972 Trade Agreement cannot be brought into force at this time and that the President will therefore not take the steps required for this purpose by the Trade Act. The President does not plan at this time to exercise the waiver authority.

The administration regrets this turn of events. It has regarded and continues to regard an orderly and mutually beneficial trade relationship with the Soviet Union as an important element in the overall improvement of relations. It will, of course,

continue to pursue all available avenues for such an improvement, including efforts to obtain legislation that will permit normal trading relationships.

Now, since undoubtedly a number of you will raise questions and some of you have already raised questions about the implications of this for our political relationships with the Soviet Union, let me make a few observations:

The problem of peace in the nuclear age must be of paramount concern for both nuclear powers. The question of bringing about a more stable international environment depends importantly on improved relations between the United States and the Soviet Union. This essentially bipartisan effort will be continued by this administration.

We have no reason to believe that the rejection of the provisions of the trade bill has implications beyond those that have been communicated to us. It goes without saying that, should it herald a period of intensified pressure, the United States would resist with great determination and as a united people. We do not expect that to happen, however, and as far as the United States is concerned, we will continue to pursue the policy of relaxation of tensions and of improving or seeking to improve relationships leading toward a stable peace.

As far as our domestic debate is concerned, we see no point in reviewing the debate of recent months. We want to make clear that there was no disagreement as to objectives. We differed with some of the Members of Congress about the methods to achieve these objectives—these disagreements are now part of a legislative history.

As far as the administration is concerned, it will pursue the objectives that I have outlined in a spirit of cooperation with the Congress.

And when I have testified before the Senate Foreign Relations Committee on Friday, I will seek their advice as to the steps that in their judgment might be desirable in promoting the cause and the purposes which we all share.

And now I will be glad to answer your questions.

*Q. Mr. Secretary, going to your last remarks, are you suggesting that Congress is at fault in great part for what has happened, and if that is what you are suggesting, why did you and Congress equally engage in this exchange of letters [Oct. 18, 1974] which seem to tell the American people that those assurances had been received?*

*Secretary Kissinger:* I think that all of you can review the public statements that I have made over the years of this debate expressing our judgment as to the likely consequences of this course.

You will also recall that in my testimony before the Senate Finance Committee on December 3 I stated explicitly that if any claim were made that this was a government-to-government transaction and if any assertions were made that assurances had been extended that those would be repudiated by the Soviet Government.

I believe that there were a number of reasons that led to the Soviet decision. The purpose of my remarks was not to put the blame anywhere, but in order to put the debate behind us and to turn us toward the future.

*Q. Mr. Secretary, what are some of those reasons do you think that led the Soviets to this move?*

*Secretary Kissinger:* I believe, as I have already stated publicly, that since the exchange of letters, there have been many public statements that were difficult for the Soviet Union to accept. And the decision with respect to the Eximbank [Export-Import Bank] ceiling was undoubtedly an important factor in leading to this turn of events.

*Q. Mr. Secretary, can you tell us what you think this means for the future of emigration of people from the Soviet Union, especially Jews?*

*Secretary Kissinger:* We have been given no official communication.

*Q. Do you think the number will go down?*

*Secretary Kissinger:* I would not want to speculate. The United States has made clear

before that we favored the widest possible emigration, and we did so privately. And, for a time, not ineffectively.

*Q. Mr. Secretary, right now, do you have any reason to believe that the Soviet Union is or will begin to apply intensive pressure in any particular region of the world?*

*Secretary Kissinger:* We have no reason to suppose so. I simply stated this to make clear what our attitude would be if this should happen. I also want to make clear that the United States will pursue a policy of relaxation of tensions, that the political premises of our policy of détente remain in full force, and that we are prepared to consult with the Congress to see how the objectives of the trade bill can be applied to the Soviet Union under conditions that are perhaps more acceptable.

*Q. Mr. Secretary, would you care to characterize the Soviet letter of rejection?*

*Secretary Kissinger:* I think it was factual.

*Q. When was it received, sir?*

*Secretary Kissinger:* It was received on Friday, and the further discussions with respect to it were concluded yesterday.

*Q. Do you think this reflects any change within the Soviet leadership? Do you think that there is a change of which this is one result?*

*Secretary Kissinger:* We have no evidence whatever to that effect.

*Q. Mr. Secretary, after the Vladivostok meeting, voices were raised in Congress saying that since it has been proved possible to be tough with the Russians on the trade bill, that we should therefore go back and renegotiate the Vladivostok agreement and get lower ceilings with them. Do you think that sort of public statement had any impact?*

*Secretary Kissinger:* Well, I don't want to go into individual public statements. I tried to point out on several occasions the limits of what a superpower can accept. And you

may remember that I warned in a press conference about the impact on détente of such a debate with respect to Vladivostok.

*Q. Mr. Secretary, do you expect now that the visit of Mr. Brezhnev [Leonid I. Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union] to this country might be put into question?*

*Secretary Kissinger:* I have absolutely no reason to suppose this. All the communications we have received from the Soviet Government seem to suggest that the political orientation is unchanged. And we will conduct our policy until we receive evidence to the contrary on the basis of carrying forward the policy of détente.

*Q. Mr. Secretary, the Lend-Lease Agreement, as I recall it, said that the Soviet Union did not have to make any further payments after this year if it did not receive most-favored-nation. So can we assume that that means the Soviet Union will also not be paying any further lend-lease payments, and that in turn raises the question of should they still be entitled to any credits at all?*

*Secretary Kissinger:* Well, with respect to the lend-lease, we have not sorted out specifically from what obligations the Soviet Union would be relieved. But I think your interpretation of the agreement is a reasonable one.

As you know, the granting of new credits has been linked to the implementation of the MFN, and therefore your second question is really moot, because no new credits can be extended under the existing legislation.

*Q. Mr. Secretary, how did the Soviet Union first communicate with you that they intended to do this?*

*Secretary Kissinger:* Well, after the passage of the Trade Act and the Exim legislation, the Soviet Union made clear in a number of ways, including public comments, its displeasure with the legislation. But it did not communicate with us formally. After the Trade Act was signed, we in-

formed the Soviet Union of the precise steps that would have to be taken under the Trade Act to implement the Trade Agreement and to put into effect the waiver provisions of the Jackson-Vanik amendment.

In response to these provisions, which made it impossible for us to apply the waiver without some Soviet action, the Soviet Union informed us that they would not participate in these actions. These actions specifically were that the Trade Agreement would have to be amended to run not for a period of three years, but to provide for the fact that it might lapse after 18 months in case MFN were not extended. And we had to have assurances that we could make statements with respect to Soviet emigration practices, or rather assurances that we had been given with respect to emigration practices, which they would not repudiate.

Now, as I have pointed out on many occasions, the assurances which we had received—and you may have seen stories that we had resisted the word “assurance” throughout our discussions with the Congress—that the information we had received concerned the application of Soviet law and the implementation of Soviet practices. And as I had made clear on December 3, any assurances concerning the Soviet Government were bound to be rejected, and they have been.

*Q. Mr. Secretary, in view of the fact that many officials in this government have expressed concern that the Soviet Union is not getting enough out of détente—and one of its main purposes in having a détente with the United States was in improving its trade, getting technology, getting credits from the United States—can you tell us on what you base your optimism that the other aspects of détente can continue?*

*Secretary Kissinger:* I stated that the communications that we have so far received have indicated that the Soviet Union wishes this political relationship to continue. We have no other evidence.

And we will, of course, base our own conclusions on the actions of the

Soviet Government and not on the note.

*Q. Mr. Secretary, evidently publicity and congressional debate had a great deal to do with the Soviet decision. Does this raise the question whether a democracy like ours can pursue openly a détente policy with the Soviet Union, or must it be pursued in secret and risk failure if the public is brought into it?*

*Secretary Kissinger:* Well, I really do not think any useful purpose would be served by speculating on all the causes of the present state of affairs.

I believe that any foreign policy of the United States that is not based on public support and, above all, on congressional support will not have a firm foundation. At the same time, there is the problem of the degree to which this control is exercised and in what detail. And this is a matter that will require constant adjustment and discussion between the executive and the Congress.

I repeat—we shared the objective of those with whose tactics we disagree, and we do not think that these tactics were in any sense improper or unreasonable.

*Q. Mr. Secretary, do you see any link between the Soviet action that you are discussing and recent reports that Mr. Brezhnev has been under criticism at home for his détente approach?*

*Secretary Kissinger:* Well, all I know about those stories is what I read in the newspapers. And we have to base our policies on the actions and communications of the Soviet Government. And therefore I don't want to speculate on the internal position of various Soviet leaders.

*Q. Mr. Secretary, do you expect the Soviets to reduce their purchases of American products to further give evidence of this displeasure?*

*Secretary Kissinger:* I have not stated that there is Soviet displeasure with the United States. I stated that the Soviet Union objected to certain legislative provi-

sions. I have no evidence one way or the other about what Soviet commercial practices will be henceforth, and it is quite possible that they have not made a decision.

*Q. Mr. Secretary, would you characterize it as being accurate to say that during the months of negotiations with the Senators you had information from the Soviets to the effect that you could negotiate in good faith with the Senators on these specific emigration issues but over the past few weeks the Soviet Union has changed its policy whereby it no longer can stand by the information that it had given to you during those months of negotiations?*

*Secretary Kissinger:* The reason the negotiations with the Senators took so long was our concern to make sure that we would communicate nothing that we could not back up. The Soviet Union gave us certain descriptions of their domestic practices, which we attempted to communicate as accurately as we could. Obviously those who were concerned with promoting emigration attempted to make these descriptions as precise and as detailed as possible. And that is perfectly understandable.

I think what may have happened is, when the Soviet Union looked at the totality of what it had to gain from this trading relationship as against the intrusions in its domestic affairs, it drew the balance sheet of which we have the result today. But they have never disavowed the assurances or the statements in my letter.

*Q. Mr. Secretary, you say that there is no reason to believe that there are implications beyond this. However, was not one of the incentives that we used in relations with the Soviet Union the trade incentive—to that extent, linkage—and to that extent, is there not some implication?*

*Secretary Kissinger:* It would be my judgment that the interest in the preservation of peace must be equally shared by both sides. I have stated the administration position in many statements before the Congress in which I pointed out that it is our

view, and it remains our view, that it is desirable to establish the maximum degree of links between the two countries in order to create the greatest incentive for the preservation of stable relationships.

We are prepared to continue exploring these possibilities. And we are certain that the Congress will deal with us in a conciliatory and constructive manner. So we look at this as an interruption and not as a final step.

*Q. Mr. Secretary, I'm a little confused about exactly what happened. Administration officials had said when the trade bill passed that they could live with it. You were asked at one point whether you would recommend vetoing of the Eximbank legislation, and you didn't answer it directly, and the President signed it. Did you have any idea that this was coming? Couldn't you have taken a step like vetoing the Eximbank to have prevented this?*

*Secretary Kissinger:* Well, we are faced with a situation in which there were differences of view as to what the traffic would bear. I don't believe that anybody reading my statements over the years can have any question about what my view was, and my statements are on the public record. And there was disagreement as to the validity of this.

For the United States to veto legislation which made credits available to American business for trading with the whole world because of an unsatisfactory limitation with respect to the Soviet Union at the end of a prolonged period of negotiation was a decision which the President felt he could not take, and it is a decision with which I agreed. It came down to a fine judgment. It would not have changed the basic problem, anyway, because with the Exim legislation vetoed, the Soviet Union would have had no reason to put into effect the trade provisions in any event. So we were faced with a very difficult choice. In one case they would get \$300 million; in the other case they could get nothing.

*The press: Thank you, Mr. Secretary.*

## U.S. Protests North Viet-Nam's Violations of Peace Accords

*Following is the text of a note transmitted to U.S. missions on January 11 for delivery to non-Vietnamese participants in the International Conference on Viet-Nam and to members of the International Commission of Control and Supervision (ICCS).<sup>1</sup>*

Press release 12 dated January 13

The Department of State of the United States of America presents its compliments to [recipient of this note] and has the honor to refer to the Agreement on Ending the War and Restoring Peace in Viet-Nam signed at Paris January 27, 1973, and to the Act of the International Conference on Viet-Nam signed at Paris March 2, 1973.

When the Agreement was concluded nearly two years ago, our hope was that it would provide a framework under which the Vietnamese people could make their own political choices and resolve their own problems in an atmosphere of peace. Unfortunately this hope, which was clearly shared by the Republic of Viet-Nam and the South Vietnamese people, has been frustrated by the persistent refusal of the Democratic Republic of Viet-Nam to abide by the Agreement's most fundamental provisions. Specifically, in flagrant violation of the Agreement, the North Vietnamese and "Provisional Revolutionary Government" authorities have:

—built up the North Vietnamese main-force army in the South through the illegal infiltration of over 160,000 troops;

—tripled the strength of their armor in the South by sending in over 400 new vehicles, as well as greatly increased their artillery and anti-aircraft weaponry;

—improved their military logistics system running through Laos, Cambodia and the Demilitarized Zone as well as within South Viet-Nam, and expanded their armament stockpiles;

—refused to deploy the teams which under the Agreement were to oversee the cease-fire;

—refused to pay their prescribed share of the expenses of the International Commission of Control and Supervision;

—failed to honor their commitment to cooperate in resolving the status of American and other personnel missing in action, even breaking off all discussions on this matter by refusing for the past seven months to meet with U.S. and Republic of Viet-Nam representatives in the Four-Party Joint Military Team;

—broken off all negotiations with the Republic of Viet-Nam including the political negotiations in Paris and the Two Party Joint Military Commission talks in Saigon, answering the Republic of Viet-Nam's repeated calls for unconditional resumption of the negotiations with demands for the overthrow of the government as a pre-condition for any renewed talks; and

—gradually increased their military pressure, over-running several areas, including 11 district towns, which were clearly and unequivocally held by the Republic of Viet-Nam at the time of the cease-fire. Their latest and most serious escalation of the fighting began in early December with offensives in the southern half of South Viet-Nam which have brought the level of casualties and destruction back up to what it was before the Agreement. These attacks—which included for the first time since the massive North Vietnamese 1972 offensive the over-running of a province capital (Song Be in Phuoc Long Province)—appear to reflect a decision by Hanoi to seek once again to impose a military solution in Viet-Nam. Coming just before the second anniversary of the Agreement, this dramatically belies Hanoi's claims that it is the United States and the Republic of Viet-Nam who are violating the Agreement and standing in the way of peace.

The United States deplores the Democratic Republic of Viet-Nam's turning from the path of negotiation to that of war, not

<sup>1</sup> Union of Soviet Socialist Republics, People's Republic of China, United Kingdom, France, Hungary, Poland, Indonesia, Iran, and U.N. Secretary General Kurt Waldheim.

only because it is a grave violation of a solemn international agreement, but also because of the cruel price it is imposing on the people of South Viet-Nam. The Democratic Republic of Viet-Nam must accept the full consequences of its actions. We are deeply concerned about the threat posed to international peace and security, to the political stability of Southeast Asia, to the progress which has been made in removing Viet-Nam as a major issue of great-power contention, and to the hopes of mankind for the building of structures of peace and the strengthening of mechanisms to avert war. We therefore reiterate our strong support for the Republic of Viet-Nam's call to the Hanoi-"Provisional Revolutionary Government" side to reopen the talks in Paris and Saigon which are mandated by the Agreement. We also urge that the [addressee] call upon the Democratic Republic of Viet-Nam to halt its military offensive and join the Republic of Viet-Nam in re-establishing stability and seeking a political solution.

JANUARY 11, 1975.

## Congressional Documents Relating to Foreign Policy

### 93d Congress, 2d Session

A Recommended National Emergencies Act. Interim Report. S. Rept. 93-1170. September 24, 1974. 10 pp.

National Emergencies Act. Report to accompany S. 3957. S. Rept. 93-1193. September 30, 1974. 50 pp.

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## U.S. Votes Against Charter of Economic Rights and Duties of States

*Following is a statement made in Committee II (Economic and Financial) of the U.N. General Assembly on December 6 by Senator Charles H. Percy, U.S. Representative to the General Assembly, together with the text of a resolution adopted by the committee on December 6 and by the Assembly on December 12.*

### STATEMENT BY SENATOR PERCY

USCN press release 192 dated December 6

It is with deep regret that my delegation could not support the proposed Charter of Economic Rights and Duties of States.

When President Echeverría of Mexico initiated the concept of such a charter two years ago, he had what is indeed a worthy vision. The U.S. Government shares the conviction that there is a real need for basic improvements in the international economic system, and we supported in principle the formulation of new guidelines to this end. We welcomed President Echeverría's initiative. Secretary of State Kissinger, in addressing this Assembly last year, confirmed the fact that the United States favored the concept of a charter. He said it would make a significant and historic contribution if it reflected the true aspirations of all nations. He added that, to command general support—and to be implemented—the proposed rights and duties must be defined equitably and take into account the concerns of industrialized as well as of developing countries.

In extensive negotiations in Mexico City, Geneva, and here in New York, the United States worked hard and sincerely with other

countries in trying to formulate a charter that would achieve such a balance. We tried to go the extra mile in particular because of our close and friendly relations with Mexico. We are indebted, as I believe is the entire Assembly, to Foreign Minister Rabasa [Emilio O. Rabasa, Minister of Foreign Affairs, United Mexican States] for his patient and tireless efforts as a negotiator. One must recognize the difficulty of his tasks in seeking to reconcile such fundamentally divergent views as have been apparent in a group of this size and disparity. Despite the chasm which it has thus far proved impossible to bridge, he labored up to the last moment seeking an agreed consensus. Indeed, agreement was reached on many important articles, and our support for those was shown in the vote we have just taken.

On others, however, agreement has not been reached. Our views on these provisions are apparent in the amendments proposed by the United States and certain other countries, but these regrettably have been rejected by the majority here.<sup>1</sup> Many of the unagreed provisions, in the view of my government, are fundamental and are unacceptable in their present form. To cite a few: the treatment of foreign investment in terms which do not fully take into account respect for agreements and international obligations, and the endorsement of concepts of producer cartels and indexation of

<sup>1</sup>In 17 rollcall votes on Dec. 6, the committee rejected amendments cosponsored by the United States and other countries which included the deletion of subpar. (i) of chapter I and arts. 5, 15, 16, 19, and 28 and revised language for preambular pars. 4, 5(c), and 7; the introductory sentence and subpar. (f) of chapter I; and arts. 2, 4, 6, 14 bis (to replace art. 31), 26, and 30.



prices. As a result, Mr. Chairman, we have before us a draft charter which is unbalanced and which fails to achieve the purpose of encouraging harmonious economic relations and needed development. Moreover, the provisions of the charter would discourage rather than encourage the capital flow which is vital for development.

There is much in the charter which the United States supports. The bulk of it is the result of sincere negotiations, as demonstrated by the voting pattern today. It was to demonstrate this fact that the United States asked for an article-by-article vote on the charter.<sup>2</sup>

Mr. Chairman, my government was prepared to continue these negotiations until agreement could be reached, as we much preferred agreement to confrontation. For that reason, we supported the proposed resolution to continue negotiating next year with a view to acting on a generally agreed charter in the Assembly next September.<sup>3</sup>

For all these reasons, Mr. Chairman, my delegation felt compelled to vote against the charter as a whole.<sup>4</sup> We have not closed our minds, however, to the possibility of further reconsideration at some future date should others come to the conclusion that an agreed charter would still be far preferable to one that is meaningless without the agreement of countries whose numbers may be small but whose significance in international economic relations and development can hardly be ignored. We stand ready to resume negotiations on a charter which could command the support of all countries.

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<sup>2</sup> The United States voted against the seventh preambular paragraph; art. 2, pars. 1 and 2 (a), (b), and (c); and art. 26. The United States abstained on the fourth preambular paragraph; the introductory sentence of chapter 1; and arts. 4, 6, 29, 30, 32, and 34. No separate vote was taken on provisions where an amendment to delete had been rejected (see footnote 1 above). The United States voted in favor of provisions not otherwise specified.

<sup>3</sup> Draft resolution A/C.2/L.1419 was rejected by the committee on Dec. 6, the vote being 81 against and 20 (U.S.) in favor, with 15 abstentions.

<sup>4</sup> The committee adopted the charter as a whole, as cosponsored by 90 developing countries, by a rollcall vote of 115 to 6 (U.S.), with 10 abstentions.

## TEXT OF RESOLUTION<sup>5</sup>

*The General Assembly.*

*Recalling* that the United Nations Conference on Trade and Development, in its resolution 45 (III) of 18 May 1972, stressed the urgency "to establish generally accepted norms to govern international economic relations systematically" and recognized that "it is not feasible to establish a just order and a stable world as long as the Charter to protect the rights of all countries, and in particular the developing States, is not formulated",

*Recalling further* that in the same resolution it was decided to establish a Working Group of governmental representatives to draw up a draft Charter of Economic Rights and Duties of States, which the General Assembly, in its resolution 3037 (XXVII) of 19 December 1972, decided should be composed of 40 Member States,

*Noting* that in its resolution 3082 (XXVIII) of 6 December 1973, it reaffirmed its conviction of the urgent need to establish or improve norms of universal application for the development of international economic relations on a just and equitable basis and urged the Working Group on the Charter of Economic Rights and Duties of States to complete, as the first step, in the codification and development of the matter, the elaboration of a final draft Charter of Economic Rights and Duties of States, to be considered and approved by the General Assembly at its twenty-ninth session,

*Bearing in mind* the spirit and terms of its resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, containing the Declaration and the Programme of Action on the Establishment of a New International Economic Order, which underlined the vital importance of the Charter to be adopted by the General Assembly at its twenty-ninth session and stressed the fact that the Charter shall constitute an effective instrument towards the establishment of a new system of international economic relations based on equity, sovereign equality, and interdependence of the interests of developed and developing countries,

*Having examined* the report of the Working Group on the Charter of Economic Rights and Duties of States on its fourth session,<sup>6</sup> transmitted to the General Assembly by the Trade and Development Board at its fourteenth session,

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<sup>5</sup> A/RES/3281 (XXIX) (text from U.N. press release GA/5194); adopted by the Assembly on Dec. 12 by a rollcall vote of 120 to 6 (U.S., Belgium, Denmark, Federal Republic of Germany, Luxembourg, U.K.), with 10 abstentions (Austria, Canada, France, Ireland, Israel, Italy, Japan, Netherlands, Norway, Spain). Separate votes were taken on subpar. (o) of chapter I and on art. 3; the United States voted in favor of these provisions.

<sup>6</sup> U.N. doc. TD/B/AC.12/4. [Footnote in original.]

*Expressing its appreciation* to the Working Group on the Charter of Economic Rights and Duties of States which, as a result of the task performed in its four sessions held between February 1973 and June 1974, assembled the elements required for the completion and adoption of the Charter of Economic Rights and Duties of States at the twenty-ninth session of the General Assembly, as previously recommended,

*Adopts and solemnly proclaims* the following:

## CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES

### PREAMBLE

*The General Assembly,*

*Reaffirming* the fundamental purposes of the United Nations, in particular, the maintenance of international peace and security, the development of friendly relations among nations and the achievement of international co-operation in solving international problems in the economic and social fields,

*Affirming* the need for strengthening international co-operation in these fields,

*Reaffirming further* the need for strengthening international co-operation for development,

*Declaring* that it is a fundamental purpose of this Charter to promote the establishment of the new international economic order, based on equity, sovereign equality, interdependence, common interest and co-operation among all States, irrespective of their economic and social systems,

*Desirous* of contributing to the creation of conditions for:

(a) The attainment of wider prosperity among all countries and of higher standards of living for all peoples,

(b) The promotion by the entire international community of economic and social progress of all countries, especially developing countries,

(c) The encouragement of co-operation, on the basis of mutual advantage and equitable benefits for all peace-loving States which are willing to carry out the provisions of this Charter, in the economic, trade, scientific and technical fields, regardless of political, economic or social systems,

(d) The overcoming of main obstacles in the way of economic development of the developing countries,

(e) The acceleration of the economic growth of developing countries with a view to bridging the economic gap between developing and developed countries,

(f) The protection, preservation and enhancement of the environment,

*Mindful* of the need to establish and maintain a just and equitable economic and social order through:

(a) The achievement of more rational and equi-

table international economic relations and the encouragement of structural changes in the world economy,

(b) The creation of conditions which permit the further expansion of trade and intensification of economic co-operation among all nations,

(c) The strengthening of the economic independence of developing countries,

(d) The establishment and promotion of international economic relations taking into account the agreed differences in development of the developing countries and their specific needs,

*Determined* to promote collective economic security for development, in particular of the developing countries, with strict respect for the sovereign equality of each State and through the co-operation of the entire international community,

*Considering* that genuine co-operation among States, based on joint consideration of and concerted action regarding international economic problems, is essential for fulfilling the international community's common desire to achieve a just and rational development of all parts of the world,

*Stressing* the importance of ensuring appropriate conditions for the conduct of normal economic relations among all States, irrespective of differences in social and economic systems, and for the full respect for the rights of all peoples, as well as the strengthening of instruments of international economic co-operation as means for the consolidation of peace for the benefit of all,

*Convinced* of the need to develop a system of international economic relations on the basis of sovereign equality, mutual and equitable benefit and the close interrelationship of the interests of all States,

*Reiterating* that the responsibility for the development of every country rests primarily upon itself but that concomitant and effective international co-operation is an essential factor for the full achievement of its own development goals,

*Firmly convinced* of the urgent need to evolve a substantially improved system of international economic relations,

*Solemnly adopts* the present Charter of Economic Rights and Duties of States.

### CHAPTER I

#### *Fundamentals of international economic relations*

Economic as well as political and other relations among States shall be governed, *inter alia*, by the following principles:

(a) Sovereignty, territorial integrity and political independence of States;

(b) Sovereign equality of all States;

(c) Non-aggression;

(d) Non-intervention;

(e) Mutual and equitable benefit;

(f) Peaceful coexistence;

(g) Equal rights and self-determination of peoples;

(h) Peaceful settlement of disputes;

(i) Remedying of injustices which have been brought about by force and which deprive a nation of the natural means necessary for its normal development;

(j) Fulfilment in good faith of international obligations;

(k) Respect for human rights and fundamental freedoms;

(l) No attempt to seek hegemony and spheres of influence;

(m) Promotion of international social justice;

(n) International co-operation for development;

(o) Free access to and from the sea by land-locked countries within the framework of the above principles.

## CHAPTER II

### *Economic rights and duties of States*

#### *Article 1*

Every State has the sovereign and inalienable right to choose its economic system as well as its political, social and cultural systems in accordance with the will of its people, without outside interference, coercion or threat in any form whatsoever.

#### *Article 2*

1. Every State has and shall freely exercise full permanent sovereignty, including possession, use and disposal, over all its wealth, natural resources and economic activities.

2. Each State has the right:

(a) To regulate and exercise authority over foreign investment within its national jurisdiction in accordance with its laws and regulations and in conformity with its national objectives and priorities. No State shall be compelled to grant preferential treatment to foreign investment;

(b) To regulate and supervise the activities of transnational corporations within its national jurisdiction and take measures to ensure that such activities comply with its laws, rules and regulations and conform with its economic and social policies. Transnational corporations shall not intervene in the internal affairs of a host State. Every State should, with full regard for its sovereign rights, co-operate with other States in the exercise of the right set forth in this subparagraph;

(c) To nationalize, expropriate or transfer ownership of foreign property in which case appropriate compensation should be paid by the State adopting such measures, taking into account its relevant laws and regulations and all circumstances that the State considers pertinent. In any case where the question of compensation gives rise to a controversy, it shall be settled under the domestic law of the nationalizing State and by its tribunals, unless

it is freely and mutually agreed by all States concerned that other peaceful means be sought on the basis of the sovereign equality of States and in accordance with the principle of free choice of means.

#### *Article 3*

In the exploitation of natural resources shared by two or more countries, each State must co-operate on the basis of a system of information and prior consultations in order to achieve optimum use of such resources without causing damage to the legitimate interest of others.

#### *Article 4*

Every State has the right to engage in international trade and other forms of economic co-operation irrespective of any differences in political, economic and social systems. No State shall be subjected to discrimination of any kind based solely on such differences. In the pursuit of international trade and other forms of economic co-operation, every State is free to choose the forms of organization of its foreign economic relations and to enter into bilateral and multilateral arrangements consistent with its international obligations and with the needs of international economic co-operation.

#### *Article 5*

All States have the right to associate in organizations of primary commodity producers in order to develop their national economies to achieve stable financing for their development, and in pursuance of their aims assisting in the promotion of sustained growth of the world economy, in particular accelerating the development of developing countries. Correspondingly all States have the duty to respect that right by refraining from applying economic and political measures that would limit it.

#### *Article 6*

It is the duty of States to contribute to the development of international trade of goods particularly by means of arrangements and by the conclusion of long-term multilateral commodity agreements, where appropriate, and taking into account the interests of producers and consumers. All States share the responsibility to promote the regular flow and access of all commercial goods traded at stable, remunerative and equitable prices, thus contributing to the equitable development of the world economy, taking into account, in particular, the interests of developing countries.

#### *Article 7*

Every State has the primary responsibility to promote the economic, social and cultural development of its people. To this end, each State has the right and the responsibility to choose its means and goals of development, fully to mobilize and

use its resources, to implement progressive economic and social reforms and to ensure the full participation of its people in the process and benefits of development. All States have the duty, individually and collectively, to co-operate in order to eliminate obstacles that hinder such mobilization and use.

#### Article 8

States should co-operate in facilitating more rational and equitable international economic relations and in encouraging structural changes in the context of a balanced world economy in harmony with the needs and interests of all countries, especially developing countries, and should take appropriate measures to this end.

#### Article 9

All States have the responsibility to co-operate in the economic, social, cultural, scientific and technological fields for the promotion of economic and social progress throughout the world, especially that of the developing countries.

#### Article 10

All States are juridically equal and, as equal members of the international community, have the right to participate fully and effectively in the international decision-making process in the solution of world economic, financial and monetary problems, *inter alia*, through the appropriate international organizations in accordance with their existing and evolving rules, and to share equitably in the benefits resulting therefrom.

#### Article 11

All States should co-operate to strengthen and continuously improve the efficiency of international organizations in implementing measures to stimulate the general economic progress of all countries, particularly of developing countries, and therefore should co-operate to adapt them, when appropriate, to the changing needs of international economic co-operation.

#### Article 12

1. States have the right, in agreement with the parties concerned, to participate in subregional, regional and interregional co-operation in the pursuit of their economic and social development. All States engaged in such co-operation have the duty to ensure that the policies of those groupings to which they belong correspond to the provisions of the Charter and are outward-looking, consistent with their international obligations and with the needs of international economic co-operation and have full regard for the legitimate interests of third countries, especially developing countries.

2. In the case of groupings to which the States concerned have transferred or may transfer cer-

tain competences as regards matters that come within the scope of this Charter, its provisions shall also apply to those groupings, in regard to such matters, consistent with the responsibilities of such States as members of such groupings. Those States shall co-operate in the observance by the groupings of the provisions of this Charter.

#### Article 13

1. Every State has the right to benefit from the advances and developments in science and technology for the acceleration of its economic and social development.

2. All States should promote international scientific and technological co-operation and the transfer of technology, with proper regard for all legitimate interests including, *inter alia*, the rights and duties of holders, suppliers and recipients of technology. In particular, all States should facilitate: the access of developing countries to the achievements of modern science and technology, the transfer of technology and the creation of indigenous technology for the benefit of the developing countries in forms and in accordance with procedures which are suited to their economies and their needs.

3. Accordingly, developed countries should co-operate with the developing countries in the establishment, strengthening and development of their scientific and technological infrastructures and their scientific research and technological activities so as to help to expand and transform the economies of developing countries.

4. All States should co-operate in exploring with a view to evolving further internationally accepted guidelines or regulations for the transfer of technology taking fully into account the interests of developing countries.

#### Article 14

Every State has the duty to co-operate in promoting a steady and increasing expansion and liberalization of world trade and an improvement in the welfare and living standards of all peoples, in particular those of developing countries. Accordingly, all States should co-operate, *inter alia*, towards the progressive dismantling of obstacles to trade and the improvement of the international framework for the conduct of world trade and, to these ends, co-ordinated efforts shall be made to solve in an equitable way the trade problems of all countries taking into account the specific trade problems of the developing countries. In this connexion, States shall take measures aimed at securing additional benefits for the international trade of developing countries so as to achieve a substantial increase in their foreign exchange earnings, the diversification of their exports, the acceleration of the rate of growth of their trade, taking into account their development needs, an improvement in the possibilities for these countries to participate

in the expansion of world trade and a balance more favourable to developing countries in the sharing of the advantages resulting from this expansion, through, in the largest possible measure, a substantial improvement in the conditions of access for the products of interest to the developing countries and, wherever appropriate, measures designed to attain stable, equitable and remunerative prices for primary products.

#### *Article 15*

All States have the duty to promote the achievement of general and complete disarmament under effective international control and to utilize the resources freed by effective disarmament measures for the economic and social development of countries, allocating a substantial portion of such resources as additional means for the development needs of developing countries.

#### *Article 16*

1. It is the right and duty of all States, individually and collectively, to eliminate colonialism, *apartheid*, racial discrimination, neo-colonialism and all forms of foreign aggression, occupation and domination, and the economic and social consequences thereof, as a prerequisite for development. States which practice such coercive policies are economically responsible to the countries, territories and peoples affected for the restitution and full compensation for the exploitation and depletion of, and damages to, the natural and all other resources of those countries, territories and peoples. It is the duty of all States to extend assistance to them.

2. No State has the right to promote or encourage investments that may constitute an obstacle to the liberation of a territory occupied by force.

#### *Article 17*

International co-operation for development is the shared goal and common duty of all States. Every State should co-operate with the efforts of developing countries to accelerate their economic and social development by providing favourable external conditions and by extending active assistance to them, consistent with their development needs and objectives, with strict respect for the sovereign equality of States and free of any conditions derogating from their sovereignty.

#### *Article 18*

Developed countries should extend, improve and enlarge the system of generalized non-reciprocal and non-discriminatory tariff preferences to the developing countries consistent with the relevant agreed conclusions and relevant decisions as adopted on this subject, in the framework of the competent international organizations. Developed countries should also give serious consideration to the adop-

tion of other differential measures, in areas where this is feasible and appropriate and in ways which will provide special and more favourable treatment, in order to meet trade and development needs of the developing countries. In the conduct of international economic relations the developed countries should endeavour to avoid measures having a negative effect on the development of the national economies of the developing countries, as promoted by generalized tariff preferences and other generally agreed differential measures in their favour.

#### *Article 19*

With a view to accelerating the economic growth of developing countries and bridging the economic gap between developed and developing countries, developed countries should grant generalized preferential, non-reciprocal and non-discriminatory treatment to developing countries in those fields of international economic co-operation where it may be feasible.

#### *Article 20*

Developing countries should, in their efforts to increase their over-all trade, give due attention to the possibility of expanding their trade with socialist countries, by granting to these countries conditions for trade not inferior to those granted normally to the developed market economy countries.

#### *Article 21*

Developing countries should endeavour to promote the expansion of their mutual trade and to this end, may, in accordance with the existing and evolving provisions and procedures of international agreements where applicable, grant trade preferences to other developing countries without being obliged to extend such preferences to developed countries, provided these arrangements do not constitute an impediment to general trade liberalization and expansion.

#### *Article 22*

1. All States should respond to the generally recognized or mutually agreed development needs and objectives of developing countries by promoting increased net flows of real resources to the developing countries from all sources, taking into account any obligations and commitments undertaken by the States concerned, in order to reinforce the efforts of developing countries to accelerate their economic and social development.

2. In this context, consistent with the aims and objectives mentioned above and taking into account any obligations and commitments undertaken in this regard, it should be their endeavour to increase the net amount of financial flows from official sources to developing countries and to improve the terms and conditions.

3. The flow of development assistance resources should include economic and technical assistance.

*Article 23*

To enhance the effective mobilization of their own resources, the developing countries should strengthen their economic co-operation and expand their mutual trade so as to accelerate their economic and social development. All countries, especially developed countries, individually as well as through the competent international organizations of which they are members, should provide appropriate and effective support and co-operation.

*Article 24*

All States have the duty to conduct their mutual economic relations in a manner which takes into account the interests of other countries. In particular, all States should avoid prejudicing the interests of developing countries.

*Article 25*

In furtherance of world economic development, the international community, especially its developed members, shall pay special attention to the particular needs and problems of the least developed among the developing countries, of landlocked developing countries and also island developing countries, with a view to helping them to overcome their particular difficulties and thus contribute to their economic and social development.

*Article 26*

All States have the duty to coexist in tolerance and live together in peace, irrespective of differences in political, economic, social and cultural systems, and to facilitate trade between States having different economic and social systems. International trade should be conducted without prejudice to generalized non-discriminatory and non-reciprocal preferences in favour of developing countries, on the basis of mutual advantage, equitable benefits and the exchange of most-favoured-nation treatment.

*Article 27*

1. Every State has the right to fully enjoy the benefits of world invisible trade and to engage in the expansion of such trade.

2. World invisible trade, based on efficiency and mutual and equitable benefit, furthering the expansion of the world economy, is the common goal of all States. The role of developing countries in world invisible trade should be enhanced and strengthened consistent with the above objectives, particular attention being paid to the special needs of developing countries.

3. All States should co-operate with developing countries in their endeavours to increase their capacity to earn foreign exchange from invisible transactions, in accordance with the potential and

needs of each developing country, and consistent with the objectives mentioned above.

*Article 28*

All States have the duty to co-operate in achieving adjustments in the prices of exports of developing countries in relation to prices of their imports so as to promote just and equitable terms of trade for them, in a manner which is remunerative for producers and equitable for producers and consumers.

CHAPTER III

*Common responsibilities  
towards the international community*

*Article 29*

The sea-bed and ocean floor and the subsoil thereof, beyond the limits of national jurisdiction, as well as the resources of the area, are the common heritage of mankind. On the basis of the principles adopted by the General Assembly in resolution 2749 (XXV) of 17 December 1970, all States shall ensure that the exploration of the area and exploitation of its resources are carried out exclusively for peaceful purposes and that the benefits derived therefrom are shared equitably by all States, taking into account the particular interests and needs of developing countries; an international regime applying to the area and its resources and including appropriate international machinery to give effect to its provisions shall be established by an international treaty of a universal character, generally agreed upon.

*Article 30*

The protection, preservation and the enhancement of the environment for the present and future generations is the responsibility of all States. All States shall endeavour to establish their own environmental and developmental policies in conformity with such responsibility. The environmental policies of all States should enhance and not adversely affect the present and future development potential of developing countries. All States have the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction. All States should co-operate in evolving international norms and regulations in the fields of the environment.

CHAPTER IV

*Final provisions*

*Article 31*

All States have the duty to contribute to the balanced expansion of the world economy, taking duly into account the close interrelationship between the well-being of the developed countries

and the growth and development of the developing countries and that the prosperity of the international community as a whole depends upon the prosperity of its constituent parts.

#### *Article 32*

No State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights.

#### *Article 33*

1. Nothing in the present Charter shall be construed as impairing or derogating from the provisions of the Charter of the United Nations or actions taken in pursuance thereof.

2. In their interpretation and application, the provisions of the present Charter are interrelated and each provision should be construed in the context of the other provisions.

#### *Article 34*

An item on the Charter of Economic Rights and Duties of States shall be inscribed on the agenda of the General Assembly at its thirtieth session, and thereafter on the agenda of every fifth session. In this way a systematic and comprehensive consideration of the implementation of the Charter, covering both progress achieved and any improvements and additions which might become necessary, would be carried out and appropriate measures recommended. Such consideration should take into account the evolution of all the economic, social, legal and other factors related to the principles upon which the present Charter is based and on its purpose.

## **U.S. Urges Early Conclusion of Law of the Sea Treaty**

*Following is a statement by John R. Stevenson, Special Representative of the President for the Law of the Sea Conference, made in the U.N. General Assembly on December 17.*

USUN press release 202 dated December 17

It is well known that my government attaches great importance to a successful law of the sea treaty and to the achievement of that goal before the pressure of events and the erosion of momentum place it beyond our reach.

A few weeks ago, in an extensive interview in the New York Times, Secretary Kissinger stressed that our interdependent world has approached a time when we must

find creative solutions to mutual problems or face chaos. Similar thoughts were expressed by many speakers from all regions during the general debate in this body.

There are few problems so uniquely expressive of our global interdependence as the legal order of the oceans. We have made a good beginning in Caracas. Like many others, I am disappointed that our accomplishments were not greater, but I am not discouraged about our capacity to achieve a treaty, given the will and the devotion to the task that is necessary to meet the timetable set by this Assembly in its resolution last year. That resolution—wisely, as it turned out—envisioned the probability that in addition to the Caracas session we would if necessary “convene not later than 1975 any subsequent session or sessions as may be decided upon by the Conference and approved by the General Assembly.”

It seems to my delegation that this resolution was a clear mandate to complete our work in 1975. I do not believe there is any fundamental disagreement among us about the magnitude of that task. It is not merely the process of political decisions by governments on difficult issues—frequently involving important domestic interests—and the process of negotiation of the precise details of the many individual issues that must be written into final texts; it is also the sheer weight of the management problem of so many nations negotiating so many issues and the time that will inevitably be required, after detailed texts of individual articles are negotiated, to construct their final place in the overall treaty.

No government will be more pleased than mine if we can complete that task during the time allotted to our meeting in Geneva, but I do not believe that we should foreclose the possibility of further work during 1975 if necessary to complete the treaty.

Timetables, of course, are not immutable. I am aware of the many understandable concerns and, in some cases, genuine personal and governmental hardships that have been reflected in the negotiation of the resolution now before this Assembly. Nevertheless, they should be measured against the probability

that with more delay, the passage of time and not our own efforts may well determine the outcome of our negotiations.

My government reluctantly supports the resolution before this Assembly.<sup>1</sup> I say "reluctantly" because we would strongly prefer that the Secretary General be given specific authority to schedule a second substantive session in 1975 if necessary and to begin making the arrangements that cannot be satisfactorily made in a few weeks or a few months. However, we believe that the resolution as it stands would not preclude the possibility for additional intersessional work in 1975. It would be our understanding that the Secretariat could proceed to do the best it can to insure that, if the conference determines such work is necessary, appropriate arrangements would be forthcoming. We welcome in particular the reference to the conference's acceptance of the invitation of the Government of Venezuela to return to Caracas to sign the final act and related instruments and the authorization to the Secretary General to make the necessary arrangements to that end.

Mr. President, this conference has been called one of the most important held since the creation of the United Nations. This is true not only because of the importance of the oceans to the future well-being of all nations but also because its outcome may well determine whether we have the will and the institutional structure to achieve cooperative solutions for important global problems.

As the many experienced negotiators in this room know, there comes a time in any negotiation when its course moves rapidly forward toward perceived solutions, or a breakdown occurs. It seems to me evident that that moment must come at Geneva. If the will is there to make the decisions and the accommodations that are necessary, we will have the momentum to move to a successful conclusion.

<sup>1</sup> Resolution 3334 (XXIX) approving in operative paragraph 1 "the convening of the next session of the Third United Nations Conference on the Law of the Sea for the period 17 March to 10 May 1975 at Geneva" was adopted by the Assembly unanimously on Dec. 17.

Though my government is second to none in pressing for a timely solution by the Law of the Sea Conference and in seeking a work program to that end, our support for a timely conference should not be misread as a willingness to sacrifice essential national interests. My nation will go to Geneva to negotiate. Geneva can succeed, however, only if all nations approach our work in that spirit. And it can succeed only if all nations identify their essential national interests and realize in turn that others have essential interests that must be accommodated.

Mr. President, I would also like to state our gratification at the willingness of the General Assembly to invite the Trust Territory of the Pacific Islands to participate as an observer in the work of the Law of the Sea Conference. While we have always taken into account Micronesia's views and interests in formulating our positions, we think it advisable that Micronesia should be able to state its own views with regard to law of the sea issues.

Mr. President, I would like to state the appreciation of the United States for the role played by Constantin Stavropoulos who, until November of this year, contributed much and wisely as the Special Representative of Secretary General Waldheim to the Law of the Sea Conference. Recalling Mr. Stavropoulos' 20 years of service as Legal Counsel of the United Nations, it is only appropriate that we acknowledge with profound gratitude his intelligence, his insight, his wisdom, his humanity, and his friendship. Our loss is the gain of his homeland, Greece, to which he has now returned.

We also applaud the decision of the Secretary General to appoint as his new Special Representative Dr. Bernardo Zuleta, a distinguished lawyer-diplomat and the Alternate Representative of Colombia to the United Nations. We have known and admired Dr. Zuleta for a number of years. Both the Seabed Committee and the Law of the Sea Conference have benefited from his qualities of leadership, tolerance, industry, and wit. In this case, the loss to Colombia is the gain to the international community.



## U.N. General Assembly Approves Definition of Aggression

*Following are texts of a statement made in Committee VI (Legal) of the U.N. General Assembly on October 18 by Robert Rosenstock, Legal Affairs Adviser to the U.S. Mission to the United Nations, and a statement made in plenary session of the Assembly on December 14 by U.S. Representative W. Tapley Bennett, Jr., together with the text of a resolution adopted by the Committee on November 21 and by the Assembly on December 14.*

### U.S. STATEMENTS

#### Mr. Rosenstock, Committee VI, October 18

USUN press release 142 dated October 18

My delegation wishes to take this opportunity to reiterate our appreciation for the work of Professor Broms [Bengt H. G. A. Broms, of Finland, chairman of the Special Committee on the Question of Defining Aggression], who guided the deliberations, to Mr. Sanders [Joseph Sanders, of Guyana, rapporteur of the special committee], who not only oversaw the report but contributed to the consensus and introduced the report in this committee in a particularly lucid, succinct, and instructive manner.

The United States has always had a measure of skepticism as to the utility of defining aggression. We recognized the widespread desire of others, however, to make the attempt, and we cooperated in the effort. Although I cannot state that our skepticism has been wholly dispelled, my delegation was part of the consensus in the special committee. We stated our views on the details of the text at that time, and they are set forth in annex I of the report of the

special committee.<sup>1</sup> They remain our views, and hence we will not repeat them in detail now.

We, like many others, do not regard the definition as perfect. There is material in it we regard as unnecessary and there are phrases we regard as unfelicitous; there are, moreover, omissions from the definition which we regard as unfortunate. There is nothing remarkable in these facts. The product of years of intensive negotiations among large and small states, states with differing social systems, and states with different legal traditions can never fully reflect the desires of each state. The text is inevitably a compromise. It has the strengths and weaknesses of a compromise. What is remarkable is that we have succeeded at all when previous generations have failed.

We should recognize this compromise as a hopeful sign of a growing spirit of international cooperation and understanding, a sign that states have matured to the point of not insisting that their parochial concerns must be accepted in full by the international community, that they no longer insist on using the definition to settle other issues. What state is there here which does not have a particular security, economic, or other concern which it believes is not perfectly reflected? If states were to insist on the perfect expression of their special concerns, we would not postpone the production of a definition; we would be deciding once and for all that a definition is impossible. In this connection, my delegation notes the forbearance shown by the delegate of Afghanistan.

<sup>1</sup>U.N. doc. A/9619; for a statement by Mr. Rosenstock made in the special committee on Apr. 12, see BULLETIN of May 6, 1974, p. 498.

What the special committee has forwarded to the Assembly is not a substitute for the type of definition one would seek in a dictionary. That would serve no useful purpose; we are not defining a term in the abstract, but seeking to provide guidance for the understanding of the meaning and function of the term as set forth in article 39 of the Charter of the United Nations.

The definition, moreover, does not and should not seek to establish obligations and rights of states; for that is not the function of article 39 of the charter. The United Nations has already completed a major exercise in the field of rules concerning use of force when it adopted the Friendly Relations Declaration. The definition of aggression neither adds to nor subtracts from that important declaration. The draft text underlines this fact in its preambular reaffirmation of the Friendly Relations Declaration.

The draft before us is a recommendation by the General Assembly designed to provide guidance for the Security Council in the exercise of its primary responsibility under the charter to maintain and, where necessary, to restore international peace and security. The second, fourth, and tenth paragraphs of the preamble and articles 2 and 4 clearly reflect the intention of the drafters to work within the framework of the charter, which grants discretion to the Security Council. There is nothing the General Assembly or the Security Council can do under the charter to alter the discretion of the Council. The Assembly can provide suggested guidance to the Security Council, and since the membership of the Council is drawn from the membership of the Assembly, there is every reason to assume the Security Council will give due weight to this important recommendation.

The structure of the draft definition accurately reflects the function of such a definition and the charter limits within which the assembly is obliged to work. Article 1 of the draft is a general statement based on article 2 of the charter. Like article 2 of the charter, it makes no distinction on the basis of the means of armed force used. Article 1, moreover, makes clear by the phrase "as

set out in this Definition" that article 1 may not be read in isolation from the other articles and that not all illegal uses of armed force should be regarded as capable of denomination as acts of aggression.

Article 2 of the text suggests considerations the Security Council should bear in mind in analyzing a particular situation which may be brought before it. The phrase "*prima facie* evidence" is fully consistent with the legal structure of chapter VII of the charter, which requires that a finding of an act of aggression must result from a positive decision of the Security Council. Article 2 in particular and the definition in general is fully consistent with the manner in which the Security Council may, and in fact does, approach problems of this nature. The Council examines all the relevant facts and circumstances and then seeks the most pragmatic available means of dealing with the situation. This draft definition is an effort to provide guidance in that process of examination.

Article 3 of the text represents an effort to set forth certain examples of the use of force which the Security Council could reasonably consider, in the manner suggested by article 2, to qualify as potential acts of aggression. The problems some have imagined with regard to this article are false problems. That the subparagraphs of article 3 cannot be read *in vacuo* is made clear by common sense—"Bombardment by the armed forces of a State against the territory of another State" cannot be imagined to constitute aggression if, for example, it is exercised pursuant to the inherent right of self-defense. But the text does not merely rely on common sense. Article 3 expressly states that it is "subject to . . . article 2," and article 8 requires us to accept the inter-related nature of all the articles. Any action which might qualify as an act of aggression must be a use of force in contravention of the charter. Surely no one here would wish to assert a right to use force "in contravention of the Charter." For these reasons my delegation sees no legal basis for objecting to the inclusion of any of the subparagraphs of article 3 and no greater

basis for clarifying subparagraph (b) than subparagraph (d) or (a) or (c), et cetera.

The subparagraphs of article 3 do not, of course, purport to spell out in detail all the illicit uses of force which could qualify as an act of aggression. The subparagraphs must be understood as a summary, and reference to such documents as the Declaration of Friendly Relations is particularly helpful in understanding some of the subparagraphs. For example, some have suggested that subparagraphs (f) and (g) fail accurately to reflect present-day realities. Although my delegation would certainly have seen great value in more detailed coverage of those acts which have been such a source of violence in the second half of this century, our concern is ameliorated by the fact that the ground summarily covered by these paragraphs is already more fully set out in the Friendly Relations Declaration.

Article 4 is a useful emphasis of the inherently inexhaustive nature of any listing of specific acts and a further reaffirmation of the discretion of the Security Council.

Articles 5, 6, and 7 are not properly part of the definition of aggression but, rather, set forth some of the legal consequences which would flow from a finding of aggression by the Security Council and contain certain savings clauses expressly indicating some of the situations or rights not affected by the first four articles.

Article 6 reminds us that a definition of the term "aggression" as set forth in article 39 of the charter creates no new rights and does not cut across existing rights and obligations. It does not support the restrictive meaning some have sought to place on article 53 of the charter. The definition neither restricts nor expands the inherent right of self-defense. The special committee wisely recognized that defining the inherent right of self-defense was beyond the scope of a definition of aggression. We trust no delegation would wish to assert the need, in the course of approving a definition of aggression, to expand the right of self-defense. Any such move, even if directed only at a subparagraph, would make our action into a negative contribution.

Article 7 expressly affirms the fact that the purpose of this exercise is to define aggression and not the entitlement of all peoples to equal rights and self-determination. This article, particularly when read in conjunction with article 6, does not and can not legitimize acts of armed force which would otherwise be illegal.

We believe the draft definition, which is the product of the many years of careful work, deserves unanimous acceptance by the General Assembly. In expressing this view we are mindful of the need not to place too great an emphasis on what we have accomplished. The Security Council must not be tempted to pursue the question of whether aggression has been committed if to do so would delay expeditious action under chapter VII pursuant to a finding of a "threat to the peace" or a "breach of the peace." The definition will do far more harm than good if it ever serves to distract the Council and cause any delay in action the Council could otherwise have taken.

We hope the guidelines set forth in the definition will contribute to the more effective functioning of the collective security system of the United Nations and thus to the maintenance of international peace and security. For this reason we are prepared to continue to form part of the consensus.

#### **Ambassador Bennett, Plenary, December 14**

USUN press release 199 dated December 14

The U.S. delegation believes the adoption by consensus of this definition is one of the positive achievements of this 29th General Assembly. The adoption of this definition coming after so many years of consideration and negotiation is in fact, in our view, a historic moment. We believe this accomplishment may in large measure be attributed to the working methods used by the special committee. My delegation has expressed its views on the details of the definition at the 1,480th meeting of the Legal Committee as well as at the 113th meeting of the special committee. These remain our views, and I see no need to reiterate them *in extenso* here today.

We indicated there that, while we would have preferred more explicit and detailed coverage of certain very contemporary forms of violence, we were satisfied that these indirect uses of force were indeed covered. We have stressed the importance that we attach to the express recognition of the fact that the specific list of acts set forth in article 3 of the definition is not exhaustive, and we have stressed the importance we attach to the fact that the text neither expands nor diminishes the permissible uses of force.

We believe the recommendations included in the definition are, by and large, likely to provide useful guidance to the Security Council, which, after all, is the function of the definition. This is particularly so since, as is made clear by operative paragraph 4 of the resolution, nothing in the definition alters or purports to alter the discretion of the Security Council. This is quite proper, of course, since neither the General Assembly nor indeed the Security Council itself is empowered to change the discretion of the Council, that discretion being derived from the language of the charter itself.

We see nothing in any of the various explanatory notes which affects the substance of the text of the definition or affects our views of it.

The United States fully shares the hope expressed in the preamble of these guidelines that they will contribute to the more effective functioning of the collective security system of the United Nations and thus to the maintenance of international peace and security.

## TEXT OF RESOLUTION<sup>2</sup>

*The General Assembly,*

*Having considered* the report of the Special Committee on the Question of Defining Aggression, established pursuant to its resolution 2330 (XXII) of 18 December 1967, covering the work of its seventh session held from 11 March to 12 April 1974, including the draft Definition of Aggression

<sup>2</sup> U.N. doc. A/RES/3314 (XXIX); adopted by the Assembly on Dec. 14 without a vote.

adopted by the Special Committee by consensus and recommended for adoption by the General Assembly,

*Deeply convinced* that the adoption of the Definition of Aggression would contribute to the strengthening of international peace and security,

1. *Approves* the Definition of Aggression, the text of which is annexed to the present resolution;

2. *Expresses its appreciation* to the Special Committee on the Question of Defining Aggression for its work which resulted in the elaboration of the Definition of Aggression;

3. *Calls upon* all States to refrain from all acts of aggression and other uses of force contrary to the Charter of the United Nations and the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations;

4. *Calls the attention* of the Security Council to the Definition of Aggression, as set out below, and recommends that it should, as appropriate, take account of that Definition as guidance in determining, in accordance with the Charter, the existence of an act of aggression.

## ANNEX

### *Definition of Aggression*

*The General Assembly,*

*Basing itself* on the fact that one of the fundamental purposes of the United Nations is to maintain international peace and security and to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace,

*Recalling* that the Security Council, in accordance with Article 39 of the Charter of the United Nations, shall determine the existence of any threat to the peace, breach of the peace or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security,

*Recalling also* the duty of States under the Charter to settle their international disputes by peaceful means in order not to endanger international peace, security and justice,

*Bearing in mind* that nothing in this Definition shall be interpreted as in any way affecting the scope of the provisions of the Charter with respect to the functions and powers of the organs of the United Nations,

*Considering also* that, since aggression is the most serious and dangerous form of the illegal use of force, being fraught, in the conditions created by the existence of all types of weapons of mass destruction, with the possible threat of a world

conflict and all its catastrophic consequences, aggression should be defined at the present stage,

*Reaffirming* the duty of States not to use armed force to deprive peoples of their right to self-determination, freedom and independence, or to disrupt territorial integrity,

*Reaffirming also* that the territory of a State shall not be violated by being the object, even temporarily, of military occupation or of other measures of force taken by another State in contravention of the Charter, and that it shall not be the object of acquisition by another State resulting from such measures or the threat thereof,

*Reaffirming also* the provisions of the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations,

*Convinced* that the adoption of a definition of aggression ought to have the effect of deterring a potential aggressor, would simplify the determination of acts of aggression and the implementation of measures to suppress them and would also facilitate the protection of the rights and lawful interests of, and the rendering of assistance to, the victim.

*Believing* that, although the question whether an act of aggression has been committed must be considered in the light of all the circumstances of each particular case, it is nevertheless desirable to formulate basic principles as guidance for such determination,

*Adopts* the following Definition of Aggression:<sup>3</sup>

#### Article 1

Aggression is the use of armed force by a State

<sup>3</sup> Explanatory notes on articles 3 and 5 are to be found in paragraph 20 of the report of the Special Committee on the Question of Defining Aggression (*Official Records of the General Assembly, Twenty-ninth Session, Supplement No. 19* (A/9619 and Corr. 1)). Statements on the Definition are contained in paragraphs 9 and 10 of the report of the Sixth Committee (A/9890). [Footnote in original.]

Following are explanatory notes included in paragraph 20 of U.N. doc. 9619:

1. With reference to article 3, subparagraph (b), the Special Committee agreed that the expression "any weapons" is used without making a distinction between conventional weapons, weapons of mass destruction and any other kind of weapon.

2. With reference to the first paragraph of article 5, the Committee had in mind, in particular, the principle contained in the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations according to which "No State or group of States has the right to intervene, directly or indirectly, for any reason

against the sovereignty, territorial integrity or political independence of another State, or in any other manner inconsistent with the Charter of the United Nations, as set out in this Definition.

*Explanatory note:* In this Definition the term "State";

(a) Is used without prejudice to questions of recognition or to whether a State is a Member of the United Nations;

(b) Includes the concept of a "group of States" where appropriate.

#### Article 2

The first use of armed force by a State in contravention of the Charter shall constitute *prima facie* evidence of an act of aggression although the Security Council may, in conformity with the Charter, conclude that a determination that an act of aggression has been committed would not be justified in the light of other relevant circumstances, including the fact that the acts concerned or their consequences are not of sufficient gravity.

#### Article 3

Any of the following acts, regardless of a declaration of war, shall, subject to and in accordance with the provisions of article 2, qualify as an act of aggression:

(a) The invasion or attack by the armed forces of a State of the territory of another State, or any military occupation, however temporary, resulting from such invasion or attack, or any annexation by the use of force of the territory of another State or part thereof;

whatever, in the internal or external affairs of any other State".

3. With reference to the second paragraph of article 5, the words "international responsibility" are used without prejudice to the scope of this term.

4. With reference to the third paragraph of article 5, the Committee states that this paragraph should not be construed so as to prejudice the established principles of international law relating to the inadmissibility of territorial acquisition resulting from the threat or use of force.

Following are paragraphs 9 and 10 of U.N. doc. 9890:

9. The Sixth Committee agreed that nothing in the Definition of Aggression, and in particular article 3 (c), shall be construed as a justification for a State to block, contrary to international law, the routes of free access of a land-locked country to and from the sea.

10. The Sixth Committee agreed that nothing in the Definition of Aggression, and in particular article 3 (d), shall be construed as in any way prejudicing the authority of a State to exercise its rights within its national jurisdiction, provided such exercise is not inconsistent with the Charter of the United Nations.

(b) Bombardment by the armed forces of a State against the territory of another State or the use of any weapons by a State against the territory of another State;

(c) The blockade of the ports or coasts of a State by the armed forces of another State;

(d) An attack by the armed forces of a State on the land, sea or air forces, or marine and air fleets of another State;

(e) The use of armed forces of one State which are within the territory of another State with the agreement of the receiving State, in contravention of the conditions provided for in the agreement or any extension of their presence in such territory beyond the termination of the agreement;

(f) The action of a State in allowing its territory, which it has placed at the disposal of another State, to be used by that other State for perpetrating an act of aggression against a third State;

(g) The sending by or on behalf of a State of armed bands, groups, irregulars or mercenaries, which carry out acts of armed force against another State of such gravity as to amount to the acts listed above, or its substantial involvement therein.

#### Article 4

The acts enumerated above are not exhaustive and the Security Council may determine that other acts constitute aggression under the provisions of the Charter.

#### Article 5

1. No consideration of whatever nature, whether political, economic, military or otherwise, may serve as a justification for aggression.

2. A war of aggression is a crime against international peace. Aggression gives rise to international responsibility.

3. No territorial acquisition or special advantage resulting from aggression is or shall be recognized as lawful.

#### Article 6

Nothing in this Definition shall be construed as in any way enlarging or diminishing the scope of the Charter, including its provisions concerning cases in which the use of force is lawful.

#### Article 7

Nothing in this Definition, and in particular article 3, could in any way prejudice the right to self-determination, freedom and independence, as derived from the Charter, of peoples forcibly deprived of that right and referred to in the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations, particularly peoples under colonial and racist régimes or other forms of alien domination;

nor the right of these peoples to struggle to that end to seek and receive support, in accordance with the principles of the Charter and in conformity with the above-mentioned Declaration.

#### Article 8

In their interpretation and application the above provisions are interrelated and each provision should be construed in the context of the other provisions.

## U.S. Declines To Participate in U.N. Special Fund

*Following is a statement made in the U.N. General Assembly on December 18 by U.S. Representative Clarence Clyde Ferguson, Jr.*

USUN press release 201 dated December 18

The draft resolution before us, contained in document A 9952,<sup>1</sup> finally establishes the Special Fund called for by the special session of the General Assembly in Resolution 3202 of May 1, 1974. In that special session my delegation repeatedly expressed its doubts as to the viability of a Special Fund to respond to the urgent emergency needs of countries most seriously affected by economic imbalances principally attributable to sudden and traumatic tripled and quadrupled prices of petroleum. We expressed the view that time was of the essence, that the most expeditious way of responding to unquestioned needs would be a consistent plan utilizing existing channels of assistance and existing institutions. Regrettably, the views of my government were not heeded nor, in our opinion, in any way taken into account in the provisions of Resolution 3202 of the sixth special session.<sup>2</sup>

Disappointed as we were with that outcome—a disappointment we have expressed in the special session, in the session of ECOSOC [Economic and Social Council],

<sup>1</sup> Report of the Second Committee on agenda item 98, "Programme of Action on the Establishment of a New International Economic Order."

<sup>2</sup> For a U.S. statement and texts of resolutions adopted by the sixth special session of the U.N. General Assembly on May 1, see BULLETIN of May 18, 1974, p. 569.

and in the Second Committee—we nonetheless acquiesced in the will of the majority. Mr. President, the United States takes seriously its obligations as a member state in this organization. In that spirit, we participated in the work of the ad hoc committee to establish the Special Fund. We will consequently, but with regret, acquiesce in the adoption of the draft resolution without a vote.<sup>3</sup>

Despite the strong views of my government regarding a new international economic order, we have no desire to obstruct the work of the Special Fund or the work of any other body of the United Nations. It may well be that for the newly rich member states without established patterns and institutions for rendering assistance, the Special Fund might be attractive. For the United States, however, we shall be consistent in our views and position regarding the most effective means of responding to the plight of the most seriously affected.

We did not believe last May that this new institution was needed or could be a viable means of rendering emergency assistance. We do not believe today that the Fund is needed. We do not today believe it is viable. Consequently, my government will not pledge or contribute to the Special Fund.

Mr. President, I should like to call the Assembly's attention to paragraph 10 of document A 9952, wherein the Second Committee recommended that at the first election for the Board of Governors for the Special Fund, the Assembly should elect as Governors those states which were members of the Ad Hoc Committee on the Special Program. Although my government was a member of the ad hoc committee, we will, for all the foregoing reasons, decline election to the Board of Governors. We believe the Board of Governors should logically consist of those expecting to contribute or expecting to receive assistance from the Special Fund. We should not have wished to create the impression through our par-

<sup>3</sup> Resolution 3356 (XXIX), setting forth provisions for the operation of the Special Fund as an organ of the General Assembly, was adopted by the Assembly on Dec. 18 without a vote.

ticipation in the Board that eventual U.S. support would have been likely. Our declination of election to the Board is thus an action consistent with our expressed views and intentions.

In conclusion, Mr. President, we must also take note that the cost of the projected staffing and administration even now appears unnecessarily high for an institution with dim prospects of meaningful resources. We fear—as we had predicted last May and last July—that the principal function of this Fund is to insert yet another layer of bureaucracy between donors and those who so desperately need assistance.

## U.S. Deplores Continued Occupation of Namibia by South Africa

*Following is a statement made in the U.N. Security Council by U.S. Representative John Scali on December 17, together with the text of a resolution adopted by the Council that day.*

### STATEMENT BY AMBASSADOR SCALI

USUN press release 200 dated December 17

U.N. concern over the South African administration of Namibia spans the life of this organization. For the seventh consecutive year, the Security Council is considering this same question of Namibia. Since the Security Council met last December to discuss the future of Namibia, we are all aware that political developments of great importance to Namibia and the rest of southern Africa have taken place.

The April events in Portugal have irrevocably altered the political map of southern Africa. These events have set in motion a continuing and dramatic movement toward full decolonization in Portuguese Africa. More recently, meetings held in Zambia involving the various political forces on the Rhodesian scene have raised hopes that a solution to the Rhodesian issue acceptable to a majority of the people may soon be

negotiated. These developments, we believe, must necessarily impel South Africa to re-examine its basic policies regarding Namibia in light of the new realities.

The position of my government on the Namibian question is clear and unequivocal. We have informed the Government of South Africa of our views on this issue and will continue to do so when appropriate. We believe that there is an urgent need to resolve this longstanding and contentious issue peacefully and as soon as possible.

We are encouraged by recent indications that South Africa may be reviewing its policies in Namibia. The South African Government has announced that the people of Namibia will be called upon to decide their own future, that all options including full independence are open to them, and that the people of the territory may exercise their right to self-determination "considerably sooner" than the 10-year forecast made by the South African Foreign Minister in 1973.

We believe that a peaceful and realistic solution should be sought now. We understand that a meeting is planned between representatives of various groups in the territory and the leaders of the white population to discuss the constitutional development of the territory. We believe no significant element of the Namibian people or of Namibian political life should be excluded.

However, as much as we welcome the changes in recent South African Government statements on Namibia, we wish to state in all candor our view that these statements lack necessary precision and detail. It is this very precision, along with positive actions, which is required to lay to rest the skepticism with which South African pronouncements on Namibia have been received in many quarters. What is called for is a specific, unequivocal statement of South Africa's intention with regard to the territory. We urge that government to make known as soon as possible its plans to permit the people of Namibia to exercise their right to self-determination in the near future.

We further favor the development of re-

newed contacts between the Secretary General and the South African Government to assist South Africa in arranging for the exercise of self-determination. The constructive involvement of the United Nations and the Secretary General can be of significant importance to assure an orderly transition of power in the territory, which is to everyone's benefit. We also believe South Africa should abolish discriminatory laws and practices and encourage freer political expression within the whole territory.

While awaiting further South African clarification of its Namibian policy, the United States will continue to adhere to its present policy with regard to the territory. As we have since 1970, we will continue to discourage U.S. investment in Namibia and deny Export-Import Bank guarantees and other facilities for trade with Namibia. We will continue to withhold U.S. Government protection of U.S. investments, made on the basis of rights acquired through the South African Government after 1966, against the claims of a future lawful government of Namibia. This policy reflects our belief that South Africa should act quickly and positively to end its illegal occupation of Namibia.

In addition, we are pleased that we were able to join together in advance consultations with members of the African group to adopt this important new resolution.

#### TEXT OF RESOLUTION<sup>1</sup>

*The Security Council,*

*Recalling* General Assembly resolution 2145 (XXI) of 27 October 1966, which terminated South Africa's mandate over the Territory of Namibia, and resolution 2248 (S-V) of 1967, which established a United Nations Council for Namibia, as well as all other subsequent resolutions on Namibia, in particular resolution 3295 (XXIX) of 13 December 1974,

*Recalling* Security Council resolutions 245 (1968) of 25 January and 246 (1968) of 14 March 1968, 264 (1969) of 20 March and 269 (1969) of 12 August 1969, 276 (1970) of 30 January, 282 (1970)

<sup>1</sup> U.N. doc. S/RES/366 (1974); adopted by the Council unanimously on Dec. 17.



of 23 July, 283 (1970) and 284 (1970) of 29 July 1970, 300 (1971) of 12 October and 301 (1971) of 20 October 1971 and 310 (1972) of 4 February 1972, which confirmed General Assembly decisions,

*Recalling* the advisory opinion of the International Court of Justice of 21 June 1971 that South Africa is under obligation to withdraw its presence from the Territory,

*Concerned* about South Africa's continued illegal occupation of Namibia and its persistent refusal to comply with resolutions and decisions of the General Assembly and the Security Council, as well as the advisory opinion of the International Court of Justice of 21 June 1971,

*Gravely concerned* at South Africa's brutal repression of the Namibian people and its persistent violation of their human rights, as well as its efforts to destroy the national unity and territorial integrity of Namibia,

1. *Condemns* the continued illegal occupation of the Territory of Namibia by South Africa;

2. *Condemns* the illegal and arbitrary application by South Africa of racially discriminatory and repressive laws and practices in Namibia;

3. *Demands* that South Africa make a solemn declaration that it will comply with the resolutions and decisions of the United Nations and the advisory opinion of the International Court of Justice of 21 June 1971 in regard to Namibia and that it recognizes the territorial integrity and unity of Namibia as a nation, such declaration to be addressed to the Security Council of the United Nations;

4. *Demands* that South Africa take the necessary steps to effect the withdrawal, in accordance with resolutions 264 (1969) and 269 (1969), of its illegal administration maintained in Namibia and to transfer power to the people of Namibia with the assistance of the United Nations;

5. *Demands* further that South Africa, pending the transfer of powers provided for in the preceding paragraph:

(a) Comply fully in spirit and in practice with the provisions of the Universal Declaration of Human Rights;

(b) Release all Namibian political prisoners, including those imprisoned or detained in connexion with offences under so-called internal security laws, whether such Namibians have been charged or tried or are held without charge and whether held in Namibia or South Africa;

(c) Abolish the application in Namibia of all racially discriminatory and politically repressive laws and practices, particularly bantustans and homelands;

(d) Accord unconditionally to all Namibians currently in exile for political reasons full facilities for return to their country without risk of arrest, detention, intimidation or imprisonment;

6. *Decides* to remain seized of the matter and to meet on or before 30 May 1975 for the purpose of reviewing South Africa's compliance with the terms of this resolution and, in the event of non-compliance by South Africa, for the purpose of considering the appropriate measures to be taken under the Charter.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Containers

International convention for safe containers (CSC), with annexes. Done at Geneva December 2, 1972.<sup>1</sup> *Accession deposited*: New Zealand (with declaration), December 23, 1974.

##### Phonograms

Convention for the protection of producers of phonograms against unauthorized duplication of their phonograms. Done at Geneva October 29, 1971. Entered into force April 18, 1973; for the United States March 10, 1974. TIAS 7808.

*Notification from World Intellectual Property Organization that ratification deposited*: India, November 12, 1974.

*Extension by the United Kingdom to*: Bermuda, British Virgin Islands, Cayman Islands, Gibraltar, Isle of Man, Hong Kong, Montserrat, St. Lucia, and Seychelles, December 4, 1974.

##### Postal

Additional protocol to the constitution of the Universal Postal Union with final protocol signed at Vienna July 10, 1964 (TIAS 5881), general regulations with final protocol and annex, and the universal postal convention with final protocol and detailed regulations. Signed at Tokyo November 14, 1969. Entered into force July 1, 1971, except for article V of the additional protocol, which entered into force January 1, 1971. TIAS 7150.

*Ratifications deposited*: Argentina (with declarations), November 6, 1974; Cameroon, November 21, 1974; Cuba, July 4, 1974; Nigeria, February 6, 1974.

Money orders and postal travellers' cheques agreement, with detailed regulations and forms. Signed at Tokyo November 14, 1969. Entered into force

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

July 1, 1971; for the United States December 31, 1971. TIAS 7236.  
*Approval deposited:* Argentina, November 6, 1974.

### Property—Industrial

Nice agreement concerning the international classification of goods and services for the purposes of the registration of marks of June 15, 1957, as revised at Stockholm on July 14, 1967. Entered into force March 18, 1970; for the United States May 25, 1972. TIAS 7419.

*Notification from World Intellectual Property Organization that ratification deposited:* Belgium, November 12, 1974.

*Notification from World Intellectual Property Organization that accession deposited:* Luxembourg, December 24, 1974.

Convention of Paris for the protection of industrial property of March 20, 1883, as revised. Done at Stockholm July 14, 1967. Articles 1 through 12 entered into force May 19, 1970; for the United States August 25, 1973. Articles 13 through 30 entered into force April 26, 1970; for the United States September 5, 1970. TIAS 6923, 7727.

*Notification from World Intellectual Property Organization that ratifications deposited:* Belgium, November 12, 1974; Dahomey, December 12, 1974; Luxembourg, Poland,<sup>2</sup> South Africa,<sup>2</sup> December 24, 1974.

*Notification from World Intellectual Property Organization that accession deposited:* Brazil,<sup>2,3</sup> December 24, 1974.

### Property—Intellectual

Convention establishing the World Intellectual Property Organization. Done at Stockholm July 14, 1967. Entered into force April 26, 1970; for the United States August 25, 1970. TIAS 6932.

*Ratifications deposited:* Belgium, October 31, 1974; Dahomey, December 9, 1974; Luxembourg, December 19, 1974; Poland, South Africa, December 23, 1974.

*Accession deposited:* Brazil, December 20, 1974.

### Safety at Sea

Convention on the international regulations for preventing collisions at sea, 1972. Done at London October 20, 1972.<sup>1</sup>

*Ratification deposited:* Greece, December 17, 1974.

International convention for the safety of life at sea, 1974. Done at London November 1, 1974.<sup>1</sup>  
*Signature:* Argentina, December 12, 1974.<sup>1</sup>

### Terrorism—Protection of Diplomats

Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York December 14, 1973.<sup>1</sup>

*Signatures:* Guatemala, December 12, 1974; United Kingdom, December 13, 1974; Yugoslavia, December 17, 1974.

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### Israel

Agreement amending the agreement of July 12, 1955, as amended (TIAS 3311, 4407, 4507, 5079, 5723, 5909, 6071), for cooperation concerning civil uses of atomic energy, with related notes. Signed at Washington January 13, 1975. Enters into force on the date on which each government shall have received from the other written notification that it has complied with all statutory and constitutional requirements for entry into force.

### Romania

Agreement on cooperation and exchanges in the cultural, educational, scientific and technological fields. Signed at Bucharest December 13, 1974. Entered into force January 1, 1975.

### Uruguay

Agreement relating to payment to the United States of the net proceeds from the sale of defense articles by Uruguay. Effected by exchange of notes at Montevideo December 11 and 30, 1974. Entered into force December 30, 1974; effective July 1, 1974.

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

<sup>2</sup> With a reservation.

<sup>3</sup> Articles 1 through 12 excepted.

<sup>4</sup> Subject to ratification.

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13	1/14	Kissinger: news conference.
*14	1/15	Regional Foreign Policy Conference, San Diego, Jan. 23.
*15	1/16	U.S.-Malaysia textile agreements extended.
†15	1/16	Kissinger: interview with Bill Moyers.
*17	1/16	American scholars visit Caribbean.
*18	1/17	U.S.-Canadian officials meet on effects of Garrison Diversion Unit.

\* Not printed.

† Held for a later issue of the BULLETIN.

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**THE OFFICIAL WEEKLY RECORD OF UNITED STATES FOREIGN POLICY**

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# THE DEPARTMENT OF STATE BULLETIN

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*The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.*

*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and 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 on treaties of general international interest.*

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## Secretary Kissinger Interviewed for "Bill Moyers' Journal"

*Following is the transcript of an interview with Secretary Kissinger by Bill Moyers on January 15 for the Public Broadcast Service series "Bill Moyers' Journal: International Report."*

Press release 16 dated January 16

*Mr. Moyers: Mr. Secretary, I was thinking coming down here of a conversation we had when you were teaching at Harvard in 1968, six months before you came to the White House. You had a very reasonably clear view, a map of the world in your mind at that time, a world based on the stability brought about by the main powers. I am wondering what that map is like in your mind now of the world.*

*Secretary Kissinger: Well, I thought at the time, and I still do, that you cannot have a peaceful world without most of the countries, and preferably all of the countries, feeling that they have a share in it. This means that those countries that have the greatest capacity to determine peace or war—that is, the five major centers—be reasonably agreed on the general outlines of what that peace should be like. But at the same time, one of the central facts of our period is that more than 100 nations have come into being in the last 15 years, and they, too, must be central participants in this process. So that for the first time in history foreign policy has become truly global and therefore truly complicated.*

*Mr. Moyers: What about the flow of wealth to countries in the Middle East? Hasn't that upset considerably the equilibrium that you thought would be possible between the five centers of power?*

*Secretary Kissinger: Well, the world that we all knew in 1968, when you and I talked, is extraordinarily different today. At that time we had the rigid hostility between the Communist world and the non-Communist world. At that time Communist China, the People's Republic of China, was outside the mainstream of events. And at that time, you are quite right, the oil-producing countries were not major factors. The change in influence of the oil-producing countries, the flow of resources to the oil-producing countries in the last two years in a way that was unexpected and is unprecedented, is a major change in the international situation to which we are still in the process of attempting to adjust.*

*Mr. Moyers: All of these changes brought to mind something you once wrote. You said "statesmen know the future, they feel it in their bones, but they are incapable of proving the truth of their vision." And I am wondering, what are your bones telling you now about the future, with all of these new forces at work?*

*Secretary Kissinger: Well, I feel we are at a watershed. We are at a period which in retrospect is either going to be seen as a period of extraordinary creativity or a period when really the international order came apart, politically, economically, and morally.*

*I believe that with all the dislocations we now experience, there also exists an extraordinary opportunity to form for the first time in history a truly global society, carried by the principle of interdependence. And if we act wisely and with vision, I think we can look back to all this turmoil as the birth*

pangs of a more creative and better system. If we miss the opportunity, I think there is going to be chaos.

*Mr. Moyers: But at the same time the opportunity exists, as you yourself have said, the political problem is that the Western world—and this is a direct quote of yours—is suffering “from inner uncertainty” and a sense of misdirection.<sup>1</sup> What is causing that inner uncertainty? Is it external, is it internal, or is it simply we don’t know what we really want to do?*

*Secretary Kissinger: Bill, I think you are quite right. The aspect of contemporary life that worries me most is the lack of purpose and direction of so much of the Western world. There are many reasons for this. The European countries have had to adjust in this century to two world wars, to an enormous change in their position, to a dramatic, really social revolution in all of them—and now to the process of European unification.*

*The new countries are just beginning to develop a coherent picture of the international world, having spent most of their energies gaining independence.*

*And in the United States, we have had a traumatic decade—the assassination of a President and his brother, the Viet-Nam war, the Watergate period.*

*So we have this great opportunity, at a moment when the self-confidence in the whole Western world has been severely shaken.*

*On the other hand, as far as the United States at least is concerned, I believe we are a healthy country, and I believe we are capable of dealing with the problem that I have described creatively.*

*Mr. Moyers: But you also used a “perhaps” in that statement. You said that every country in the Western world is suffering from inner uncertainty with the exception perhaps of the United States. And I am wondering why you brought in the “perhaps.”*

<sup>1</sup>For the transcript of an interview with Secretary Kissinger for Business Week magazine, see BULLETIN of Jan. 27, 1975, p. 97.

*Secretary Kissinger: Because no country can go through what the United States has gone through without suffering, on the one hand, some damage but also gaining in wisdom. I think it is the process of growing up to learn one’s limits and derive from that a consciousness of what is possible within these limits.*

*Through the greater part of our history we felt absolutely secure. In the postwar period we emerged from a victorious war with tremendous resources. Now the last decade has taught America that we cannot do everything and that we cannot achieve things simply by wishing them intensely. On the other hand, while that has been a difficult experience for us, it also should have given us a new sense of perspective.*

*So I used the word “perhaps” because our reaction to these experiences will determine how we will master the future. But I am really quite confident that if we act in concert, and if we regain—as I think we can and must—our national consensus, that we can do what is necessary.*

#### **Progress Toward Consensus on Energy**

*Mr. Moyers: In the postwar world, the consensus between Europe and America was built around a common defense against a mutual danger. That has disappeared. The defense structure is very weak in the West at the moment, and a new factor, the economic imperative, has arisen. Europe and Japan are much more dependent, for example, on Middle Eastern oil than we are. Doesn’t that make them less dependable as members of this new consensus?*

*Secretary Kissinger: I would not, Bill, agree that the defense is weak. Actually, we have had considerable success in building a quite strong defensive system between us and Europe and between us and Japan—especially between us and Europe. The difficulty is that the perception of the threat has diminished and so many new problems have arisen that simply a common defense is not enough by itself to provide the cement of unity.*



You pointed out the economic problem. It is an interesting fact that in April 1973 I called for the economic unity of the industrialized countries. At that time this was rejected as carrying the alliance much too far. Today every one of our friends insists that we coordinate our economic policies, because they recognize that their prosperity depends on our economic programs.

Now, the problem of relations to the oil producers, for example, has in Europe and in Japan evoked a much greater sense of vulnerability than in the United States, because it is based on fact.

*Mr. Moyers: Wouldn't we be worried if we were in their position?*

*Secretary Kissinger:* Absolutely. I am not criticizing either the Europeans or the Japanese for their reaction. We have attempted to create in them a sense that together with us we can master the energy problem. And in all the discussions of conservation, recycling, alternative sources of energy, financial solidarity, there are many technical solutions. We have always chosen the one that in our judgment has the greatest potential to give our friends a sense that they can master their fate and to overcome the danger of impotence which is a threat at one and the same time to their international as well as to their domestic positions. This process is not yet completed. And as we go through it, there are many ups and downs.

On the other hand, we have to remember it is only one year since the Washington Energy Conference has been called—less than a year. In that time an International Energy Agency has been created, a conservation program has been agreed to, emergency sharing has been developed for the contingency of new embargoes.

I am absolutely confident that within a very short time, a matter of weeks, we will have agreed on financial solidarity. And within a month we will make proposals on how to develop alternative resources.

One of the problems is that each country is so concerned with its domestic politics

that these very important events are coming to pass in a very undramatic manner and in a way that does not galvanize the sort of support that the Marshall plan did. But the achievements, in my view, have not been inconsiderable and may be in retrospect seen as the most significant events of this period.

*Mr. Moyers: Is it conceivable to expect Europe and Japan to go with us on our Middle Eastern policy when they have to get most of their oil from the OPEC [Organization of Petroleum Exporting Countries] countries and we do not?*

*Secretary Kissinger:* I think it is not only conceivable—I think it is, above all, in their own interests. Because we have to understand what is our Middle East policy.

Our Middle East policy is to enable Europe and Japan to put themselves into the maximum position of invulnerability toward outside pressures but at the same time to engage in a dialogue with the producers to give effect to the principle of interdependence on a global basis.

We recognize—in fact, we were the first to advance the proposition—that the oil producers must have a sense that the arrangements that are made are not only just but are likely to be long lasting.

We have pursued a dialogue with the producers on the most intensive basis. We have set up commissions with Iran and Saudi Arabia, and we have very close relationships in economic discussions with Algeria and other countries in which we are trying to relate our technical know-how to their resources and in which we are attempting to demonstrate that jointly we can progress to the benefit of all of mankind.

Now, we are prepared later this year, as soon as some common positions have been developed with the consumers, on the basis of the discussions we had with the French President at Martinique, to have a multi-lateral talk between consumers and producers. And therefore our vision of what should happen is a cooperative arrangement between consumers and producers. And I believe that it is in the interests of Europe

and Japan to participate in this, and their actions indicate that they believe that, too.

### Relations With Developing Countries

*Mr. Moyers: Does your concept of interdependence stop with the regional interdependence of the industrial world, the industrial consumers, or do you go far enough to include the global interdependence that comes from the billion people in the southern half of the globe who feel excluded from the discussions that are going on with the oil-producing countries?*

*Secretary Kissinger:* Well, first, our idea includes as an essential component the billion people in the southern half of the globe. And again, if I may remind you, at the Washington Energy Conference we made clear that the cooperation among the consumers should be followed by immediate talks, first with the consuming less developed countries and then with the producing countries. So the idea of a consumer-producer dialogue was first advanced by us.

But we are happy to go along with the French proposal if and when, which we believe will be fairly soon, the essential prerequisites have been met.

But obviously a world in which the vast majority of mankind does not feel that its interests and purposes are recognized cannot be a stable world. And therefore we have continually supported foreign aid. We have this week put before the Finance Ministers of the International Monetary Fund that is meeting here the importance of creating a special trust fund for the less developed countries that have been hard hit by rising oil prices. And we believe that they must be an essential part of the community I am talking about.

*Mr. Moyers: Our foreign aid program, which you raised, has been about constant the last few years and therefore in real dollars is down.*

*Secretary Kissinger:* I agree.

*Mr. Moyers: We—almost virtually alone*

*among the industrial nations—have not helped the underdeveloped world with its manufactured goods on our tariff policy. A lot of the food that we are giving right now is going into political areas, strategical areas, rather than humanitarian areas. The Brazilians and Indians say we are excluding them from the definition of "consumer." And the impression you get from talking to representatives of the developing world is that they really do not agree that we are very conscious of their consideration and needs.*

*Secretary Kissinger:* Well, I think quite honestly there is a difference between what they say publicly and what they say privately.

It is a fact that in many of the less developed countries it is politically not unhelpful to seem to be at least aloof from the most powerful country in the world and to give the impression that one is not dominated by this colossus. And therefore the rhetoric of many of these countries is much more strident than the reality of their foreign policy.

Now, it is true that the American people have been disillusioned by some of their experiences in international affairs. And inevitably during a recession it is difficult to mobilize public support for a very large foreign aid program. And these are obstacles with which we contend.

Now, with respect to the tariff preferences. More restrictions were put on them by the Congress than we thought wise. And some of the penalties that were attached to particular groupings affected countries like Ecuador which really are members of the oil-producing cartel by courtesy only or countries like Venezuela with which we have a long tradition of Western Hemisphere solidarity. And we have regretted these particular limitations. In addition, there have been restrictions on certain products about which Brazil and India complain that affect these countries unfavorably.

We have indicated that after we have had an opportunity to study it we would bring to the attention of the Congress the special inequities that have been caused by this legislation.

On the other hand, I cannot accept your statement that this legislation does not permit additional access of industrial goods. For example, Mexico, which yesterday pointed out some of the inequities to us, nevertheless benefits to the extent of \$350 million of its products in the U.S. market by the new Trade Act. And I am sure a similar study could be made for Brazil and India and other countries.

So while we don't think the Trade Act went as far as we should have wished, I think it went generally in the right direction. And we are determined to work with Congress to improve it.

But your question suggests a more fundamental problem. Many of these new countries—this doesn't apply to the Latin American countries—but many of the new countries formed their identity in opposition to the industrial countries, and they are caught in a dilemma. Their rhetoric is a rhetoric of confrontation. The reality is a reality of interdependence. And we have seen in the United Nations and elsewhere that the rhetoric doesn't always match the necessities. And one of the problems of international order is to bring them closer together.

### **Approaches to World Food Problem**

*Mr. Moyers: One of the issues they point to, for example, is the fact that the oil-producing countries have recently allocated some \$2 billion in aid to these 40 or so poor countries in the world. That is roughly the amount of the increase in the price these countries are paying for oil. They are paying us about a billion dollars more for food and fertilizer. And yet we have not adjusted our assistance to them to compensate for this. So they say they are being driven into a "tyranny of the majority" by turning to the OPEC countries for the kind of assistance that interdependence makes necessary.*

*Secretary Kissinger: Well I don't think it is correct that we are not adjusting. For example, our P.L. 480 program, which is our food contribution, is on the order of*

about \$1.5 billion, or almost that large. And we have opted, after all the discussions, for the highest proposal that was made, or substantially the highest proposal.

I also don't agree with you that we are giving most of our food aid for strategic purposes.

*Mr. Moyers: I didn't say "most." I didn't mean to say "most." I mean a substantial amount.*

*Secretary Kissinger: We are giving some in countries in which political relationships are of importance to us. And it stands to reason that when a country has a vital resource that it keeps in mind the degree of friendship that other countries show for it before it distributes this resource, essentially on a grant basis.*

But the vast majority—the considerable majority of our food aid goes for humanitarian purposes. And even in those countries where political considerations are involved, those are still countries with a very real and acute food shortage.

*Mr. Moyers: You said recently that we have to be prepared to pay some domestic price for our international position. More food aid is going to mean increased prices at home. And I am wondering what are some of the other prices you anticipate Americans are going to have to be paying because of this international position.*

*Secretary Kissinger: Well, I think first of all we have to understand that what seems to be a domestic price in the long term is the best investment we can make, because if the United States lives in a hostile world, the United States lives in a depressed world; then inevitably, given our dependence on the raw materials of the world and given our essential interest in peace, in the long term we will suffer.*

We have to recognize domestically, first of all, that foreign aid programs, as they are now being developed, are in our interest; secondly, that in developing such programs as financial solidarity and conservation of energy, even though they are painful, they

are absolutely essential for the United States to be able to play a major role internationally and to master its domestic problems. And of course we have to be prepared to pay the price for national security.

*Mr. Moyers:* In Europe recently I found some feeling of concern that the emphasis on interdependence, and because of the economic and energy crisis in particular, is going to bring an alignment of the old rich, the industrial nations, against the new rich, the oil nations and commodity nations, at the exclusion of the poor. And if I hear you correctly, you are saying we cannot let that happen.

*Secretary Kissinger:* Well, first of all, we are not talking of an alliance of the old rich against the new rich, because we are seeking cooperation between the old rich and the new rich. Both need each other. And neither can really prosper or, indeed, survive except in an atmosphere of cooperation. And it seems to us that the old rich and the new rich must cooperate in helping the poor part of the world.

Take the problem of food, which you mentioned. There is no way the United States can feed the rest of the world. And from some points of view, the level of our food aid has mostly a symbolic significance, because the ultimate solution to the food problem depends on raising the productivity of the less developed countries. This requires fertilizer, help in distribution, and similar projects. This in turn can only be done through the cooperation of the technical know-how of the old rich with the new resources of the new rich.

And we will, within the next two months, make a very concrete proposal of how all of this can be put together to increase drastically the food production in the poor part of the world.

#### Dislocations Caused by High Oil Prices

*Mr. Moyers:* What about the psychological adjustment that all of this is causing us to make? Does it disturb you that a handful of Arab sheikhs in a sense have so much

*new power and so much dominance on the world scene?*

*Secretary Kissinger:* It is a new fact to which we all have to adjust, including the oil-producing countries. But I think that, on the whole, everybody is trying to deal with these long-range problems in a cooperative spirit, although of course obviously the level of experience in dealing with global problems differs between various nations.

*Mr. Moyers:* Is our specific purpose of our policy toward the oil-producing countries to arrest the flow of wealth to them?

*Secretary Kissinger:* No. Our concern is that the flow of wealth, which is inevitable, is channeled in such a way that it does not disrupt the international—the well-being of all the rest of the world.

If you take countries like Iran, for example, or Algeria, that use most of their wealth for their own development, which means in effect that they are spending the energy income in the industrialized part of the world, this is not a basically disruptive effect. It has certain dislocations. But I think this is not basically disruptive.

What presents a particular problem is in those areas where the balances accumulate and where the investment of large sums or the shifting around of large sums can produce economic crises that are not necessarily intended; this makes the problem of finding financial institutions which can handle these tremendous sums—\$60 billion in one year, which is more than our total foreign investment over 100 years, just to give one a sense of the magnitude—to have those sums invested in a way that does not produce economic chaos.

*Mr. Moyers:* What are the consequences if we don't find those international monetary structures?

*Secretary Kissinger:* Well, I think the consequences will be rampant inflation, the potential economic collapse of some of the weaker nations, and the long-term backlash, economically, will be on the oil producers as well as on the consumers. But I am confident

we will find the institutions, and I think you will find that the discussions of the Finance Ministers taking place this week are making very substantial progress in developing these financial institutions.

*Mr. Moyers: Some people have said that we are on the edge of a global economic crisis akin to that of the 1930's. I know you were just a boy in the 1930's. But that part of your life you remember quite well. Do you see similarities?*

*Secretary Kissinger:* I didn't understand too much about economics at that time. I was better versed in football than economics. But I think there are similarities in the sense that when you are faced with economic difficulties, you have the choice of retreating into yourself or trying to find a global solution. Retreating into yourself is a defensive attitude which, over a period of time, accelerates all the difficulties that led you to do it in the first place.

I think our necessity is to find a global solution. It is our necessity and our opportunity. And in many ways we are on the way to doing it. Although with all the debates that are going on, this is not always apparent.

*Mr. Moyers: Isn't what is happening in the Middle East, and particularly the flow of wealth to the Middle Eastern oil-producing countries, simply an adjustment of history? Isn't it a rhythm of history? Wasn't it natural that when they finally got control of their own oil production they would use it for their own benefits?*

*Secretary Kissinger:* That was inevitable. I don't know whether it was inevitable that God would place the oil in exactly those places.

*Mr. Moyers: Or that he would place the Arabs there.*

*Secretary Kissinger:* But once it was placed there, it was inevitable that sooner or later these trends would develop. And we are not fighting these trends.

*Mr. Moyers: But the price was kept down*

*for four decades by Western control of the production of oil. That is gone.*

*Secretary Kissinger:* Well, I don't want to speculate about what kept the price down, because it could happen that the price will go down again. This depended on the relationship of supply and demand in a very important way. The oil resources of the Middle East were so vast compared to the energy requirements of the world that that kept the price down. It was only in the last decade—when I came to Washington in 1969 people were still talking about oil surplus, and they were still talking about how to restrict the importation of foreign oil lest the prices go down even more—it is only in the last six years that there has been such a dramatic increase in the energy requirements that the opportunity for raising the prices existed.

I believe that before then there was—it was roughly in balance between supply and demand.

*Mr. Moyers: You talk about the solidarity of consumers in dealing with and negotiating with the oil-producing companies. What will that solidarity produce; what economic pressure, Mr. Secretary, do we have on the Arabs?*

*Secretary Kissinger:* I don't think it is a question of economic pressure. I think there are two possibilities. Right now every consumer, or every group of consumers, has its own dialogue going on with the producers. It is not that there is no dialogue going on. There is a European dialogue with the Arabs. There is an American dialogue going on with both Arab countries and with Iran. The question is whether a multilateral conference, that is to say, getting all consumers together with all of the producers, how that can advance matters. In our view it can advance matters only if the consumers do not repeat at such a conference all the disagreements that they already have. I believe that in such a conference, if both sides are well prepared, one should address the question of long-term supply. That is to give the oil producers an assurance that they will have a market for a fairly long future.

There has to be some discussion about price. There has to be some discussion about international facilities, both for the benefit of the poor countries and to make sure that the investments are channeled in such a way that they do not produce economic crisis.

We are working hard on all of these issues, and we believe all of them are soluble in a constructive manner.

*Mr. Moyers: And you don't believe that pressure is the way.*

*Secretary Kissinger:* I do not believe that pressure will—that in such a negotiation, that such a negotiation can be based upon pressure. But each side, obviously, has to be aware of its own interests and has to defend its own interests in a reasonable manner. We don't blame the producers for doing it, and they cannot blame the consumers for doing it. But the attitude must be cooperative, conciliatory, and looking for a long-term solution.

*Mr. Moyers: Do you think the oil-producing countries have an interest in that kind of negotiation—dialogue?*

*Secretary Kissinger:* I believe that the vast majority of them do.

#### **Question of Use of Force**

*Mr. Moyers: Well, if pressure isn't that important a part of the scenario, I need to ask you what did you have in mind when you gave that interview to Business Week and talked about the possible strangulation of the West? What was going through your mind at just that minute?*

*Secretary Kissinger:* Well, first of all, the sentence that has attracted so much attention is too frequently taken totally out of context, and it was part of a very long interview in which I put forward essentially the conception that I have developed here; that is to say, of a cooperative relationship between the consumers and producers. In addition, I made clear that political and economic warfare, or military action, is totally inappropriate for the solution of oil prices,

recycling problems, et cetera. The contingency, and the only contingency, to which I addressed myself was an absolutely hypothetical case in which the actual strangulation of the entire industrialized world was being attempted; in other words, in which the confrontation was started by the producers.

I have said repeatedly, and I want to say now, I do not believe that such an event is going to happen. I was speaking hypothetically about an extreme situation. It would have to be provoked by other countries.

I think it is self-evident that the United States cannot permit itself to be strangled. But I also do not believe that this will really be attempted. And therefore we were talking about a hypothetical case that all our efforts are attempting to avoid and that we are confident we can avoid.

We were not talking, as is so loosely said, about the seizure of oilfields. That is not our intention. That is not our policy.

*Mr. Moyers: What intrigues so many people, it seems to me, was that, a few days before, you had given a similar interview to Newsweek and much the same thing has been said with no particular alarm. Then a few days later a similar statement is made, and it is seized upon. And some of us thought perhaps you had calculated between the first interview and the second interview to be more precise in some kind of message.*

*Secretary Kissinger:* I was astonished when this was seized upon. We were not the ones who spread it. I think there are many people who have spread this around, frankly, in order to sow some dispute between us and the oil producers.

Our whole policy toward the producers has been based on an effort of achieving cooperation. We have spent tremendous efforts to promote peace in the Middle East precisely to avoid confrontations. We were talking about a very extreme case, about which only the most irresponsible elements among producers are even speaking, and it is not our policy to use military force to settle any of the issues that we are now talking about.

*Mr. Moyers: But neither, if I understand your philosophical view of diplomacy, can a power ever rule out any contingency.*

*Secretary Kissinger: Well, no nation can announce that it will let itself be strangled without reacting. And I find it very difficult to see what it is that people are objecting to. We are saying the United States will not permit itself or its allies to be strangled.*

*Somebody else would have to make the first move to attempt the strangulation. It isn't being attempted now.*

*Mr. Moyers: Well, I was in Europe about the time and some of them almost came out of their skins, because depending as they do on Middle East oil, and with our troops on their soil, they could see a confrontation between us and the oil-producing countries that would have them the innocent bystander and victim. That is why they seized upon it.*

*Secretary Kissinger: I find it difficult to understand how they would want to announce "please strangle us." We did not say—and I repeat here—that any of the issues that are now under discussion fall into this category. There would have to be an overt move of an extremely drastic, dramatic, and aggressive nature before this contingency could ever be considered.*

*Mr. Moyers: Who, Mr. Secretary, has a stake in division between us and the oil-producing countries?*

*Secretary Kissinger: Oh, I think there are many forces, and I don't want to speculate on that.*

### **Middle East Diplomacy**

*Mr. Moyers: Let me ask you this. I am curious not about how you see a possible final solution in the Middle East but by what in history and in your own philosophy makes you believe that people who have fought so bitterly over so long a period of time can ever settle a conflict like that peaceably.*

*Secretary Kissinger: If you are in my position, you often find yourself in a situation where as a historian you would say the*

problem is insoluble and yet as a statesman you have absolutely no choice except to attempt to settle it. Because what is the alternative? If we say there is no solution, then another war is guaranteed. Then the confrontation between oil producers and consumers that it is our policy to attempt to avoid will be magnified—the risk of this will be magnified. The danger of a confrontation between the Soviet Union and the United States will be increased.

And therefore, with all the difficulties and with all the anguish that is involved, we must make a major effort to move step by step toward a solution. And some progress has already been made that most people thought was difficult. And we find ourselves often in a situation, and many national leaders do, where if you attempt something new, there is no historical precedent for it, and you have to go on an uncharted road.

*Mr. Moyers: You never announce that you are giving up hope.*

*Secretary Kissinger: Not only can you not announce you are giving up hope; you must not give up hope. You must believe in what you are doing.*

*Mr. Moyers: Is our step-by-step diplomacy on the Middle East on track?*

*Secretary Kissinger: Our step-by-step diplomacy is facing increasing difficulties. As one would expect, as you make progress you get to the more difficult circumstances.*

I believe we have an opportunity. I believe that progress can be made. And I expect that over the next months progress will be made.

*Mr. Moyers: In the ultimate extremity of war, wouldn't the level of violence be increased by the sale of arms we have made to the Arabs and the arms we have shipped to Israel? Aren't we in a sense guaranteeing that any war—*

*Secretary Kissinger: Well, none of the states that are likely—none of the Arab states likely to fight in a war have received American arms. The sale of arms to Israel is necessitated by the fact that the Arab*

countries are receiving substantial supplies from the Soviet Union and because the security of Israel has been an American objective in all American administrations since the end of World War II.

*Mr. Moyers: There is some confusion out there as to whether or not you have systematically excluded the Soviets from playing a peacekeeping role in the Middle East and whether, if you have, this is to our advantage. Is it possible to have a solution there that does not involve the Soviets?*

*Secretary Kissinger: A final solution must involve the Soviet Union. And it has never been part of our policy to exclude the Soviet Union from a final solution. The individual steps that have been taken have required—have been based on the methods which we judge most effective. And at the request of all of the parties. We have proceeded in the manner in which we have, but we have always kept the Soviet Union generally informed of what we were doing.*

*Mr. Moyers: Is there any evidence that under the general rubric of détente the Soviets have been playing adversary politics in the Middle East?*

*Secretary Kissinger: I think the Soviet Union has not been exceptionally helpful, but it has also not been exceptionally obstructive. And I do not believe it is correct to say they have been playing adversary politics.*

#### **Detente With the Soviet Union**

*Mr. Moyers: On the word "détente," I wish you would define it for us.*

*Secretary Kissinger: Well, the problem of détente is often put as if the United States were making concessions to the Soviet Union in order to achieve peace. Basically the problem of détente, the necessity of détente, is produced by the fact that nuclear war in this period is going to involve a catastrophe for all of humanity. When the decision of peace and war involves the survival of tens of millions of people, you are no longer playing power politics in the traditional sense. And*

for this reason, every American President in the postwar period, no matter how different their background, no matter what their party, has sooner or later been driven to making the problem of peace the central preoccupation of his foreign policy. This is the case also, obviously, in this administration.

We would like to leave a legacy of having made the world safer than when we found it, as must every administration. To conduct confrontation politics where the stakes are going to be determined by nuclear weapons is the height of irresponsibility. This is what we mean by détente. We have sought systematically to improve political relations, to increase trade relations in order to produce a maximum number of links between us and the Soviet Union, and to create a cooperative environment to reduce the dangers of war.

*Mr. Moyers: But in the 20 years immediately after World War II there was nuclear peace, one could say. Every Secretary of State has said "That is my objective—not to have a nuclear war." What are the special reasons for détente as a systematic policy? What have we got from it, beyond nuclear peace?*

*Secretary Kissinger: What we have got from détente is—first of all, the situation in Europe is more peaceful than it has ever been. As late as the Kennedy administration, in the 1960's, there was a massive confrontation over Berlin between the United States and the Soviet Union. Throughout the sixties there was a confrontation between the United States and the Soviet Union over the question of nuclear arms, over the question of the ultimate shape of the European arrangements, and over the whole evolution of world policy.*

In the last three years, European issues have been substantially, if not settled, I think substantially eased. In all parts of the world except the Middle East, the United States and the Soviet Union have pursued substantially compatible and, in some cases, cooperative policies. A trade relationship has developed for the first time that would give



both countries an incentive—and especially the Soviet Union—an incentive to conduct moderate foreign policies. And most importantly, two major steps have been taken to arrest the nuclear arms race. For the first time, agreed ceilings exist to reduce the danger—to eliminate the danger, in fact, or at any rate to substantially reduce it—that both sides will be raising or conducting an arms race out of fear of what the other side will do.

I think these are major steps forward which must be built upon and which I am confident will be built on, no matter who is President in this country.

*Mr. Moyers: I would like to come back in just a moment to the Vladivostok agreement. But before we leave détente, we seem to be leaving it on very precarious legs, with the announcement this week—if trade is important—that the Soviet Union was not going to fulfill the recent agreement on trade.*

*Secretary Kissinger:* Well, I don't think it is correct to say that the Soviet Union will not fulfill the recent agreement on trade. Unfortunately, the Congress has seen fit to pass legislation that imposed on the Soviet Union special conditions which were not foreseeable when the trade agreement was negotiated in 1972 and which the Soviet Union considers an interference in its domestic affairs.

We warned against this legislation for two years. We went along with it only with the utmost reluctance. And I think that this event proves that it is absolutely essential for Congress and the executive to work out a common understanding of what is possible in foreign policy and what can be subject to legislation and what must be subject to other forms of congressional advice and consent.

*Mr. Moyers: Did Congress kill the agreement by imposing too strict a limitation?*

*Secretary Kissinger:* I don't want to assess blame. I believe that the legislative restrictions, coupled with the restriction on Exim [Export-Import Bank] credits, had the effect of causing the Soviet Union to reject the

agreement. We shared the objectives of those in Congress who were pushing this legislation. We differed with them as to tactics and as to the suitability of enshrining these objectives in legislation. We were prepared to make them part of our executive negotiations, and we had in fact brought about an emigration of 35,000 before this legislative attempt was made, and the emigration now is lower than this.

But I repeat, as I said yesterday, that we will go back to the Congress with the attitude that both sides should learn from this experience and with the recognition that as a coequal partner they must have an important part in shaping American foreign policy.

*Mr. Moyers: Is détente on precarious legs as a result of the events this week?*

*Secretary Kissinger:* I think détente has had a setback. But I think the imperative that I described earlier—of preventing nuclear war, which in turn requires political understanding—will enable us to move forward again, and we will immediately begin consultations with the Congress on how the legislative and executive branch can cooperate in implementing this.

*Mr. Moyers: What is the proper relationship between Congress and the conduct of foreign policy? If I were a member of Congress, I would be very wary, after the Bay of Pigs and after the Gulf of Tonkin resolution, of giving the administration a blank check.*

*Secretary Kissinger:* I think the Congress is absolutely correct in insisting on legislative oversight over the conduct of foreign policy. And I would say that no President or Secretary of State, if he is wise, would ask for a blank check, because the responsibility is too great and in a democracy a major foreign policy requires public support. You cannot have public support if you do not have congressional support. So it is in our interests to work in close partnership with Congress.

What we have to work out with Congress is the degree of oversight that a body that, after all, contains over 550 members, or over

500 members, can properly exercise. I think on the major directions of policy, congressional oversight, even expressed in legislative restrictions, is essential. We disagree with those in the Congress who want to cut off or limit aid to Viet-Nam, but we do not challenge that this is a legitimate exercise of congressional supervision.

The difficulties arise when the Congress attempts to legislate the details of diplomatic negotiations, such as on the trade bill, on Vladivostok, and other matters. There we have to work out not a blank check but an understanding by which Congress can exercise its participation by means other than forming legislation.

### **Vladivostok Agreement on Strategic Arms**

*Mr. Moyers: We have just a few minutes left, Mr. Secretary. You raised the Vladivostok agreement that puts a ceiling on the number of launchers and MIRV'ed [multiple independently targetable reentry vehicle] missiles that both the Soviet Union and the United States can have. The question being raised is what you have done is escalate the equilibrium, the military equilibrium, at what appears to many people to be an unnecessarily high level. Why couldn't we just stop?*

*Secretary Kissinger: Well, I would say that the people who say "unnecessarily high" have never negotiated with the Soviet Union. The level at which that has been set is 200 delivery vehicles below what the Soviet Union already has. And therefore I find it difficult to understand how they can say it was escalated.*

If we were willing to live with our present forces when the Soviet Union had 2,600 missiles and bombers, then we should be able to live with our present forces when the Soviet Union will have under the agreement only 2,400 missiles and bombers.

So there is nothing in the agreement that forces us to build up. And there is something in the agreement that forces the Soviet Union to reduce. Whether we build up or not is a strategic decision which we would have

to make in any event and which would face us much more acutely under conditions of an arms race.

So we put a ceiling on the Soviet arms deployment below their present level, and therefore it enables us to consider our ceilings with less pressure than would be the case otherwise.

Secondly, once a ceiling exists, both military establishments can plan without the fear that the other one will drive the race through the ceiling, which is one of these self-fulfilling prophecies which has fueled the arms race.

Thirdly, once you have ceilings established, the problem of reductions will become much easier. The reason reductions are so difficult now is when both sides are building up, you never know against what yardsticks to plan your reductions. And I am confident that if the Vladivostok agreement is completed, it will be seen as one of the turning points in the history of the post-World War II arms race.

*Mr. Moyers: What is the next step?*

*Secretary Kissinger: The next step is to complete the Vladivostok agreement, on which only a general understanding exists up to now. Once that is completed, we will immediately turn to negotiations on the reduction of armaments—*

*Mr. Moyers: The reduction of the ceilings?*

*Secretary Kissinger: The reduction of the ceilings, both of MIRV's and of total numbers, and actually I believe this will be an easier negotiation than the one which we have just concluded at Vladivostok, because it is going to be difficult to prove that when you already have an enormous capacity to devastate humanity, that a few hundred extra missiles make so much difference.*

*Mr. Moyers: The Vladivostok agreement would run until 1985. Is it possible that reductions in the ceilings could begin many years before that?*

*Secretary Kissinger: In the aide memoire that has been exchanged between us and*

the Soviet Union, it has been agreed that reduction in—that the negotiations on reductions can start immediately upon the completion of the other agreement. They can start at any time before. They must start no later than 1980, but they can start at any time before then.

*Mr. Moyers: To set aside the figures for a moment, and put it in the way that laymen ask me, why do we keep on? This is going to mean, even if it does have a ceiling, more money for defense—we are going ahead with—*

*Secretary Kissinger: Excuse me. The agreement doesn't mean more money for defense. More money for defense was inherent in the arms race. The question that the agreement poses is whether more should be spent on top of what was already planned. I do not believe that the agreement will make it easier to reduce the spending.*

*Mr. Moyers: Do you see any end in the foreseeable future to the arms race, both nuclear and conventional?*

*Secretary Kissinger: One of my overwhelming preoccupations has been to put an end to the arms race. And the reason I have been such a strong supporter of the SALT [Strategic Arms Limitation Talks] negotiations is to turn down the arms race. And I believe that the Vladivostok agreement will permit over the 10 years—will lead to reductions that could involve substantial savings. And that will be our principal objective.*

### **Morality and Pragmatism in Foreign Policy**

*Mr. Moyers: Just a couple of more questions. You wrote once, "An excessively pragmatic policy will be empty of vision and humanity . . . America cannot be true to itself without moral purpose."<sup>2</sup>*

*One of the chief criticisms of your tenure as Secretary of State in the last several*

*years has been that we have been long on expediency and pragmatism, and it may have helped us strategically, but we have been short of humanity—the invasion of Cambodia, the bombing of Hanoi at Christmas, the tilting in favor of Pakistan, the maintenance of a constant level of foreign assistance, our preference for a change in the Allende government [Salvador Allende of Chile]. These all add up, your critics say, to an excessively pragmatic policy, devoid of humanity and vision.*

*Secretary Kissinger: Any statesman faces the problem of relating morality to what is possible. As long as the United States was absolutely secure, behind two great oceans, it could afford the luxury of moral pronouncements—divorced from the reality of the world in which other countries have to make the decisions, or to make an important part of the decisions, which determine whether you can implement them.*

*I still agree with the statement that I made some years ago. A purely pragmatic policy is unsuited to the American character and in any event leads to paralysis.*

*An excessively moralistic policy would be totally devoid of contacts with reality and would lead to empty posturing.*

*In foreign policy, you always face difficult choices. And you always face the problem that when you make your decision, you do not know the outcome. So your moral convictions are necessary to give you the strength to make the difficult choices when you have no assurance of success.*

*Now, the particular events which you mentioned, one could go into—it would be impossible to do justice to it in the limited time we have.*

*Several of them had to do with the conduct of the war in Viet-Nam. And there really the criticism is between those who wanted to end it more or less at any price and those who believed that it was essential to end it in a manner so that the American people did not feel that all these efforts had only led to a turning over by the United States of people who had depended on it to*

<sup>2</sup> For Secretary Kissinger's address before the Pacem in Terris Conference at Washington, D.C., on Oct. 8, 1973, see BULLETIN of Oct. 29, 1973.

outside invasion. It is an issue that we will not settle in this debate. But this was our judgment from which the various military moves flowed.

On the issue of how to vindicate human rights in foreign countries, I think we have never denied their importance. We have, however, always claimed that we could achieve our objectives more effectively, quietly, without making it a confrontation. This is why we never made anything of the fact that between 1969 and 1973 we increased Jewish emigration from the Soviet Union from 400 to 35,000 without ever announcing it. And I believe when all the facts are out, it will turn out that a substantial number of the releases from Chilean prisons were negotiated by the United States without ever making anything of it, not because we did not believe in these human rights, but because we believed it would facilitate the objective of implementing these human rights if we did not make an issue of it. So some of its concerns methods toward agreed objectives.

*Mr. Moyers: I think what concerns a lot of people is that we are liable in our search for stability to be linked with strong, authoritative, unrepresentative governments at the expense of open and more liberal governments. You say that is a necessity sometimes?*

*Secretary Kissinger:* I think it is very difficult to make an abstract pronouncement on that. Ideally we should be able to achieve our objective by working with governments whose basic values we support. But just as during World War II we became allies of Stalin, even though his values were quite different from ours, so in some concrete situations we occasionally find ourselves under the necessity of choosing whether we want to achieve important objectives with governments of whose domestic policies we do not approve or whether we sacrifice those interests.

Sometimes we can make the wrong choice. But it is important to recognize that it is a difficult choice. Everybody in his own life

knows that the difficult issues are those when two desirable objectives clash, or two undesirable objectives clash, and you have to choose the less undesirable. It is not a black and white problem.

I understand the criticism that is being made. But I think the critics should understand that the day-to-day conduct of foreign policy is more complex than can be encapsulated in a slogan.

*Mr. Moyers: Finally, you have talked about stable structures of peace, and you have talked about institutionalizing the conduct of foreign policy. But if you are not the Secretary of State for life, what will you leave behind, and what do you care the most about?*

*Secretary Kissinger:* Well, what I would care most about is to leave behind a world which is organically safer than the one I found. By organically safer, I mean that has a structure which is not dependent on constant juggling and on tours de force for maintaining the peace. But just as in the period from 1945 to 1950 it can be said that the United States constructed an international system that had many permanent features, as permanent features go in foreign policy—say a decade is a permanent feature in foreign policy—so it would be desirable to leave behind something that does not depend on the constant management of crisis to survive.

And within this Department I would like to leave behind an attitude and a group of people committed to such a vision, so that succeeding Presidents can be confident that there is a group of dedicated, experienced, and able men that can implement a policy of peace and stability and progress. I think we have the personnel in this Department to do it.

And when I say I want to institutionalize it, I don't mean lines on an organization chart. I mean a group of people that already exist, that work to the full extent of their capabilities. And this is why sometimes I drive them so hard.

## President Ford's News Conference of January 21

*Following are excerpts relating to foreign policy from the transcript of a news conference held by President Ford in the Old Executive Office Building on January 21.<sup>1</sup>*

*Q. On recent occasions, several times you have warned of the serious possibility of another war in the Middle East. Why, then, is the United States contributing so heavily to the military buildup there? And I have a followup.*

*President Ford:* The United States does feel that the danger of war in the Middle East is very serious. I have said it repeatedly, and I say it again here today. But in order to avoid that, we are maximizing our diplomatic efforts with Israel as well as with several Arab states.

In order to maintain the internal security of the various countries, in order to maintain equilibrium in arms capability, one nation against the other, we are supplying some arms to various states in that region. I think, while we negotiate, or while we expand our diplomatic efforts, it is important to maintain a certain degree of military capability on all sides.

*Q. Mr. President, both you and Secretary Kissinger have said that in case of strangulation of the West by oil producers you would use military force, and you were hypothetically speaking. I think on that same basis the American people would like to know whether you would require a congressional declaration of war or whether you would bypass that constitutional process as some of your predecessors have done.*

*President Ford:* I can assure you that on any occasion where there was any commitment of U.S. military personnel to any

engagement we would use the complete constitutional process that is required of the President.

*Q. Mr. President, are there circumstances in which the United States might actively reenter the Viet-Nam war?*

*President Ford:* I cannot foresee any at the moment.

*Q. Are you ruling out the possibility of bombing, U.S. bombing, over there or naval action?*

*President Ford:* I don't think it is appropriate for me to forecast any specific actions that might be taken. I would simply say that any military actions, if taken, would be only taken following the actions under our constitutional and legal procedures.

*Q. Mr. President, I would like to follow up on Helen Thomas' question. There has been considerable discussion, as you know, about this question of military intervention in the Middle East, and you and others have said that it might be considered if the West's economies were strangled. Mr. President, as you know, the Charter of the United Nations says that all members shall refrain in their international relations from the threat of the use of force against the territorial integrity or political independence of any state. Now, Mr. President, I would like to know whether this section of the Charter of the United Nations was considered, taken under consideration before these statements were made by members of the administration, and if not, why not?*

*President Ford:* Well, the hypothetical question which was put to Secretary Kissinger, a hypothetical question of the most extreme kind, I think called for the answer that the Secretary gave and I fully endorse that answer.

I can't tell you whether Secretary Kissinger considered that part of the U.N.

<sup>1</sup>For the complete transcript, see Weekly Compilation of Presidential Documents dated Jan. 27, 1975.

Charter at the time he made that comment, but if a country is being strangled—and I use “strangled” in the sense of the hypothetical question—that, in effect, means that a country has the right to protect itself against death.

*Q. Mr. President, would a new oil embargo be considered strangulation?*

*President Ford:* Certainly none comparable to the one in 1973.

*Q. Mr. President, does the state of the American economy permit additional military and economic aid to Viet-Nam or Cambodia?*

*President Ford:* I believe it does. When the budget was submitted for fiscal 1975, in January of 1974, the request was for \$1.4 billion for military assistance. The Congress cut that to \$700 million.

The request that I will submit for military assistance in a supplemental will be \$300 million. I think it is a proper action by us to help a nation and a people prevent aggression in violation of the Paris accords.

*Q. Mr. President, could you bring us up to date with an evaluation of the state of détente with the Soviet Union in the light of what happened to the Trade Agreement?*

*President Ford:* It is my judgment that the détente with the Soviet Union will be continued, broadened, expanded. I think that is in our interest, and I think it is in the interest of the Soviet Union.

I of course was disappointed that the Trade Agreement was canceled, but it is my judgment that we can continue to work with the Soviet Union to expand trade regardless. And I would hope that we can work with the Congress to eliminate any of the problems in the trade bill that might have precipitated the action by the Soviet Union.

*Q. Mr. President, a two-part followup on Viet-Nam. What is your assessment of the military situation there, and are you considering any additional measures, beyond a*

*supplemental, of assistance to the South Vietnamese Government?*

*President Ford:* The North Vietnamese have infiltrated with substantial military personnel and many, many weapons, in violation of the Paris accords. They are attacking in many instances major metropolitan areas and province capitals.

The South Vietnamese are fighting as skillfully and with firmness against this attack by the North Vietnamese. I think it is essential for their morale as well as for their security that we proceed with the supplemental that I am recommending, which will be submitted either this week or next week.

Now, I am not anticipating any further action beyond that supplemental at this time.

*Q. Mr. President, in your state of the Union message, you urged Congress not to restrict your ability to conduct foreign policy. Did you have in mind Senator Jackson's amendment on the emigration of Soviet Jews, and do you consider this to be an example of the meddling by Congress in foreign policy?*

*President Ford:* I don't wish to get in any dispute with Members of Congress. I think that such restrictive amendments as the one that was imposed on the trade bill and the Eximbank [Export-Import Bank] legislation and the limitation that was imposed on several pieces of legislation involving the continuation of military aid to Turkey—those kinds of limitations, in my judgment, are harmful to a President in the execution and implementation of foreign policy.

I don't think that I should speculate as to what actually precipitated the action of the Soviet Union in the cancellation of the Trade Agreement.

*Q. Mr. President, in an earlier Viet-Nam question you left open the option for yourself of possibly asking Congress for the authority to engage in bombing or naval action in the future. In light of the lengthy involvement by the United States in Viet-Nam and the pains that that created, can you say now*

*whether or not there are any circumstances under which you might foresee yourself doing that, or would you care to rule out that prospect?*

*President Ford:* I don't think it is appropriate for me to speculate on a matter of that kind.

*Q. Mr. President, in view of the rapport you seem to have established with Mr. Brezhnev [Leonid I. Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union] at Vladivostok, can you shed any light on the conflicting reports about his current political and personal health? Specifically, have you had any direct contact with him since your trip?*

*President Ford:* I have not had any direct contact. We have communicated on several occasions, but we have had no personal or direct contact.

## **U.S. and Federal Republic of Germany Hold Talks on Cultural Relations**

*Joint Statement, January 20*

Press release 22 dated January 21

Delegations from the Federal Republic of Germany and the United States met in Washington January 20 for the third in a series of annual talks on Cultural Relations.

The German delegation was led by Dr. Hans Arnold, Director for Cultural Relations

at the German Foreign Office; the American group was headed by Assistant Secretary of State John Richardson, Jr.

As in previous years, the talks were informal and covered a wide array of subjects. The two delegations focused considerable attention on the recommendations of a Conference on German-American Cultural Relations held under the auspices of the Ford Foundation and the two governments at Harrison House, Glen Cove, Long Island, New York, January 16-18, which had assembled a group of private citizens from the two countries, including representatives of organized labor, youth, women's groups, the communications media and the fields of art and literature. In their talks in Washington, the government representatives reviewed the results of the Conference and decided that they would encourage increased interaction between groups and individuals in both countries. Each government also plans to review the results of the Conference and any follow-on activities with the non-governmental participants later this year. In the view of the two governments, the Conference acted as a useful stimulant for more specific exchange activities and it is their intention to encourage the holding of a similar conference every two to three years.

The two government delegations also reviewed plans for the celebration of the American Revolution Bicentennial both in the United States and Germany. They also agreed to continue the study, initiated last year, looking toward new guidelines in the application of the equivalency of academic degrees.

## America's Foreign Policy Agenda: Toward the Year 2000

*Address by Joseph J. Sisco  
Under Secretary for Political Affairs*<sup>1</sup>

There is an inscription on the Chapel of Saint Gilgen near Salzburg which states that man should not look mournfully into the past because it does not come back again; that he should wisely improve the present because it is his; and that he should go forth to meet the future, without fear, and with a manly heart. We have now passed the threshold into the last quarter of the 20th century, and it is a good moment for Americans to ask basic questions about the future.

With the energy crisis, the food crisis, the recession-inflation dilemma, the new relationships with China and the Soviet Union, we are all conscious that this nation and the world are experiencing rapid and radical change; each of us is asking what is the direction this change is taking, what kind of world is coming into existence, and what are the prospects for the future. The challenges we face are complex as well as perplexing, but they also offer us historic opportunities to create a more stable and equitable world order. We are at a watershed—we are at a new period of creativity or at the beginning of a slide to international anarchy. America has faced great and seemingly overwhelming challenges before in its history and has shown its inherent capacity to overcome them and, indeed, to create something new from the old. This is the critical task before us.

We face new realities.

<sup>1</sup> Made at San Diego, Calif., on Jan. 23 before a regional foreign policy conference cosponsored by the World Affairs Council of San Diego and the Department of State (as delivered).

We have gone through a very difficult period. Here at home:

—We have witnessed the assassination of a President and other leaders, the decision by another President not to run again, and the forced resignation of another.

—We have experienced the pain and anguish of Viet-Nam and the ignominy of Watergate.

—We have the sense that perhaps we are less in control of our destiny than in the past.

—There is perhaps, too, a certain loss of purpose and direction, of self-confidence.

—But I hope we've gained some added wisdom as well.

Abroad, there have also been dramatic changes. We are living in an interdependent world, living literally in each other's backyards. What happens here has effect on others, and what happens overseas affects us. Moreover, no longer can we make the distinction between domestic and international policies as was the case in the 19th century.

—For most of the postwar period America enjoyed predominance in physical resources and political power. Now, like most other nations in history, we find that our most difficult task is how to apply limited means to the accomplishment of carefully defined ends.

—While we are no longer directly engaged in war, we know that peace cannot be taken for granted. The new nuclear equation makes restraint imperative, for the alternative is



nuclear holocaust. While maintaining a strong national defense, we have come to realize that in the nuclear age the relationship between military strength and politically usable power is the most complex in history.

—We have learned, I believe, that our resources are not unlimited, that there cannot be a Washington blueprint or panacea for every international problem. It is within this context we face the very profound and awesome task of achieving a stable and peaceful world order.

—For two decades the solidarity of our alliances seemed as constant as the threats to our security. Now our allies have regained strength, and relations with adversaries have improved. The perception of the threat has diminished. All this has given rise to uncertainties over the sharing of burdens with friends and the impact of reduced tensions on the cohesion of alliances.

—Since World War II the world has dealt with the economy as if its constant advance were inexorable. Now the warning signs of a major economic crisis are evident. Rates of recession and inflation are sweeping developing and developed nations alike. The threat of global famine and mass starvation is an affront to our values and an intolerable threat to our hopes for a better world. The abrupt rise of energy costs and the ensuing threats of monetary crisis and economic stagnation threaten to undermine the economic system that nourished the world's well-being for over 30 years.

In other areas, chronic conflicts in the Middle East, the eastern Mediterranean, and Indochina threaten to erupt with new intensity and unpredictable results.

And as if the situation were not complicated enough, most of these problems are dealt with in a clearly inadequate framework. National solutions continue to be pursued when, manifestly, their very futility is the crisis we face.

In the face of these challenges we must ask ourselves, What is America's response? Our traditional confidence that we can solve

all problems has been shaken, and we seem less certain of our purposes. To some extent this may be a sign of growing maturity in a nation which no longer possesses unlimited power. But it must be seasoned, it seems to me, with an equal awareness of what is required to protect our welfare and our security and what the consequences would be for ourselves and for the world of a largely passive foreign policy, one geared to withdrawal rather than creation.

Moreover, let us remind ourselves that we've got plenty going for us. We are still blessed with great natural resources, regardless of our wasteful tendencies. We are still a hard-working people, even though, unfortunately, our work ethic in recent years has been weakened. We are still the strongest military and economic power in the world, even though we exist in a world of nuclear parity rather than one of nuclear superiority. And Watergate must not be permitted to undermine our historical role as a bulwark of stability and security, a beacon of political freedom, of social progress and humanitarianism.

It's important to recall that:

—We are the only nation in the world which can engage the Soviet Union in the essential task of halting and reversing the nuclear arms race.

—We, as the leading industrial nation, with large natural, economic, and social resources, can provide the example and the initiatives to unite the industrialized nations, prevent a slide into global depression, and shape a new economic order.

—We are the only nation which can deal with both Arabs and Israelis, attempting to eliminate the greatest immediate threat to world peace.

We have recognized these new realities, and I believe it is fair to say that we have already achieved some positive results:

—Who just five years ago would have predicted that summits between our President and the Soviet leaders would be regular events on the international agenda? Despite

our differences with the Soviets, which will persist, who would have imagined the progress we have made in mutual understanding, arms control, and cooperation?

—Who five years ago would have predicted that China and the United States would have ended two decades of estrangement and made such progress in normalizing relations?

—Who five years ago would have predicted that while maintaining our close relations with Israel we could contribute so significantly to nurturing the negotiating process and have improved relations with key Arab nations at the same time?

As we look ahead it is clear that the world to which we have grown accustomed over the past quarter century is giving way to something quite different. At the same time, I am confident that America's contribution can be major, even decisive. It must, however, be a role not of withdrawal or looking inward, but of *selective engagement*; and we must be fully aware of the potential and limits of power, aware that we are neither omniscient nor omnipresent.

Let us look ahead to the next quarter century.

*First*, over the next 25 years our values, our interests, and our purposes will continue to be most closely aligned with the industrialized democracies of *Europe, Canada, and Japan*. We are convinced that at the very heart of a stable world must be a community of nations sharing common goals, common ideals, and a common perspective of how to deal with problems and threats confronting us.

New relationships with countries with different systems and ideologies are only possible if old relationships with allies remain strong. A central goal of our foreign policy must be to strengthen cooperative endeavors with a unifying Europe and to revitalize Atlantic ties. Success in building a stable and creative world order will be measured in many respects by the progress we achieve in preserving and enhancing cooperation among the great democracies.

*Second*, over the next 25 years I believe

the relationship between the United States and the *Soviet Union* will determine more than any other single factor whether our hopes for peace and stability in the world are realized. This is not intended to derogate from the fact that since World War II about 100 countries have come into being and want a piece of the action. We know there cannot be a peaceful world unless most of the nations feel they have a share in it. But our relations with the Soviets are key.

Our relationship with the Soviet Union, once characterized simply by the degree of hostility, is now defined by a complex mixture of competition and cooperation. *Détente*—the relaxation of tensions and the exercise of mutual restraint—is an imperative in a nuclear world. From the ideological point of view, there can be no compromise. However, coexistence of two essentially different social systems is the essential element of world peace in the next quarter century. There is simply no rational alternative to the pursuit of a relaxation of tensions. For this reason, we are engaged with the Soviets in an unprecedented range of negotiations, such as the Strategic Arms Limitation Talks, Mutual Balanced Force Reduction negotiations, and the European Conference on Security and Cooperation, which address the hard political and security issues confronting us and which seek to provide greater stability. There is continuing need from now to the end of the century of a system of security which our peoples can support and which our adversaries will respect in a period of lessened tension.

*Third*, over the next 25 years *Asia* will increasingly shape global hopes for peace and security. Half of mankind lives in Asia. The interests of four of the world's powers intersect in the Pacific. Three times in a single generation this nation has been drawn into Asian conflict. It is important that the region continue to evolve in the direction of greater stability and increased cooperation, that the major powers respect each other's legitimate interests, and that the United States and China continue to deepen mutual understanding and deepen our ties. There

cannot be a stable peace in Asia, or in the world, without a pattern of peaceful international relationships that includes this powerful and talented nation.

*Fourth*, over the next 25 years there will continue to be *local flash points* which could ignite world war if steps are not taken now to defuse them. The Arab-Israeli dispute is a prime example.

The Middle East problem is one that has occupied my attention for many years. For too long, the peoples of the area have been locked in incessant struggle, a cycle of wars followed by uneasy cease-fires, followed again by bloodshed and tragedy. Thus two peoples were thrown together in what history will undoubtedly recall not as a series of wars but as one long war broken by occasional armistices and temporary cease-fires. It has been a history of lost opportunities.

The interests and concerns of two global powers meet in the Middle East. It is an area of vital interest to the United States. A stable and lasting peace in the world requires a stable and durable settlement in the Middle East. When war came again to the Middle East in October 1973, we had two immediate objectives: First, to bring about a cease-fire and, second, to do so in a manner that would leave us in a position to play a constructive role with both the Arabs and Israelis in shaping a more secure peace. It was evident that the search for peace would be arduous and that a lasting settlement could only be approached through a series of limited steps in which the settlement of any particular issue would not be dependent upon the settlement of all issues. What have we accomplished?

—For the most part, but not entirely, the guns are silent. Disengagement agreements between Israel and Egypt and Israel and Syria in 1974 have been completed. They have provided more time to explore further possibilities for practical progress toward peace; they were important first steps.

—We have demonstrated that the United States can maintain its support for Israel's survival and security and have relations of

understanding with Arab nations. This will require careful and continuous nurturing. We have helped both the Arabs and Israelis to move at least the first difficult steps toward mutual accommodation. The situation was defused somewhat; however, the risk of renewal of hostilities remains unless more progress can be made.

—The focus of discussion is still on progress on a step-by-step basis toward peace. This was made possible because most of the countries in the area have adopted a more moderate course. Instead of concentrating solely on preparations for war, a number have demonstrated that they are ready to consider, however tentatively, the possible fruits of peace. Most of the people of the Middle East are plain tired and fed up with the cycle of violence and counterviolence and recurrent wars, and the October 1973 war changed the objective conditions in the area. The Arabs no longer feel they need to go to negotiations weak and with head bowed; the 1973 war in their eyes erased the shame of the 1967 war. And in Israel the shock and trauma of the October war gave new impetus to support for negotiations.

—We are convinced that there must be further stages in the diplomatic process. While in a sense it will be even more difficult as we approach the more fundamental issues of an overall settlement, it is also true that each step creates a new situation that may make it less difficult to envisage further steps. To this end, discussions with both sides are being actively pursued, the most recent being those held with Israeli Foreign Minister Allon in Washington last week. These talks were useful, and while a number of key problems remain to be solved, some progress was made in defining a conceptual framework for the next stage of the negotiating process.

—In sum, quiet diplomacy is proceeding, and we remain cautiously hopeful that further practical progress is possible. If there is to be peace and stability over the next quarter century, this problem must be solved.

*Fifth*, over the next 25 years the imbal-

ance between limited resources and unlimited demand will continue and intensify the *economic challenge* before us. The temptation for nations to seek selfish advantage will be great. It is essential that the international community respond to the challenges of energy, food, and inflation with a collaborative approach.

As for our participation in meeting the energy crisis, President Ford has put forward the administration's energy program with a view to ending vulnerability to economic disruption by foreign suppliers by 1985. We cannot afford to mortgage our security and economy to outside forces. There can be no solution without consumer cooperation and solidarity. Equally, it is essential that there be a constructive consumer-producer dialogue and that the rhetoric of confrontation give way to the reality of interdependence. The former is a necessary prerequisite to the latter. Assistant Secretary Hartman has addressed these issues in detail this morning. I will only say that the sacrifices will be required by us all—sacrifices which I believe the American people are ready to make in the overall interest of all citizens.

The food problem also is an important aspect of global interdependence. The fact is that food production has not matched population growth. In our food assistance program, i.e., our Public Law 480 program, we are making a major effort approaching almost \$1.5 billion. It is true that we give some of this food aid to countries with which we have important political relationships. However, there and elsewhere the greater part of our food assistance goes for humanitarian purposes.

At the World Food Conference in Rome last November, the United States set forth a comprehensive program to meet man's needs for food. But we cannot do it alone; it is global. No aspect of American foreign policy over the past generation has had greater support than our effort to help avert starvation and increase the poorer countries' production of food. This is not only in the best tradition of America's humanitarian concerns but is essential to the stability of the entire world, for the gap between

what the poorest countries produce and what they need is growing. It will require increased food production by us but also by others as well—developed as well as developing nations. Reserves will be needed, and financing. It will require more determined efforts on the population problem. There can be no real stability in the world unless this problem is solved.

*Sixth*, over the next quarter of a century the success or failure of international institutions such as the *United Nations* to meet global challenges will be of significant importance. Any balanced assessment of the world organization must take into account its capacities as well as its limitations.

We overestimated the potential of the United Nations at its birth in 1945. We tended to view the creation of this institution as synonymous with solutions to the problems. We know better today. At the same time, we must exercise care not to underestimate its positive contributions to peace. The United Nations is not an entity apart from its membership. The U.N.'s imperfections mirror the imperfections of the world in which the United Nations operates. Power and responsibility in the now-inflated General Assembly of 138 is out of kilter; bloc voting has become all too frequent; programs are all too often voted which strain available resources; political issues have tended to deflect the work of many of the specialized agencies. At the same time we must bear in mind that U.N. peacekeeping forces are playing an indispensable role in such trouble spots as Cyprus and the Middle East; the U.N. Development Program has been over the years an unheralded success in helping smaller countries unharness and utilize their resources for the benefit of their peoples. The U.N. specialized agencies are helping make a global attack on the global problems of food, environment, population, and health. They are part of the broad effort of the international community in attacking the underlying root causes of war—poverty, disease, social maladjustments.

These are meaningful contributions to peace. It is not in our interest to turn our back on the United Nations, despite its

obvious shortcomings and our understandable disappointments. Picking up our marbles and going home would only leave the United Nations in the hands of our adversaries to shape it in their own image. In short, for the next quarter century, there is no real alternative but to redouble our efforts to help assure responsible and responsive decisions in the U.N. system; for to try to create something new from scratch would be doomed to fail, leaving the international community weaker rather than stronger to cope with meaningful issues of the future.

Finally, I wish to conclude with an observation closer to home. Our foreign policy, to be effective, must rest on a broad national base and reflect a shared community of values. This does not mean rubberstamping, and we cannot expect unanimity. Responsible people obviously will continue to have serious differences. We are in danger, I believe, of being overly critical of ourselves, overly introspective. We have to recapture the habit of concentrating on what binds us together. It is essential in the present environment that we work together to shape a broad consensus, a new unity, a renewed trust, and fresh confidence.

In this respect, the relationship between the executive and the Legislature is critical. America can only take the initiatives required to protect its interests if we make a new start here at home. A new Congress and a new administration present us with that opportunity. If both branches of the new government engage in a serious dialogue, a new consensus can be reached.

It is essential also that a dialogue be re-established between the public and the government, for it is through such a process that confidence in our institutions can in time be restored. The most important task we have in foreign policy is to see that it is anchored in the support of the entire American people, and that can only be accomplished through the free and open exchange of ideas. As Adlai Stevenson once stated: In a democracy, "Government cannot be stronger or more tough-minded than

its people. It cannot be more inflexibly committed to the task than they. It cannot be wiser than the people."

As we prepare to celebrate America's bicentennial, I hope we can all engage ourselves in the critical effort to build a better future. We are a healthy country capable of dealing with these problems, and I would urge each of you—important leaders of the community—to approach these problems in a hopeful spirit.

## **Secretary Kissinger Gives Dinner Honoring Visiting Sultan of Oman**

*His Majesty Sultan Qaboos bin Sa'id of Oman made a private visit to the United States January 9-11. Following is an exchange of toasts between Secretary Kissinger and Sultan Qaboos at a dinner at the Department of State on January 9.*

Press release 11 dated January 10

### **SECRETARY KISSINGER**

Your Majesty, Excellencies: It is a great pleasure to welcome His Majesty on his first visit to the United States. Since this is a very special occasion, we have spared him the usual treatment by bureaus, which is to give our visiting guest a toast—which I dare not deliver—giving him the choice of responding to something he has read or to something he has heard.

But Your Majesty comes from an area that is very much on our minds and from a country with which our relationships go back, as it turns out, 140 years.

The Middle East is, of course, an area very much in the news and with very many tensions, and also it contains many of the resources on which the economy of the whole world depends. But it also contains many states that are not directly part of the political conflicts and whose share in the energy problem is not of the largest magnitude. And nevertheless their future depends on the security of the whole area

and their progress depends on the ability of all the nations to work out relationships based on cooperation and conciliation.

As far as the United States is concerned, we will do our utmost to promote peace in the Middle East on the basis of justice and taking into account the aspirations of all of the peoples. And we want to promote an international economic order which is negotiated cooperatively, in which producers and consumers will realize that their joint welfare requires understanding by both sides.

But, finally, we also take a strong interest in the independence and sovereignty and progress of our old friends, such as His Majesty, who faces in his own country some pressures from his neighbors and who nevertheless has striven successfully to bring development and progress and conciliation to his people and to his neighbors.

We have had very warm and friendly and useful talks this afternoon, and I look forward to the opportunity to continue them tomorrow.

So this visit by His Majesty reflects the intense interest of the United States in peace and progress in the Middle East and our dedication to the friendly relations between Oman and the United States.

So I would like to ask you all to join me in drinking to the health, long life, of our honored guest: His Majesty the Sultan of Oman.

#### **HIS MAJESTY SULTAN QABOOS BIN SA'ID**

Mr. Secretary, distinguished guests: I am very pleased to be visiting the United States, to acquaint myself with its friendly people and its distinguished leadership.

We appreciate the great efforts your country is making, Mr. Secretary, for the sake of bringing about a just and lasting peace in the Middle East; and we have profound hope that your efforts will be successful.

The relations between Oman and the United States, as you just mentioned, Mr. Secretary, go back to many years. Indeed, Oman was among the first Arab states to have relations with your great country.

My visit today is but an expression of our desire for the continuation of our long-standing good ties and also our hope that these ties would be strengthened even more in the future for the mutual benefit of our two countries.

We realize, as you do, Mr. Secretary, that stability and peace in the world cannot be achieved and strengthened without the combined efforts of all nations, in coping in a positive and cooperative spirit with contemporary world problems, in particular the Middle East conflict, where our joint hope for a just and lasting peace is unfortunately yet to be realized.

We are aware, also, of the serious economic problems which the world is faced with. But we are convinced at the same time that no matter what the differences in the viewpoints regarding causes of the existing economic problems, logical and sound solutions to these problems could only come through negotiation and not through confrontation—which would only aggravate the world economic conditions.

As we mentioned this afternoon during our meeting with His Excellency the President of the United States, I would like to repeat, Mr. Secretary, that Oman, though a developing country, is determined to fully devote its efforts and utilize its natural resources to promote its economic development and thereby raise the standards of living of its people.

In our endeavors to achieve these goals, we shall seek the assistance and avail ourselves of the experience of friendly advanced nations—among which we hold the United States in high regard.

In concluding my remarks, Mr. Secretary, I would like to share your hope for a greater and more dedicated cooperation on the part of all nations toward strengthening world peace and stability and promoting economic prosperity for peoples of all nations.

Our own endeavors to contribute to the realization of this noble hope shall never cease.

Gentlemen, now I propose a toast to the distinguished Secretary of the United States.

## The Energy Crisis and Efforts To Assure Its Solution

*Address by Arthur A. Hartman  
Assistant Secretary for European Affairs*<sup>1</sup>

I thank you for your very warm welcome. The interest displayed by San Diego in this conference gives evidence of the close involvement of this community in the foreign policy process; that process today is very close to home indeed. With international events now more than ever intimately related to the activities of our daily lives, such involvement is more essential than ever. If any of us have wishfully believed that the process of détente and a less active American role in many areas of the world have cushioned us from the impact of foreign developments, we must surely see that the energy crisis has disabused us of this pipe-dream.

As President Ford put it in his state of the Union address last week:

At no time in our peacetime history has the state of the nation depended more heavily on the state of the world; and seldom, if ever, has the state of the world depended more heavily on the state of our nation.

This fact—the close and inevitable inter-relationship between foreign and domestic developments—forms the all-important backdrop to the issue I would like to address today: The impact of the energy crisis and the need for cooperative efforts to assure its solution—cooperative efforts both nationally and internationally.

In April 1973, prior to the onset of the oil

crisis in October, Secretary Kissinger called for a creative effort to meet the new challenges faced by the world's major industrial powers. He recalled the security and economic challenges that had been successfully met in the immediate post-World War II period, and he foresaw that without similar common programs the freedom of all our nations could once more be put in jeopardy. Mastering our fate domestically or internationally requires an act of political will, and it was that act of will that he called for.

It took us a year of what seemed unnecessary bickering to produce a declaration of principles with our Atlantic allies.<sup>2</sup> But those discussions about the meaning of consultations and the necessity for common action to govern the détente process and maintain our security also produced new insights into the interrelationships of the economies of Europe, North America, and Japan. It took the concrete illustration of the energy crisis resulting from the October war in the Middle East to remove once and for all the illusory search for go-it-alone policies.

Without exception, the industrialized nations of the non-Communist world now stand face to face with the extraordinary economic problem of burgeoning rates of inflation in the midst of deepening recession. This unprecedented situation—in large measure a product of the international energy crisis—

<sup>1</sup> Made at San Diego, Calif., on Jan. 23 before a regional foreign policy conference cosponsored by the World Affairs Council of San Diego and the Department of State (text from press release 26).

<sup>2</sup> For text of the Declaration on Atlantic Relations adopted by the ministerial meeting of the North Atlantic Council at Ottawa on June 19, 1974, see BULLETIN of July 8, 1974, p. 42.

continues to be aggravated by oil prices, which are today four times higher than they were just a little over a year ago.

The mounting bill for oil imports has put a severe strain on the external accounts of all consumer countries as well as on the political cohesion of many nations. For some, the cumulative financial debt will rapidly become unsustainable unless a cooperative answer is found to the problem of world petroleum markets.

The 24-nation Organization for Economic Cooperation and Development (OECD), comprised of advanced industrialized countries, warned in its semiannual survey issued last month that, based on existing policies, its member nations could be headed for the deepest and longest recession since the 1930's, with lower production and growing unemployment continuing into 1976. The industrial democracies face a test, the report concluded, "probably unprecedented outside time of war." Without concerted and effective remedial action, the Organization feared that the economic slippage could develop into an avalanche.

### **Central U.S. Role in World Economy**

This gloomy picture has transformed international economic problems from arcane matters dealt with by obscure experts into the central foreign policy issue of the day. Nor are economic and political issues easily separable. Quite clearly, the strength of particular Western European economies relates directly to the internal political strength of the nations involved and therefore the strength and cohesion of the NATO alliance. Similarly, the tremendous new economic leverage now available to some oil-producing countries has a potential impact on the course of events in the Middle East.

Nor are the poorer nations of the world spared the impact of the crisis. The additional squeeze on some developing countries, whose weak economies were already under stress, poses a specter of economic collapse and starvation.

In the face of this situation, solutions must link our objectives at home to our ob-

jectives abroad. They must be posed in terms of both domestic and international goals:

—We must combat rising unemployment while dampening inflation at home.

—We in the United States must work to reduce substantially our external oil bill, which increased by about \$16 billion in 1974 to a total of about \$25 billion.

—We must continue to insure the economic strength and political cohesion of the Western alliance.

—We must seek to avoid severe disruption in those developing countries seriously affected by the oil crisis.

The President's state of the Union and energy messages provide a clear and forceful set of proposals designed to meet these ends. The domestic aspects of these proposals will be considered in the context of their impact on all strata of our national economy. The international dimension, in addition, must be pursued to a large degree in concert with other nations, most particularly the industrialized countries of North America, Western Europe, and Japan.

These nations hold in their hands the central responsibility for a prosperous world economic system. If our economies slide, others will be drawn down also. America's central role as the industrial base of the world economy imposes a special burden of leadership and example upon us. With our gross national product comprising close to half of the total GNP of the non-Communist world, it is not difficult to see why the measures we take to cure our domestic economic ills are of intense concern to others.

Given this high degree of interdependence among advanced economies, as well as the evolving interrelationships among the members of the European Community as they work at building a more integrated European political structure, the nature of the economic ties among us takes on great sensitivity and importance.

In this connection, you may have heard talk about the concept of "trilateralism" among industrialized countries. There are indeed three concentrations of industrial



power in the non-Communist world—that of Western Europe, North America, and Japan. But beyond that, the relation is anything but a neat geometric design. It is rather an intricate set of interrelationships and interdependencies. It rests on a base of shared political objectives and, of course, includes the Atlantic alliance, which has represented the principal cornerstone of Western security for 2½ decades.

### **Common Action on the Energy Crisis**

The energy crisis is the most severe test of the fabric of this alliance since it was formed. The Atlantic nations, together with Japan, must not only stand firm but take the necessary collective action to overcome the albatross of energy dependence that weighs so heavily on our future. A significant degree of unanimity is required. I am happy to say that the prospects for such common action in the face of the current threat to the world economy are now perceptibly brighter than they were when Secretary Kissinger first called for that creative effort to assert our common political will.

In the period between the Middle East war of October 1973 and last February when the Washington Energy Conference took place, a go-it-alone atmosphere prevailed, with a number of Western nations scrambling to protect their independent sources of supply. Mistrust and bickering continued over the concept and procedures for consultations between the United States and Europe. And at the Washington Energy Conference itself, there was an acrimonious and much publicized split with the French which left an unfortunate residue of ill feeling.

Coming back from that nadir of political relationships a year ago, and demonstrating not only an impressive resilience but also a renewed spirit of constructive compromise, we and our partners in Europe and Japan have moved together in a number of important respects:

—Last May the OECD adopted an important new trade pledge to avoid a self-defeating series of new trade restrictions to offset

the oil deficit in one OECD country at the expense of others.

—Practical steps were taken to improve the consultative procedure between the European Community and the United States.

—As a followup to the Washington Energy Conference, a new International Energy Agency was established under the auspices of the OECD. This new Agency is based on a common commitment by major consumers to respond jointly in any future emergency or embargo situation. Under such circumstances, it enables the countries involved to build up their oil stocks, to take mandatory measures curtailing demand, and to pool available resources. The Agency will also act as the principal forum for the development of a broader energy strategy.

—An unusual series of summit meetings among leaders of the major industrialized countries has taken place, leading, I am convinced, to a considerably higher level of confidence and understanding. In recent months, President Ford has discussed domestic and international economic issues with the heads of government of Italy, Canada, Japan, the Federal Republic of Germany, and France. The Martinique meeting with French President Giscard d'Estaing was marked by a new spirit of cooperation and frankness. The United States and France have common objectives in the energy field and in economic policies generally, and we look forward to continued close consultation and joint enterprise with France in the period ahead. Later this month, the President will also meet with Prime Minister Wilson of Great Britain. The very serious expressions of concern about the necessity for common action to avoid world recession expressed during these meetings had, I am certain, an important influence on subsequent decisions reached within the U.S. Government and the governments of these other countries.

—The international financial system has made substantial progress in moving us toward financial solidarity by assuring that necessary funds are available to countries in need of help in funding their balance of payments deficits. At the suggestion of Secre-

tary Kissinger and OECD Secretary General Emile van Lennep, it was agreed just last week at meetings in Washington to create a special new \$25 billion facility. This fund would serve as a financial safety net for OECD member nations. It would be available to finance the deficits of countries experiencing difficulties until such time as longer term policies designed to respond to the oil crisis are in effect.

### **Long-Term Strategy for Reducing Oil Imports**

Although this series of actions constitutes, I believe, a very solid list of accomplishments, it represents only a beginning in the solution of the international oil problem. Any long-term strategy for dealing with the energy crisis must reduce the dependence of industrialized countries on imported oil. Only by means of reduced dependence can consumer countries stem the steady outward flow of funds and the accumulation of a staggering financial debt to producer countries. This massive debt is currently running at a rate of some \$40 billion a year for the OECD countries and another \$20 billion for less developed countries, for an annual total of about \$60 billion per year.

Only by reducing their dependency can the industrialized countries establish a stable and equitable long-term relationship with the producing countries. Along with our partners in the International Energy Agency, we are now in the midst of developing methods to achieve this goal. Among the latter are coordinated programs of energy conservation to make possible a reduced demand for oil, and accelerated development of existing fossil fuel resources available outside of the nations belonging to the Organization of Petroleum Exporting Countries, and concerted research and development efforts on new forms of energy.

Instituting this program will not by any means be easy. It will require, among other things, strong internal measures in all consumer nations—measures not calculated to be domestically popular. Included, in other words, are programs that will be tough medicine to swallow politically but which the

public of all our countries will see as the necessary underpinning of efforts to control their destinies.

Putting these measures into effect will also take time. The OECD has recently forecast that by 1985 its member countries can reduce dependence on imported oil to 20 percent of total energy consumption. For our part, the President has announced our intention to reduce U.S. imports of oil by 1 million barrels per day by the end of 1975. In addition, we expect further to reduce imports by 2 million barrels per day by the end of 1977. These initiatives are not being taken in isolation. We are seeking an equitable sharing of this burden with other industrial nations.

The institution of measures to gain self-sufficiency can and must be accelerated by the new programs we are developing. In the interim, we must rely on joint financial arrangements to insure that each consumer economy can survive the current trade imbalance caused by high oil prices.

Let me underline, however, this basic fact: There is available no acceptable alternative to the long-term strategy I have outlined. To continue to import large quantities of oil at current high prices will, sooner or later, run some consumer countries into insolvency; they simply will no longer be able to pay for needed oil imports, and this will lead to collapse of their industrial structure and to political turmoil.

The United States is not likely to be the first to reach such a point. Our basic economic and political structure is too sound, and we have a large enough reserve of oil and other fossil fuels to sustain ourselves. But this fact should not make us complacent. Given the interdependence of our economies, we have good reason to make sure a financial collapse does not happen anywhere. The breakdown of any industrialized democracy would constitute an immediate threat to our national interests. It would have adverse consequences on our trade and investments. It could seriously damage the NATO alliance. And certainly it would gravely threaten the entire international structure of peace that we have struggled so laboriously to

## Meetings of IMF Interim Committee and Group of Ten Held at Washington

*Following is a Department statement read to news correspondents on January 17 by Paul Hare, Deputy Director, Office of Press Relations, together with the texts of communiques issued on January 16 at the conclusion of a ministerial meeting of the Group of Ten and a meeting of the Interim Committee of the Board of Governors of the International Monetary Fund. Secretary of the Treasury William E. Simon headed the U.S. delegations to the meetings.*

### DEPARTMENT STATEMENT, JANUARY 17

We are extremely pleased and encouraged by the agreement reached by the Group of Ten Ministers to establish the \$25 billion solidarity fund by the end of February. This historic agreement among the Ten Ministers sets the framework for early agreement by all OECD [Organization for Economic Cooperation and Development] countries which choose to participate in the fund arrangement. The agreement of the Ministers in Washington therefore constitutes a decisive step toward establishment of the fund and thereby contributes significantly to prospects for international economic stability.

The underpinning of the international financial system achieved through the fund will give all participating governments greater confidence and flexibility in our collaborative efforts to reinvigorate our economies and meet the energy challenge.

### TEXTS OF COMMUNIQUES, JANUARY 16

#### Ministerial Meetings of the Group of Ten

1. The Ministers and Central Bank Governors of the ten countries participating in the General Arrangements to Borrow met in Washington on the 14th and 16th of January, 1975, under the Chairmanship of Mr. Masayoshi Ohira, Minister of Finance of Japan.

The Managing Director of the International Monetary Fund, Mr. H. J. Witteveen, took part in

construct. If we work together with other industrialized nations, such calamities need not come about. I am confident that with the momentum that now exists, our negotiations with our Western European partners and Japan will soon produce results.

Although some have urged an immediate meeting of producer and consumer countries, we have consistently taken the view that such a multilateral conference cannot be productive until the consumers first consolidate their own positions. Otherwise, various disagreements would simply be repeated and recorded at the conference itself with little or no productive result.

The United States has, instead, urged a procedure involving four interrelated sequential stages: First, the establishment of concerted programs among consumers in the fields of conservation, accelerated development of alternate energy sources, and financial solidarity; second, the convening of a preparatory meeting with producers to develop the agenda and procedures for a consumer-producer conference—the preparatory meeting is tentatively targeted for March—third, the preparation of common consumer positions on the agenda items for the conference; and, finally, the holding of a consumer-producer conference.

The sequence was agreed to by President Giscard d'Estaing and President Ford at their Martinique meeting and was also endorsed at a meeting of the Governing Board of the International Energy Agency last month. We can take satisfaction, therefore, that U.S. proposals for consumer solidarity are going forward before we enter into a conference with producing nations.

In sum, the energy crisis, both in its roots and in its impact, is quintessentially political. It will require both the resolute domestic action called for by the President in his state of the Union address and close collaboration with other industrial nations. Failure to rise to the challenge would pose immense dangers. But, as Secretary Kissinger stated in Chicago last November: "Let there be no doubt, the energy problem is soluble. It will overwhelm us only if we retreat from its reality."

the meetings, which were also attended by the President of the Swiss National Bank, Mr. F. Leutwiler, the Secretary-General of the OECD, Mr. E. van Lennep, the General Manager of the Bank for International Settlements, Mr. R. Larré, and the Vice-President of the Commission of the E.E.C. [European Economic Community], Mr. W. Haferkamp.

2. After hearing a report from the Chairman of their Deputies, Mr. Rinaldo Ossola, the Ministers and Governors agreed that a solidarity fund, a new financial support arrangement, open to all members of the OECD, should be established at the earliest possible date, to be available for a period of two years. Each participant will have a quota which will serve to determine its obligations and borrowing rights and its relative weight for voting purposes. The distribution of quotas will be based mainly on GNP and foreign trade. The total of all participants' quotas will be approximately \$25 billion.

3. The aim of this arrangement is to support the determination of participating countries to pursue appropriate domestic and international economic policies, including cooperative policies to encourage the increased production and conservation of energy. It was agreed that this arrangement will be a safety net, to be used as a last resort. Participants requesting loans under the new arrangement will be required to show that they are encountering serious balance-of-payments difficulties and are making the fullest appropriate use of their own reserves and of resources available to them through other channels. All loans made through this arrangement will be subject to appropriate economic policy conditions. It was also agreed that all participants will jointly share the default risks on loans under the arrangement in proportion to, and up to the limits of, their quotas.

4. In response to a request by a participant for a loan, the other participants will take a decision, by a two-thirds majority, on the granting of the loan and its terms and conditions, in the case of loans up to the quota, and as to whether, for balance-of-payments reasons, any country should not be required to make a direct contribution in the case of any loan. The granting of a loan in excess of the quota and up to 200 per cent of the quota will require a very strong majority and beyond that will require a unanimous decision. If one or more participants are not required to contribute to the financing of a loan, the requirements for approval of the loan must also be met with respect to the contributing participants.

5. Further work is needed to determine financing methods. These might include direct contributions and/or joint borrowing in capital markets. Until the full establishment of the new arrangement, there might also be temporary financing through credit arrangements between central banks.

6. Ministers and Governors agreed to recommend

the immediate establishment of an ad hoc OECD Working Group, with representatives from all interested OECD countries, to prepare a draft agreement in line with the above principles. In their view this work should be concluded in time to permit approval by the OECD Council by the end of February, 1975.

### **Interim Committee of IMF Board of Governors**

#### *Press Communique of the Interim Committee of the Board of Governors on the International Monetary System*

1. The Interim Committee of the International Monetary Fund held its second meeting in Washington, D.C. on January 15 and 16, 1975. Mr. John N. Turner, Minister of Finance of Canada, was in the chair. Mr. H. Johannes Witteveen, Managing Director of the International Monetary Fund, participated in the meeting. The following observers attended during the Committee's discussions of the matters referred to in paragraphs 2, 3, and 4 below: Mr. Henri Konan Bedié, Chairman, Bank-Fund Development Committee; Mr. Gamani Corea, Secretary General, UNCTAD [United Nations Conference on Trade and Development]; Mr. Wilhelm Haferkamp, Vice President, EC Commission; Mr. Mahjoob A. Hassanain, Chief, Economics Department, OPEC [Organization of Petroleum Exporting Countries]; Mr. Rene Larré, General Manager, BIS; Mr. Emile van Lennep, Secretary General, OECD; Mr. Olivier Long, Director General, GATT [General Agreement on Tariffs and Trade]; Mr. Robert S. McNamara, President, IBRD [International Bank for Reconstruction and Development].

2. The Committee discussed the world economic outlook and against this background the international adjustment process. Great concern was expressed about the depth and duration of the present recessionary conditions. It was urged that anti-recessionary policies should be pursued while continuing to combat inflation, particularly by countries in a relatively strong balance of payments position. It was observed that very large disequilibria persist not only between major oil exporting countries as a group and all other countries, but also among countries in the latter group, particularly between industrial and primary producing countries. Anxiety was also voiced that adequate financing might not become available to cover the very large aggregate current account deficits, of the order of US\$30 billion, in prospect for the developing countries other than major oil exporters in 1975.

3. The Committee agreed that the Oil Facility should be continued for 1975 on an enlarged basis. They urged the Managing Director to undertake as soon as possible discussions with major oil exporting members of the Fund, and with other members in strong reserve and payments positions, on loans by

them for the purpose of financing the Facility. The Committee agreed on a figure of SDR [special drawing rights] 5 billion as the total of loans to be sought for this purpose. It was also agreed that any unused portion of the loans negotiated in 1974 should be available in 1975. The Committee agreed that in view of the uncertainties inherent in present world economic conditions, it was necessary to keep the operation of the Oil Facility under constant review so as to be able to take whatever further action might be necessary in the best interests of the international community. It was also understood that during the coming months it would be useful to review the policies, practices, and resources of the Fund since it would be appropriate to make increased use of the Fund's ordinary holdings of currency to meet the needs of members that were encountering difficulties.

4. The Committee emphasized the need for decisive action to help the most seriously affected developing countries. In connection with the Oil Facility, the Committee fully endorsed the recommendation of the Managing Director that a special account should be established with appropriate contributions by oil exporting and industrial countries, and possibly by other members capable of contributing, and that the Fund should administer this account in order to reduce for the most seriously affected members the burden of interest payable by them under the Oil Facility.

5. The Committee considered questions relating to the sixth general review of the quotas of members, which is now under way, and agreed, subject to satisfactory amendment of the Articles, that the total of present quotas should be increased by 32.5 per cent and rounded up to SDR 39 billion. It was understood that the period for the next general review of quotas would be reduced from five years to three years. The Committee also agreed that the quotas of the major oil exporters should be substantially increased by doubling their share as a group in the enlarged Fund, and that the collective share of all other developing countries should not be allowed to fall below its present level. There was a consensus that because an important purpose of increases in quotas was strengthening the Fund's liquidity, arrangements should be made under which all the Fund's holdings of currency would be usable in accordance with its policies. The Committee invited the Executive Directors to examine quotas on the basis of the foregoing understandings, and to make specific recommendations as promptly as possible on increases in the quotas of individual member countries.

6. I. The Committee considered the question of amendment of the Articles of Agreement of the Fund. It was agreed that the Executive Directors should be asked to continue their work on this subject and, as soon as possible, submit for consideration by the Committee draft amendments on the following subjects:

(a) The transformation of the Interim Committee into a permanent Council at an appropriate time, in which each member would be able to cast the votes of the countries in his constituency separately. The Council would have decision-making authority under powers delegated to it by the Board of Governors.

(b) Improvements in the General Account, which would include (i) elimination of the obligation of member countries to use gold to make such payments to the Fund as quota subscriptions and repurchases and the determination of the media of payment, which the Executive Directors would study, and (ii) arrangements to ensure that the Fund's holdings of all currencies would be usable in its operations under satisfactory safeguards for all members.

(c) Improvements in the characteristics of the SDR designed to promote the objective of making it the principal reserve asset of the international monetary system.

(d) Provision for stable but adjustable par values and the floating of currencies in particular situations, subject to appropriate rules and surveillance of the Fund, in accordance with the Outline of Reform.

II. The Committee also discussed a possible amendment that would establish a link between allocations of SDRs and development finance, but there continues to be a diversity of views on this matter. It was agreed to keep the matter under active study, but at the same time to consider other ways for increasing the transfer of real resources to developing countries.

7. The Committee also agreed that the Executive Directors should be asked to consider possible improvements in the Fund's facilities on the compensatory financing of export fluctuations and the stabilization of prices of primary products and to study the possibility of an amendment of the Articles of Agreement that would permit the Fund to provide assistance directly to international buffer stocks of primary products.

8. There was an intensive discussion of future arrangements for gold. The Committee reaffirmed that steps should be taken as soon as possible to give the special drawing right the central place in the international monetary system. It was generally agreed that the official price for gold should be abolished and obligatory payments of gold by member countries to the Fund should be eliminated. Much progress was made in moving toward a complete set of agreed amendments on gold, including the abolition of the official price and freedom for national monetary authorities to enter into gold transactions under certain specific arrangements, outside the Articles of the Fund, entered into between national monetary authorities in order to ensure that the role of gold in the international monetary system would be gradually reduced. It is

expected that after further study by the Executive Directors, in which the interests of all member countries would be taken into account, full agreement can be reached in the near future so that it would be possible to combine these amendments with the package of amendments as described in paragraphs 6 and 7 above.

9. The Committee agreed to meet again in the early part of June, 1975 in Paris, France.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.<sup>1</sup>

*Ratified by the President:* January 22, 1975.

##### Gas

Protocol for the prohibition of the use in war of asphyxiating, poisonous or other gases and of bacteriological methods of warfare. Done at Geneva June 17, 1925. Entered into force February 8, 1928.<sup>2</sup>

*Ratified by the President:* January 22, 1975 (with reservation).

##### Genocide

Convention on the prevention and punishment of the crime of genocide. Done at Paris December

9, 1948. Entered into force January 12, 1951.<sup>2</sup>

*Accession deposited:* Lesotho, November 29, 1974.

##### Narcotic Drugs

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.<sup>1</sup>

*Accession deposited:* Iceland, December 18, 1974.

##### Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972; for the United States October 9, 1973. TIAS 7762.

*Accession deposited:* Australia, January 20, 1975.

##### Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971. Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Ratification deposited:* Luxembourg, January 21, 1975.

Protocol modifying and extending the food aid convention (part of the international wheat agreement) 1971. Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Accession deposited:* Luxembourg, January 21, 1975.

#### BILATERAL

##### Khmer Republic

Agreement amending the agreement for sales of agricultural commodities of August 10, 1974. Effected by exchange of notes at Phnom Penh January 14, 1975. Entered into force January 14, 1975.

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

<sup>2</sup> Not in force for the United States.

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Releases issued prior to January 20 which appear in this issue of the BULLETIN are Nos. 11 of January 10 and 16 of January 16.

No.	Date	Subject
†20	1/20	U.S. and Canadian officials meet on West Coast tanker traffic: joint statement.
*21	1/21	Leigh sworn in as Legal Adviser (biographic data).
22	1/21	U.S.-Federal Republic of Germany cultural talks: joint statement.
†23	1/21	U.S.-India Economic and Commercial Subcommission: joint communique.
*24	1/23	Walentynowicz sworn in as Administrator of the Bureau of Security and Consular Affairs (biographic data).
*25	1/23	Sisco: Regional Foreign Policy Conference, San Diego (as prepared for delivery).
26	1/23	Hartman: Regional Foreign Policy Conference, San Diego.
†27	1/24	Kissinger: Los Angeles World Affairs Council.
*28	1/24	Ocean Affairs Advisory Meeting, Feb. 27.
†29	1/24	"Foreign Relations," volume IX, 1949, the Far East: China (for release Jan. 31).

\*Not printed.

†Held for a later issue of the BULLETIN.

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## A New National Partnership

*Address by Secretary Kissinger<sup>1</sup>*

A half century ago Winston Churchill, in his book "The World Crisis," observed that in happier times it was the custom for statesmen to "rejoice in that protecting Providence which had preserved us through so many dangers and brought us at last into a secure and prosperous age." But "little did they know," Churchill wrote, "that the worst perils had still to be encountered, and the greatest triumphs had yet to be won."

The same may be said of our age. We are at the end of three decades of a foreign policy which, on the whole, brought peace and prosperity to the world and which was conducted by administrations of both our major parties. Inevitably there were failures, but they were dwarfed by the long-term accomplishments.

Now we are entering a new era. Old international patterns are crumbling; old slogans are uninformative; old solutions are unavailing. The world has become interdependent in economics, in communications, in human aspirations. No one nation, no one part of the world, can prosper or be secure in isolation.

For America, involvement in world affairs is no longer an act of choice, but the expression of a reality. When weapons span continents in minutes, our security is bound up with world security. When our factories and farms and our financial strength are so closely linked with other countries and peoples, our prosperity is tied to world pros-

perity. The first truly world crisis is that which we face now. It requires the first truly global solutions.

The world stands uneasily poised between unprecedented chaos and the opportunity for unparalleled creativity. The next few years will determine whether interdependence will foster common progress or common disaster. Our generation has the opportunity to shape a new cooperative international system; if we fail to act with vision, we will condemn ourselves to mounting domestic and international crises.

Had we a choice, America would not have selected this moment to be so challenged. We have endured enough in the past decade to have earned a respite: assassinations, racial and generational turbulence, a divisive war, the fall of one President and the resignation of another.

Nor are the other great democracies better prepared. Adjusting to a loss of power and influence, assailed by recession and inflation, they, too, feel their domestic burdens weighing down their capacity to act boldly.

But no nation can choose the timing of its fate. The tides of history take no account of the fatigue of the helmsman. Posterity will reward not the difficulty of the challenge, only the adequacy of the response.

For the United States, the present situation is laced with irony. A decade of upheaval has taught us the limitations of our power. Experience and maturity have dispelled any illusion that we could shape events as we pleased. Long after other nations, we have acquired a sense of tragedy. Yet our people

<sup>1</sup>Made before the Los Angeles World Affairs Council at Los Angeles, Calif., on Jan. 24 (text from press release 27).

and our institutions have emerged from our trials with a resilience that is the envy of other nations, who know—even when we forget—that America's strength is unique and American leadership indispensable. In the face of all vicissitudes, our nation continues to be the standard-bearer of political freedom, economic and social progress, and humanitarian concern—as it has for 200 years.

Thirty years ago America, after centuries of isolation, found within itself unimagined capacities of statesmanship and creativity. Men of both parties and many persuasions—like Truman and Eisenhower, Vandenberg and Marshall, Acheson and Dulles—built a national consensus for responsible American leadership in the world.

Their work helped fashion the economic recovery of Europe and Japan and stabilized the postwar world in a period of international tension. These were the indispensable foundations on which, in recent years, we have been able to regularize relations with our adversaries and chart new dimensions of cooperation with our allies.

To marshal our energies for the challenge of interdependence requires a return to fundamentals. It was a confident—perhaps even brash—America that launched its postwar labors. It was an America essentially united on ultimate goals that took on the task of restoring order from the chaos of war. Three decades of global exertions and the war in Viet-Nam have gravely weakened this sense of common purpose. We have no more urgent task than to rediscover it.

Only in this way can we give effect to the root reality of our age which President Ford described in his state of the Union address:

At no time in our peacetime history has the state of the nation depended more heavily on the state of the world; and seldom, if ever, has the state of the world depended more heavily on the state of our nation.

Let me turn, then, to an examination of the issues before us in international affairs: Our traditional agenda of peace and war, the new issues of interdependence, and the need for a partnership between the executive and legislative branches of our government.

The traditional issues of peace and war addressed by the postwar generation will require our continuing effort, for we live in a world of political turmoil and proliferating nuclear technology.

Our foreign policy is built upon the bedrock of solidarity with our allies. Geography, history, economic ties, shared heritage, and common political values bind us closely together. The stability of the postwar world—and our recent progress in improving our relations with our adversaries—have crucially depended on the strength and constancy of our alliances. Today, in a new era of challenge and opportunity, we naturally turn first to our friends to seek cooperative solutions to new global issues such as energy. This is why we have sought to strengthen our ties with our Atlantic partners and Japan and have begun a new dialogue in the Western Hemisphere.

The second major traditional effort of our foreign policy has been to fashion more stable relations with our adversaries.

There can be no peaceful international order without a constructive relationship between the United States and the Soviet Union—the two nations with the power to destroy mankind.

The moral antagonism between our two systems cannot be ignored; it is at the heart of the problem. Nevertheless we have succeeded in reducing tensions and in beginning to lay the basis for a more cooperative future. The agreements limiting strategic arms, the Berlin agreement, the significant easing of tensions across the heart of Europe, the growing network of cooperative bilateral relations with the Soviet Union—these mark an undeniable improvement over the situation just a few years ago.

The recent Vladivostok accord envisages another agreement placing a long-term ceiling on the principal strategic weapons of both sides. For the first time in the nuclear age, the strategic planning of each side will take place in the context of stable and therefore more reassuring assumptions about the programs of the other side instead of being

driven by fear or self-fulfilling projections. The stage will be set for negotiations aimed at reducing the strategic arsenals of both sides. We shall turn to that task as soon as we have transformed the Vladivostok principles into a completed agreement.

The course of improving U.S.-Soviet relations will not always be easy, as the recent Soviet rejection of our trade legislation has demonstrated. It must nevertheless be pursued with conviction, despite disappointments and obstacles. In the nuclear age there is no alternative to peaceful coexistence.

Just as we have recognized that a stable international environment demands a more productive relationship with the Soviet Union, so we have learned that there can be no real assurance of a peaceful world so long as one-quarter of the world's people are excluded from the family of nations. We have therefore ended a generation of estrangement and confrontation with the People's Republic of China and sought to develop a new relationship in keeping with the principles of the Shanghai communique. Progress in our bilateral relations has opened useful channels of communication and reduced regional and global tensions. Our new and growing relationship with the People's Republic of China is now an accepted and enduring feature of the world scene.

A third traditional element of our foreign policy has been the effort to resolve conflicts without war. In a world of 150 nations, many chronic disputes and tensions continue to spawn human suffering and dangers to peace. It has always been America's policy to offer our help to promote peaceful settlement and to separate local disputes from big-power rivalry. In the Middle East, in Cyprus, in Indochina, in South Asia, on urgent multilateral issues such as nuclear proliferation, the United States stands ready to serve the cause of peace.

### **The New Issues of Interdependence**

Progress in dealing with our traditional agenda is no longer enough. A new and unprecedented kind of issue has emerged. The problems of energy, resources, environment,

population, the uses of space and the seas, now rank with the questions of military security, ideology, and territorial rivalry which have traditionally made up the diplomatic agenda.

With hindsight, there is little difficulty in identifying the moments in history when humanity broke from old ways and moved in a new direction. But for those living through such times it is usually difficult to see events as more than a series of unrelated crises. How often has man been able to perceive the ultimate significance of events occurring during his lifetime? How many times has he been able to summon the will to shape rather than submit to destiny?

The nuclear age permanently changed America's conviction that our security was assured behind two broad oceans. Now the crises of energy and food foreshadow an equally dramatic recognition that the very basis of America's strength—its economic vitality—is inextricably tied to the world's economic well-being.

Urgent issues illustrate the reality of interdependence:

—The industrial nations built a generation of prosperity on imported fuel at sustainable prices. Now we confront a cartel that can manipulate the supply and price of oil almost at will, threatening jobs, output, and stability.

—We and a few other countries have achieved immense productivity in agriculture. Now we see the survival and well-being of much of humanity threatened because world food production has not kept pace with population growth.

—For 30 years we and the industrial countries achieved steady economic growth. Now the economies of all industrialized countries are simultaneously afflicted by inflation and recession, and no nation can solve the problem alone.

Yet the interdependence that earlier fostered our prosperity and now threatens our decline can usher in a new period of progress if we perceive our common interest and act boldly to serve it. It requires a new level of

political wisdom, a new standard of responsibility, and a new vigor of diplomacy.

### Overcoming the Energy Crisis

Clearly, the energy crisis is the most pressing issue on the new agenda. In the American view, a permanent solution is possible based on the following principles.

The first imperative is solidarity among the major consumers. Alone, no consuming country, except possibly the United States, can defend itself against an oil embargo or a withdrawal of oil money. Alone, no country, except perhaps the United States, can invest enough to develop new energy sources for self-sufficiency. But if the United States acted alone, it would doom the other industrialized nations to economic stagnation and political weakness; this would soon undermine our own economic well-being. Only by collective action can the consuming countries free their economies from excessive dependence on imported oil and their political life from a sense of impotence.

We have made important progress since the Washington Energy Conference met less than a year ago. Last November, the United States and 15 other countries signed an unprecedented agreement to assist each other in the event of a new oil emergency. That agreement commits each nation to build an emergency stock of oil; in case of a new embargo, each will cut its consumption by the same percentage and available oil will be shared. Thus, selective pressure would be blunted and an embargo against one would be an embargo against all.

Equally important, we have moved dramatically toward financial solidarity. Only last week, the major consuming nations agreed to create a solidarity fund of \$25 billion, less than two months after it was first proposed by the United States. Through the creation of this fund, the industrial nations have gained significant protection against shifts, withdrawals, or cutoffs of funds from the petrodollar earners. The industrial countries will now be able to offset financial shifts of oil producer funds by loans

to each other from the \$25 billion mutual insurance fund. The United States considers this rapid and decisive decision for the creation of the solidarity fund to be of the greatest political and economic significance.

The second imperative is a major reduction in consumer dependence on imported oil. The safety nets of sharing and financial guarantees are important for the short term. But our long-term security requires a determined and concerted effort to reduce energy consumption—on the highways and in our homes, in the very style of our lives. Equally important will be a speedup in the development of alternative energy sources such as nuclear power, coal, oil shale, and the oil of the outer continental shelf, Alaska, the North Sea, and elsewhere.

Cooperative action among the consumer nations will reinforce our own efforts in this country. The International Energy Agency (IEA), created last year, and other countries acting in parallel with it, such as France, are responding to the crisis with substantial conservation programs of their own. And the United States will shortly propose to the IEA a large-scale collective program to develop alternative energy sources through price and other incentives to investors and through joint research and development.

Such policies will be costly and complex; some will be unpleasant and politically unpopular. But we face a choice: Either we act now, and decisively, to insure national self-sufficiency in energy by 1985, or we remain prey to economic disruption and to an increasing loss of control over our future. This, bluntly, is the meaning of President Ford's energy program which he laid before the Congress in his state of the Union message.

The third imperative is an eventual dialogue between consumers and producers. Ultimately the energy problem must be solved through cooperation between consumers and producers. The United States, as a matter of evident necessity, seeks such a dialogue in a spirit of good will and of conciliation. But just as the producers are

free to concert and discuss among themselves, so too are the consumers.

A principal purpose of consumer cooperation will be to prepare substantive positions for a producer dialogue to insure that it will be fruitful. The consumer nations should neither petition nor threaten. They should be prepared to discuss the whole range of issues of interdependence: assured supplies, a fair return to the producers of a depleting resource, security of investment, the relationship between oil and the state of the world economy.

Over the long term, producers and consumers, developed and developing nations, all depend on the same global economic system for the realization of their aspirations. It is this system which is now in jeopardy, and therefore the well-being of all nations is threatened. We must—together and in a cooperative spirit—restore the vitality of the world economy in the interests of all mankind.

Though we are far from having overcome the energy crisis, the outlines of a solution are discernible. The right course is clear, progress is being made, and success is well within our capacity. Indeed, the energy crisis which accelerated the economic difficulties of the industrial democracies can become the vehicle by which they reclaim control over their future and shape a more cooperative world.

### **Meeting Present and Projected Food Deficit**

At a time when the industrial world calls for a sense of global responsibility from the producers of raw materials, it has an obligation to demonstrate a similar sense of responsibility with respect to its own surplus commodities.

Nowhere is this more urgent than in the case of food. A handful of countries, led by the United States, produce most of the world's surplus food. Meanwhile, in other parts of the globe, hundreds of millions do not eat enough for decent and productive lives. In many areas, up to 50 percent of the children die before the age of five, millions

of them from malnutrition. And according to present projections, the world's food deficit could rise from the current 25 million tons to 85 million tons by 1985.

The current situation, as well as the even more foreboding future, is inconsistent with international stability, disruptive of cooperative global relationships, and totally repugnant to our moral values.

For these reasons the United States called for the World Food Conference which met in Rome last November. It was clear to us—as we emphasized at the conference—that no one nation could possibly produce enough to make up the world's food deficit and that a comprehensive international effort was required on six fronts:

—To expand food production in exporting countries and to coordinate their agricultural policies so that their capacity is used fully and well.

—To expand massively food production in the developing countries.

—To develop better means of food distribution and financing.

—To improve not just the quantity but also the quality of food which the poorest and most vulnerable groups receive.

—To insure against emergencies through an international system of global food reserves.

—To augment the food aid of the United States and other surplus countries until food production in developing countries increases.

In the next two months the United States will make further proposals to implement this program, and we will substantially increase our own food assistance.

However, food aid is essentially an emergency measure. There is no chance of meeting an 85-million-ton deficit without the rapid application of technology and capital to the expansion of food production where it is most needed, in the developing world. Other surplus producers, the industrialized nations, and the oil producers must join in this enterprise.

Energy and food are only two of the most urgent issues. At stake is a restructuring

of the world economy in commodities, trade, monetary relations, and investment.

Politically, if we succeed, it means the shaping of a new international order. For the industrial democracies, it involves regaining their economic health and the sense that their future is in their own hands; for the producing and developing nations, it holds the promise of a stable long-term economic relationship that can insure mutual progress for the remainder of the century.

### **The Need for National Unity**

The agenda of war and peace, fuel and food, places a great responsibility upon America. The urgency of our challenges, the magnitude of the effort required, and the impact which our actions will have on our entire society all require an exceptional degree of public understanding and the effective participation and support of Congress.

Our foreign policy has been most effective when it reflected broad nonpartisan support. Close collaboration between the executive and legislative branches insured the success of the historic postwar American initiatives and sustained our foreign policy for two decades thereafter. More recently, during the harrowing time of Watergate, the spirit of responsible bipartisanship insulated our foreign policy from the trauma of domestic institutional crisis. For this, the nation owes the Congress a profound debt of gratitude.

A spirit of nonpartisan cooperation is even more essential today. The bitterness that has marked so much of our national dialogue for over a decade no longer has reason or place. Public debate once again must find its ultimate limit in a general recognition that we are engaged in a common enterprise.

To appeal for renewed nonpartisan cooperation in foreign policy reflects not a preference but a national necessity. Foreign nations must deal with our government as an entity, not as a complex of divided institutions. They must be able to count on our maintaining both our national will and our specific undertakings. If they misjudge either, they may be tempted into irresponsibility or grow reluctant to link their destiny

to ours. If our divisions lead to a failure of policy, it is the country which will suffer, not one group or one party or one administration. If our cooperation promotes success, it is the nation which will benefit.

In his first address to Congress, President Ford pledged his administration to the principle of communication, conciliation, compromise, and cooperation. In that spirit, and on behalf of the President, I invite the Congress to a new national partnership in the conduct of our foreign policy. Together with new conceptions of foreign policy, we must define new principles of executive-legislative relations—principles which reconcile the unmistakable claims of congressional supervision and the urgent requirements of purposeful American world leadership.

The administration will make every effort to meet congressional concerns. We will dedicate ourselves to strengthening the mutual sense of trust with the Congress. We do not ask for a blank check. We take seriously the view that over the past decade there often has been a breakdown of communication between the executive and legislative branches.

We have made major efforts to consult the Congress and to keep it informed. As Secretary of State, confirmed by the Senate, I have considered this a principal responsibility of my office. Therefore, in less than 16 months in office, I have testified 37 times before congressional committees and have consulted even more frequently with individual Members and groups.

Nevertheless, we recognize that a new partnership requires a willingness to explore new approaches. Specifically, the administration will strive to evoke the advice and consent of the Congress in its broadest sense. We know that congressional support presupposes that both Houses are kept informed of the administration's premises and purposes as well as of the facts on which its decisions are based. In the process, the administration will seek the views of as many Members of Congress concerned with a particular issue as possible. In short, the administration will strongly support the effort of the Congress to meet its constitutional



obligations with wisdom and imagination.

Beyond the general requirement of advice and consent, the role of legislation and appropriations in defining the basic directions of policy is traditional. The administration may disagree with a particular decision; we may argue vigorously for a different course, as we have, for example, concerning the necessity of adequate aid to support the self-defense of allies in Indochina. But we welcome the indispensable contribution of Congress to the general direction of national policy.

At the same time, it is important to recognize that the legislative process—deliberation, debate, and statutory law—is much less well-suited to the detailed supervision of the day-to-day conduct of diplomacy. Legal prescriptions, by their very nature, lose sight of the sense of nuance and the feeling for the interrelationship of issues on which foreign policy success or failure so often depends. This is why the conduct of negotiations has always been preeminently an executive responsibility, though the national commitments which a completed agreement entails must necessarily have legislative and public support.

The growing tendency of the Congress to legislate in detail the day-to-day or week-to-week conduct of our foreign affairs raises grave issues. American policy—given the wide range of our interests and responsibilities—must be a coherent and a purposeful whole. The way we act in our relations with one country almost inevitably affects our relationship with others. To single out individual countries for special legislative attention has unintended but inevitable consequences and risks unraveling the entire fabric of our foreign policy.

Paradoxically, the President and the Congress share the same immediate objectives on most of the issues that have recently become sources of dispute. Too often, differences as to tactics have defeated the very purposes that both branches meant to serve, because the legislative sanctions were too public or too drastic or too indiscriminating. Our inability to implement the trade agreement with the Soviet Union is a case

in point; another is the impact of restrictions on aid to Turkey on our efforts both to advance the Cyprus peace negotiations and to safeguard our wider security interests in the eastern Mediterranean; yet another is the damage to our Western Hemisphere relations, specifically in Ecuador and Venezuela, caused by an amendment designed to withhold special tariff preferences from OPEC [Organization of Petroleum Exporting Countries] countries.

In fairness, it must be pointed out that Congressmen and Senators must represent the particular views of their constituencies. All reflect an electorate impatient with foreign turmoil and insistent that international responsibilities be shared more equitably. In a period of domestic recession the case for foreign aid becomes increasingly difficult to make. And yet the reality of interdependence links our destiny ever more closely with the rest of the world.

It is therefore understandable that one of the issues on which the Congress and the executive branch have recently divided is the degree to which foreign aid cutoffs—military or economic—can be used to bring about changes in the policies of other nations. Whether foreign aid should be used as an instrument of pressure depends on the way foreign aid is conceived.

The administration is convinced that foreign aid to be viable must serve American national interests above all, including the broad interest we have in a stable world. If an important American interest is served by the aid relationship, it is a wise investment; if not, our resources are being squandered, even if we have no specific grievances against the recipient.

For moral and practical reasons, we must recognize that a challenge to the recipient's sovereignty tends to generate reactions that far transcend the merit of most of the issues in dispute. Instead of influencing conduct in ways we desire, cutting aid is likely to harden positions. The very leverage we need is almost always lost; our bilateral political relationship is impaired, usually for no commensurable benefit; and other friends and allies begin to question whether we under-

stand our own national interest and whether we can be a reliable longer term partner.

These issues have little to do with the age-old tension between morality and expediency. Foreign policy, by its nature, must combine a desire to achieve the ideal with a recognition of what is practical. The fact of sovereignty implies compromise, and each compromise involves an element of pragmatism. On the other hand, a purely expedient policy will lack all roots and become the prisoner of events. The difficult choices are not between principle and expediency but between two objectives both of which are good, or between courses of action both of which are difficult or dangerous. To achieve a fruitful balance is the central dilemma of foreign policy.

The effort to strengthen executive-legislative bonds is complicated by the new character of the Congress. New principles of participation and organization are taking hold. The number of Congressmen and Senators concerned with foreign policy issues has expanded beyond the traditional committees. Traditional procedures—focused as they are on the congressional leadership and the committees—may no longer prove adequate to the desires of an increasingly individualistic membership.

As the range of consultation expands, the problem of confidentiality increases. Confidentiality in negotiations facilitates compromise; it must not be considered by the Congress as a cloak of deception; it must not be used by the executive to avoid its responsibilities to the Congress.

Some of these problems are inherent in the system of checks and balances by which we have thrived. The separation of powers produces a healthy and potentially creative tension between the executive and the legislative branches of government. Partnership should not seek to make either branch a rubber stamp for the other. But if old patterns of executive-legislative relations are in flux, now is the time for both branches to

concert to fashion new principles and practices of collaboration. The administration stands ready to join with the Congress in devising procedures appropriate to the need for a truly national and long-range foreign policy. We would welcome congressional suggestions through whatever device the Congress may choose, and we will respond in the same spirit.

In the meantime, the administration will strive to achieve a national consensus through close consultation, the nonpartisan conduct of foreign policy, and restraint in the exercise of executive authority.

The problem of achieving a new national partnership is difficult. I am confident that, working together, the executive and the Congress will solve it and thereby enhance the vitality of our democratic institutions and the purposefulness of our foreign policy.

In 1947, when another moment of crisis summoned us to consensus and creation, a Member of the Senate recalled Lincoln's words to the Congress:

The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew and act anew. We must disenthrall ourselves, and then we shall save our country.

We have learned more than once that this century demands much of America. And now we are challenged once again "to think anew and act anew" so that we may help ourselves and the world find the way to a time of hope. Let us resolve to move forward together, transforming challenge into opportunity and opportunity into achievement.

No genuine democracy can or should obtain total unanimity. But we can strive for a consensus about our national goals and chart a common course. If we act with large spirit, history could record this as a time of great creativity, and the last quarter of this century could be remembered as that period when mankind fashioned the first truly global community.

## Secretary Kissinger's News Conference of January 28

Press release 35 dated January 28

*Secretary Kissinger:* We will go right into questions. Stewart [Stewart Hensley, United Press International].

*Q. Mr. Secretary, this question deals with the decision of the Government of Argentina to postpone, cancel, or otherwise delay the proposed March meeting of Foreign Ministers, and their explanation that it's due to the rigidity and lack of equity on the part of the U.S. trade bill toward Ecuador and Venezuela. I have two questions on it.*

*One is, do you think this is a totality of the reasons, or do you think that Cuba figures in it to some extent? And the second question is whether in view of this you feel that your effort to begin a new dialogue has really suffered a severe setback.*

*Secretary Kissinger:* With respect to the postponement of the meeting in Argentina, I have been in very close contact with Foreign Minister [of Argentina Alberto] Vignes and with other of my colleagues in the Western Hemisphere.

Their reason seems to me, as stated, their objection to the provision in the Trade Act which includes Ecuador and Venezuela in the ban on generalized preferences. And as you know, that is because they are members of OPEC [Organization of Petroleum Exporting Countries].

Now, I stated the administration position on this yesterday. I testified against this provision when the Trade Act was being considered. The President, in signing the Trade Act, had this provision in mind when he pointed out that not all of the provisions were agreeable to the administration. The State Department issued a statement sometime afterward, pointing out that it thought

the application of this provision to Venezuela and Ecuador was too rigid.

Nevertheless, we believe that even though we disagree with the action of the Congress—we believe that the action of those two governments in refusing to come to the Buenos Aires meeting was unjustified. They knew very well that, according to our constitutional processes, no relief could be given until we have had an opportunity for full consultation with the Congress. And they knew also that we would consult with the Congress and that we had reason to believe that the Congress would be sympathetic to our views.

Now, moreover, even though we objected to some of the provisions of the trade bill with respect to Latin America, it is important to keep in mind that \$750 million in Latin American exports are going to enter the United States duty free under the provisions of the Trade Act and that whatever inequities existed could have been worked out.

And as I pointed out yesterday, as part of the new dialogue the United States has declared that it would not use pressure with respect to its neighbors in the Western Hemisphere but it is also inappropriate that our neighbors should attempt to use pressure against the United States.

Now, with respect to your specific question: Cuba had absolutely nothing to do with this; because we had had full consultations on how to handle the issue of Cuba with our Western Hemisphere neighbors, and a substantial consensus was emerging on how the issue of Cuba sanctions could be handled at the Buenos Aires meeting, and there had been no dispute with respect to that.

Do I believe that the new dialogue is in jeopardy? As with respect to the setback that was suffered by détente, the postponement of the Buenos Aires meeting is obviously not to be desired.

On the other hand, any foreign policy to be effective must reflect the mutual interests of all parties.

The United States believes very strongly that a strengthening of Western Hemisphere ties is in the interest of all of the countries in the Western Hemisphere. We have been prepared, and remain prepared, to make strengthened hemisphere relations one of the cardinal aspects of our foreign policy. And we are convinced that the mutuality of interests and the long tradition of cooperation in the Western Hemisphere will overcome this temporary difficulty. And we look forward to working very closely with our friends in the Western Hemisphere and strengthening our relationship.

#### **"Crisis of Authority"**

*Q. Mr. Secretary, you have been quoted in the newspaper recently as having grave doubts about the long-term power of survival of American society. Did you say that, and do you believe it?*

*Secretary Kissinger:* I stated—I don't know what this particular story refers to—that I believe that all of Western democracies at the present are suffering from a crisis of authority. And I believe that it is very difficult to conduct policy when governments are unwilling to make short-term sacrifices—unwilling or unable—for the long-term benefit. So I believe, as a historian and as an analyst, that there is this problem.

I believe at the same time, as somebody in a position of responsibility, that these problems are solvable and that we can solve them. And therefore I am confident in our ability to overcome our difficulties. But I don't think that this has to take the form of denying that difficulties exist.

*Q. Mr. Secretary, with regard to the sudden Soviet cancellation of the '72 trade pact, do you intend to lead a new effort to try to*

*get the restrictions, the congressional restrictions that enumerated that Trade Act that led to the cancellation, removed in the coming weeks or months?*

*Secretary Kissinger:* I continue to believe in the principles that were reflected in the Trade Agreement in 1972 that could not be carried out. I think now that we should assess the situation in the light of the Soviet refusal to accept some of the provisions in the legislation that was passed by the Congress. We will then, in some weeks, begin consultation with the Congress as to the appropriate steps to be taken so that the next time we put forward trade legislation it will be on the basis of some consensus between the administration and the Congress, in order to avoid some of the difficulties that arose previously.

*Q. In order to get the Jackson amendment removed?*

*Secretary Kissinger:* I think the particular methods that should be used and how to deal with the objections should be worked out in consultation between the administration and those leaders of the Congress that have a particular interest in this issue.

*Q. Mr. Secretary, what do you mean when you say you believe the Western democracies are suffering from a crisis of authority? Do you mean that their central governments are not strong enough, or that the leaders aren't strong enough? I don't know exactly what you mean by that "crisis of authority."*

*Secretary Kissinger:* We haven't had a crisis resulting from public statements by me in quite a while. [Laughter.] In at least two weeks. [Laughter.]

I am saying the problem for any society is, first, whether it is able to recognize the problems it is facing, secondly, whether it is willing to deal with these problems on the basis of long-range decisions.

At the time the problems can be mastered, it is never possible to prove that an action is in fact necessary, and you always face one set of conjectures with another set of conjectures.

So what is needed is a consensus in the leadership and between the leadership and the parliament that enables the government, or the society, to act with confidence and with some long-range mission. I think this is a problem in many countries today, and it has many causes. Part of the cause is the complexity of the issues, which makes it very difficult to subject them to the sort of debate that was easier when one dealt with much more simple problems.

It's often been remarked that on such issues as the defense budget it is very difficult for the layman to form an opinion on the basis of the facts that he can absorb, even if they are all available to him. So this is a problem.

It is a problem, however—and I repeat—which is solvable. It is a problem which I attempted to address last week when I called for new cooperation between the administration and the Congress. It is not a problem to be solved by confrontation.

### **The Middle East**

*Q. Mr. Secretary, considering the difficulty of this phase of the Middle East negotiations, and now looking back at the reaction to your remarks, do you think it was a mistake to leave open the possibility of American military intervention in the Middle East oilfields in the gravest of emergencies?*

*Secretary Kissinger:* Well, I think what I said and the way it was interpreted were not always identical. I believe that what I said was true and it was necessary. It is irrelevant to the issues which we now confront. And I have repeatedly stated that the United States will deal with the issues of energy on the basis of a dialogue with the producers and with an attitude of conciliation and cooperation.

The contingency to which I referred, as I pointed out previously, could arise only if warfare were originated against the United States. And I don't foresee this.

*Q. Mr. Secretary, could you bring us up to date on the diplomatic situation in the Middle East? Specifically, what are your travel*

*plans? Secondly, do you think it's possible to reconcile Egypt's desire for further regaining of territory—in particular the passes and the oilfields which President Sadat referred to—with Israel's desire for further political acceptance by the Arabs?*

*Secretary Kissinger:* First, I think you all recognize that we are dealing in the Middle East with an enormously delicate problem affecting the relations between Israel and its neighbors, the relations of Israel's neighbors to each other, and the relationship of outside powers to the whole area. And in this extremely complex and very dangerous situation, it is necessary for us to move with care and, hopefully, with some thoughtfulness.

My plans are within the next few weeks—and the precise date has not yet been set, but I hope to be able to announce it early next week—to go within the next few weeks on an exploratory trip to the Middle East. It will not be a trip designed to settle anything or to generate a "shuttle diplomacy." It will be designed to have firsthand talks with all of the major participants—all of the Arab countries that I previously visited, as well as Israel—in order to see what the real possibilities of a solution might be.

I personally believe that the two interests—which you correctly defined—of Egypt for the return of some territory, and of Israel for some progress toward peace, can be reconciled. And I believe also that the alternative to reconciling it will be serious for all of the parties concerned.

### **Public and Congressional Accountability**

*Q. Mr. Secretary, in your references earlier to a crisis of authority in the West—some members of Congress, of course, would say that there is a crisis of accountability that has caused the difficulty in the conduct of foreign affairs. How do you reconcile these two problems?*

*And if you would, I would like to direct your attention particularly to the ongoing state of U.S.-Soviet relations. After the current problem we have on trade, we have the*

*additional larger problem in many respects coming up on SALT [Strategic Arms Limitation Talks] negotiations. Now, you face these two problems, authority and accountability.*

*Secretary Kissinger:* I think you are absolutely right, Murrey [Murrey Marder, Washington Post]. Any democracy faces the problem of how to reconcile the need for authority with the requirements of accountability. You need authority because foreign countries can only deal with a government. They can not, and should not, begin to lobby in the legislative process of a society. And therefore the ability to conduct foreign policy depends on the expectation of other countries of the degree to which one's commitments can be carried out and one's word means anything.

On the other hand, obviously in a democracy there must be full accountability. I have attempted to be understanding of this problem. As I pointed out previously, I have testified 38 times before congressional committees in 16 months in office and have met nearly a hundred times with other congressional groups on an informal basis.

At the same time, I recognize that the necessity of presenting a united front to foreign countries may impose additional requirements of consultation, and I am prepared to undertake them and so is the entire administration.

Now, with respect to the SALT agreement, we shall brief the relevant congressional committees of the essential features of our plans. I think we have to come to some understanding with the Congress about the necessity on the one hand of keeping the Congress properly informed and, on the other hand, of not having every detail of the negotiation become subject to public controversy, because that would freeze the negotiating process and would lead to rigidity.

So all I can say is I'm aware of the problem. I'm not saying it should be solved by giving the executive discretion. I think it requires self-restraint on both the executive's part and the Congress' part.

*Q. I would like to pursue that one bit. On*

*the question of accountability you are obviously facing—the administration is facing—not a congressional desire to grant greater authority for the conduct of secret diplomacy but, on the contrary, a demand for greater openness and increasing restrictiveness on secret diplomacy.*

*Now, is this not one of the fundamental problems here—that while you referred, for example, to having testified 38 times, most of that testimony was in closed session? Don't you feel some need here to be more responsive to the public discussion of foreign policy which you have referred to in the past but it appears to have diminished?*

*Secretary Kissinger:* Well, Murrey, unfortunately, I don't have the statistics here of the number of public speeches I have given and the number of press conferences I've held. And it seems that criticism modulates between not being sufficiently available to the press and seducing the press. But be that as it may, I recognize the need for public accountability as well as congressional accountability. I believe at the same time that it is necessary for everyone interested in accountability also to recognize the limits of the detail to which this can take place at particular stages of negotiations. We will do the maximum that we think is consistent with the national interest. And we will interpret this very widely. And we are open to suggestions as to how the public presentation can be improved.

But I think it is necessary for everybody concerned with the problem of public accountability, as well as everyone concerned with the question of authority, to look again at the limits to which they should push their claims.

#### **The Trade Act and the Soviet Union**

*Q. Mr. Secretary, there is a public impression that the administration accepted the conditions of the Jackson amendment, however reluctantly. I would like to ask you whether, if you had anticipated the Soviet reaction to the trade bill, whether you would have advised the President not to sign it.*

*Secretary Kissinger:* I don't want to go into a debate about every detail of the negotiations that led to the so-called compromise. And once matters had reached this point where it became necessary, we were already at a very narrow margin. I don't want to review all these events, because we should look into the future—because there is no purpose being served.

Would I have recommended to the President that he not sign it? That's very hard to know. One has to remember that it was believed that the trade bill was in the essential interests of the United States and in the essential interests of a more open trading system among all of the industrialized countries, as well as giving special benefits to the developing countries in the special preference system. And, therefore, to recommend the President to veto this because there were aspects of it in the granting of MFN [most favored nation] to the Soviet Union would have been a very heavy responsibility.

As it turned out, I believed that, while it would be a close call, the agreement that was made with Senator Jackson would probably stick. And therefore I agree with those who say that it was entered into in good faith by all of the parties. So the issue never arose.

*Q. Mr. Secretary, in your speech in Los Angeles you referred to your dissatisfaction with legislative restrictions on foreign policy. Does this dissatisfaction lead you to attempt to try to repeal or modify the Church-Case amendment or the War Powers Act? Or, more importantly, the restrictions on the end use of military aid?*

*Secretary Kissinger:* Now, let's get the distinctions clear. First of all, let me make one point with respect to what Murrey said previously.

The issue isn't secret diplomacy. Some diplomacy has to be secret, and some of it has to be open. And I think that balance can be established.

Now, with respect to legislative restrictions, I made a distinction between two categories of legislative restrictions: those that

attempt to set main lines of policy, such as the Church-Case amendment. With those the administration can agree or disagree, but it cannot challenge the right of the Congress to set the main lines of the policy by legislation. The second is the attempt to write into law detailed prescriptions, country by country, for specific measures. That, we believe, will generally have consequences that are out of proportion to the objectives that are sought to be obtained. Those we deplore, and those we will attempt to resist.

Now, if the Congress passes a law on the main direction of a policy with which we disagree, we may ask them to change it. The two cases you have mentioned, even though they were passed at the time over administration objection, at least the first one, we will not ask them to reverse.

*Q. Mr. Secretary, the thing that troubles me about that is, do you—and I think you do, and why do you is really the question—put Jackson-Vanik in the second category and not in the first? Didn't Jackson-Vanik indeed represent a national attitude about freedom and democracy, et cetera, and not really some tinkering with day-to-day minor details?*

*Secretary Kissinger:* I'm glad that you already answered the first of your two questions—

*Q. I think you do put it in category 2.*

*Secretary Kissinger:* When we get these press conferences back on a more frequent basis, I guess we will get two-thirds of the questions answered by those who put them.

On the Jackson-Vanik—I don't think I want to insist, on a theoretical point, on whether it is in the first category or in the second category. On the Jackson-Vanik amendment, the administration always supported the objectives of the Jackson-Vanik amendment. And the administration, before the Jackson-Vanik amendment was ever introduced, had managed to bring about an increase in emigration from an average of 400 to a level of about 38,000 a year. So there was no dispute whatever between the administration and the supporters of Jack-

son-Vanik about basic values and basic objectives. The administration consistently maintained that the method of a legislative prescription in this case was not the appropriate method and might backfire.

Now, whether that was because it was in the second category that I pointed out or in the first category, I don't really want to insist upon. Nor do I want to challenge the right of the Congress to pass such an action.

And finally, I really don't think much purpose is served by prolonging the debate over the past—of how we got to this point—because we did try to work together with the Congress on a good-faith basis, once it had embarked on a course which we considered unwise, to try to resolve the ensuing difficulty.

If we go back on the trade legislation, we will try to achieve the objectives which we share with the Congress by methods that may be more appropriate to the objective. We will not give up.

*Q. Mr. Secretary, can you tell us how you estimate the prospects of a summit meeting with regard to the CSCE Conference [Conference on Security and Cooperation in Europe] and what significance a summit could have for détente, East-West détente?*

*Secretary Kissinger:* Well, I believe that the European Security Conference is making good progress. The issues—as you know, they are discussing them in various categories called “baskets,” and the issues in most of these categories are beginning to be resolved. There are some unresolved issues with respect to general principles and some unresolved issues with respect to human contacts. But progress has been made in all of these categories.

I believe, therefore, that if the conference is concluded along the lines that are now foreseeable, a summit conclusion is highly probable. I believe that a successful outcome of the European Security Conference would contribute to détente.

### **Cyprus Negotiations**

*Q. Mr. Secretary, next week, February 5, is the deadline by which time the admin-*

*istration has to report progress on Cyprus. What kind of report do you think you will be able to give to Congress by that date? Otherwise aid to Turkey is cut off.*

*Secretary Kissinger:* I can only stress what I have said previously.

The United States gives aid to Turkey not as a favor to Turkey, but in the interests of Western security. And I think anybody looking at a map and analyzing foreseeable trouble spots must recognize this. Therefore the administration is opposed to the cutoff of aid to Turkey, regardless of what progress may be made in the negotiations.

Secondly, the administration favors rapid progress in the negotiations over Cyprus and has supported this progress. And I believe that all of the parties, including the Greek side—and especially the Greek side—would have to agree that the United States has made major efforts.

I believe that some progress is possible and will be made—can be made before February 5. And we will be in touch with the Congress either late this week or early next week. And I have stayed in very close contact with those Members of the Congress and the Senate that have had a particular interest in this question to keep them informed of the state of the negotiations.

So by the end of this week—as you know, the parties now meet twice a week in Nicosia—and by the end of this week, after their second meeting this week, I will be in touch with the parties, and we will discuss that with the Congress.

### **Assistance to Viet-Nam**

*Q. Mr. Secretary, Senator Robert Byrd said this morning the leaders of both parties in Congress have told President Ford that it will be difficult, if not impossible, to get more aid to South Viet-Nam. Where does that leave the situation?*

*Secretary Kissinger:* Well, let us make clear what it is we have asked for. And let me express the hope that what we are asking for doesn't rekindle the entire debate on Viet-Nam, because that is emphatically not involved.



Last year the administration asked for \$1.4 billion for military aid to Viet-Nam. The Congress authorized \$1 billion. It appropriated \$700 million. We are asking the Congress to appropriate the \$300 million difference between what it had already authorized and what it actually appropriated, in the light of the stepped-up military operations in Viet-Nam.

This is not an issue of principle of whether or not we should be in Viet-Nam. The issue is whether any case at all can be made for giving inadequate aid to Viet-Nam. And we believe there can be no case for a deliberate decision to give less than the adequate aid, and aid that the Congress had already authorized to be given, so that it could not have been even an issue of principle for the Congress.

*Q. Mr. Secretary, on the Middle East, several months ago you said you wouldn't be returning to the Middle East unless you were fairly sure that your presence there would lead to an agreement. You are now saying that you are going back there on an exploratory mission. Why have you changed your tactics?*

*Secretary Kissinger:* I have changed my tactics at the request of all of the parties, and based on the belief that the urgency of the situation requires that this step be taken. I have also pointed out in this press conference that I am hopeful that progress can be made. And I am going there with that attitude.

*Q. Mr. Secretary, with respect to your saying that it serves no useful purpose to go over the Jackson-Vanik amendment, it has become an issue in Washington to apportion some blame on this issue. Now, this has ramifications for U.S. relations with the Soviet Union because some people say the Soviet Union reneged. It has ramifications for your dealing with Congress because some people feel you have blamed Congress. Because of that problem, could you deal with this a little further and talk to us about the situation?*

*Secretary Kissinger:* No. I stated my view,

and the administration's view, with respect to the amendment in two public testimonies before the Congress in which I pointed out why we were opposed not to the objectives—I want to repeat that—but to the methods.

I don't think any purpose is served in trying to apportion blame now. I agree with those who say that the discussions between the Congress and the administration were conducted in good faith by both sides. At this point, we should address the question of where we go in the future, and not how we got where we are.

### **Military Situation in Viet-Nam**

*Q. Mr. Secretary, could you give us your assessment of the situation in Indochina, particularly Viet-Nam, two years after the agreement which you labored over, and what went wrong?*

*Secretary Kissinger:* I think if you remember the intense discussions that were going on in the United States during the negotiation of the agreement, you will recall that the overwhelming objective that was attempted to be served was to disengage American military forces from Indochina and to return our prisoners from North Viet-Nam.

Under the conditions that we then confronted—which was an increasing domestic debate on this issue—those were the principal objectives that could be achieved. The alternative—namely, to impose a different kind of solution—would have required a more prolonged military operation by the United States.

Secondly, what has gone wrong, if anything has gone wrong, is that it was the belief of those who signed the agreement—certainly a belief that was encouraged by the United States, as well as by the public debate here—that the objection in the United States was not to our supporting a government that was trying to defend itself by its own efforts. Our national objection was to the presence of American forces in Viet-Nam.

Now, the military situation in Viet-Nam was reasonably good until last June. At that

point, we had to impose cuts—no new equipment could be sent, and only inadequate ammunition. This brought about a reduction in the ammunition expenditure by the Vietnamese Army. This in turn led to an increase in casualties, to a loss of mobility, and therefore to a deterioration in the military situation.

All that we have ever said was that the settlement would put South Viet-Nam in a position where it had a chance to defend itself. That chance exists. That chance depends on adequate American assistance. And that is the chance we are asking for.

*Q. Mr. Secretary, I have a question I would like to follow up on your first reply on the Middle East. In that reply, you said that you believe the Egyptian desire for additional territory in Sinai, together with the Israeli desire for specific political concessions, can be reconciled. I understand that you probably don't want to get into the specific demands that Israel is asking from Egypt. But perhaps you can give us some general criteria for what types of political acts Egypt may offer to Israel that would satisfy Israel. And the second part of the question is—the questioner had specifically referred to the oil-fields and the passes—were you referring to those specific points as possibly being reconciled?*

*Secretary Kissinger:* I think all of you have to accept the fact that I cannot possibly go into the details of the negotiation before I have gone to the Middle East. And therefore, with all due respect, I cannot possibly answer this question.

*Q. Mr. Secretary, along this line, but not asking you to go into any details of the negotiations, in your discussions with the Arab countries in the Middle East, have you found any evidence that the Arab world is prepared to accept the existence of Israel?*

*Secretary Kissinger:* It is my impression that there is an increasing willingness to accept the existence of Israel as part of the process of peace, yes.

## Detente and Southeast Asia

*Q. Mr. Secretary, one of the areas where détente has never worked very well is in Southeast Asia. During the course of the time when détente was running relatively smoothly, did you ever try to make it clear to the Soviets that responsible behavior in the form of limiting military supplies—which tend to wind up in South Viet-Nam and fuel the war there—would not be acceptable? In other words, have you tried to work out that end of the equation?*

*Secretary Kissinger:* First of all, it is an interesting question to determine what you mean by the phrase “is not acceptable.” The answer to your question depends on what is it we would do if the Soviet Union ignores us. And if you look at the catalogue of things available for us to do under present circumstances in the way of either retaliation or of benefits, you will find that it is not an infinitely large one.

The answer to your question is, yes, we have raised this issue both with the Soviet Union and with the People's Republic of China. And I think the efficacy of it cannot be determined by determining whether supplies have stopped altogether, but has to be seen in relation to how much more might have been done and then to assess it in relationship to that.

*Q. Mr. Secretary, do you plan to travel to Latin America during the month of February?*

*Secretary Kissinger:* I plan—I don't think I have announced it, as some of my colleagues seem to have announced—I do plan to travel to Latin America, certainly before the OAS meeting here in April. The exact date I would like to work out after my trip to the Middle East has been more firmly settled. But I want to say now that I place great stress on our relationship with Latin America and that I will go at the earliest opportunity that I can do justice to this visit.

*Q. Could you tell us about your meeting with the former President this weekend?*

*Specifically, could you tell us if you discussed with him his cooperating in any way with the current investigations into the CIA operation?*

*Secretary Kissinger:* I did not discuss with the former President anything whatever having to do with any investigation now being conducted in Washington, and specifically not that investigation. It was a general review of the international situation and personal talk. It had no specific mission. But it seemed to me that a man who has appointed me to two senior positions in the government deserved the courtesy of a visit when I was that close.

Stewart [Stewart Hensley].

*Q. Well, this is just tying up a loose end. But when you were responding to Mr. Freed's [Kenneth J. Freed, Associated Press] question about the illness which afflicts some of the democratic countries, you said it was easier to get a consensus between the executive and the parliament when problems were simpler.*

*Secretary Kissinger:* That's right.

*Q. In answering Mr. Marder's question about accountability, you harked back to the—I think it was the Chicago speech, or possibly Los Angeles, in which you said you promised wider consultation but with increased confidentiality, which seems rather paradoxical to me, although I'm willing to believe you can do it. [Laughter.] But there's one more element, and I'm wondering if that element is not what is missing from what you told Mr. Freed about in the answer to his question—and that is that problems now are not as simple as they were at the time of Senator Vandenberg and the bipartisan foreign policy. And how do you get around the complexity of these problems in your accountability?*

*Secretary Kissinger:* Look, I'm not trying to score points here now. I'm trying to call attention to a very serious problem—and a problem that if as societies we do not solve, it will not be a victory for an administration

or a victory for the countries; it will be a defeat for everything we stand for—everything we are trying to achieve.

I did not say I want more consultation and more confidentiality. I listed a whole set of problems that are very real problems. One is how you can have congressional control without legislative restriction. I frankly do not know the answer exactly to this.

*Q. That is what I wanted to know.*

*Secretary Kissinger:* That is one problem—how you can have congressional control without the Congress necessarily passing laws.

The second problem is how you can have increased consultation and at the same time, on key issues, maintain increased confidentiality.

Now, I have to say that recently I have been briefing some key members of the Congress on some of the key aspects of the Cyprus negotiation and there have been no leaks whatsoever and I consider this a very important achievement—I don't want to imply that there have been leaks previously.

And what I wanted to do in my speech was to call attention to what really may become a major problem for this country and, because so much depends on this country, a major problem for all free countries. I did not mean to blame anybody. I don't think it does any good to aim for victories by either branch. I think we have to explore a serious solution—to which I confess I do not know all the answers.

*Q. That was what prompted my question.*

### **Arms Policy in Persian Gulf**

*Q. Mr. Secretary, there has been concern expressed in Congress about the buildup of various countries in the Persian Gulf and of American arms going to these countries. There were expressions of concern about arms going to Oman when they had not gone before and a feeling that war could break out at any time, once these countries build up enough, without enough reason for war to break out, and that the United States has*

taken a major role in this. Could you talk about our interest in the Persian Gulf and why the United States is doing what it's doing?

*Secretary Kissinger:* Well, in determining whether the United States is unnecessarily giving arms or determining the wisdom of American arms policy in the area, one has to ask a number of questions.

First, what is the security concern of the countries involved—that is to say, do they perceive that they face a real threat? The second question is: Is this security concern well founded? Thirdly, does the United States have any relationship to that security concern? Fourthly, what would happen if the United States did not supply the arms?

And I think each of these arms programs has to be assessed in relation to these or similar questions. And I think you will find—or at least I hope you would find—that we could answer, in the overwhelming majority of the cases, these questions in a positive sense—that is to say, that there is a security problem which these countries feel; that often the security problem is caused by a neighbor supported by Soviet or other Communist arms; that, therefore, if the country did not receive the arms, it would be subject to this neighbor or else it would get these arms from other sources.

And these are the principles we are trying to apply in our arms sales, especially in an area such as the Persian Gulf, in which we have, after all, a very major strategic interest.

*Q. Mr. Secretary, can you outline some of the main topics which you think will be discussed when Mr. Wilson comes here—and, particularly, can you say whether the issue of the Persian Gulf will be discussed?*

*Secretary Kissinger:* Well, as you know, our relationship with the Government of the United Kingdom is extremely close, and we keep each other informed about our major foreign policy initiatives and our major ap-

proach to international affairs in the frankest possible way.

One result is that there is rarely a very set agenda for the meetings—or, rather, the agenda is the world situation broken down into its constituent elements. Therefore it is reasonable to assume that the Middle East, including the Persian Gulf, will play a significant role in the discussions with Prime Minister Wilson.

I don't know whether the Persian Gulf will be specially singled out. These discussions are usually rather unstructured, but they're extremely frank; and we will put our entire views before Prime Minister Wilson.

*The press: Thank you very much, Mr. Secretary.*

## **U.S. Regrets Postponement of Buenos Aires Meeting**

*Department Statement, January 27*

The United States regrets that the Government of Argentina, in consultation with the other countries of the hemisphere, has postponed the Buenos Aires meeting of Foreign Ministers scheduled for late March.

The proximate cause of the postponement is the apparent exclusion of all OPEC [Organization of Petroleum Exporting Countries] countries, including Ecuador and Venezuela, from the new tariff preference system. As is well known, the administration opposed this and other restrictions contained in the trade bill and has pledged to work with the Congress to correct them. The President and Secretary of State Kissinger so stated publicly, as did our Representative to the Permanent Council of the Organization of American States last week.

Given these statements regarding our views and intentions, we cannot but consider it inappropriate that some Latin American countries have insisted on conditions for the Buenos Aires meeting which they know to

be incompatible with our constitutional processes, as well as substantively unjust.

There is no question—and we have emphasized this to our Latin American friends—that, despite certain deficiencies in the Trade Act, there are many benefits. For example, under our proposed system of tariff preferences, we estimate that more than 30 percent by value of dutiable Latin American exports to the United States will be granted tariff-free treatment. In absolute amounts, tariffs will be eliminated on over \$750 million worth of Latin American exports to the United States. It should also be noted that Latin American exports to the United States have more than doubled in value since 1972.

The Trade Act also authorizes us to begin the multilateral trade negotiations in Geneva. These negotiations will lead to reduction of tariff and nontariff barriers to trade of great importance to all the developing countries, including Latin America. Moreover, they will benefit Latin America and, indeed, the entire world trading community by providing a deterrent to protectionism around the world—a matter of vital import given today's economic climate.

The United States, in the fall of 1973, began a new dialogue with Latin America to improve relations with our traditional friends in the Western Hemisphere. We hoped that both sides would develop a closer understanding of each other's problems. Over the past year we have jointly made significant progress toward this objective. In this process the United States has renounced any method of pressure as obsolete and inappropriate to the new relationship we seek. We believe this is a reciprocal obligation. Pressure from the south is as inappropriate as pressure from the north.

We will continue to work with our Latin American friends on the problems which have arisen in connection with the Trade Act in a spirit of friendship. We will address cooperatively the many issues which comprise the agenda of the new dialogue in the same spirit of conciliation and friendship.

## The Trade Act and Latin America

*Following is the text of a memorandum which was distributed to Latin American and Caribbean Ambassadors at a briefing at the Department of State on January 14.*

### THE TRADE ACT AND LATIN AMERICA

The Trade Act, signed into law by the President on January 3, 1975, is of considerable importance to Latin America.

It is a long and complex statute. The Act touches nearly every aspect of U.S. trade policy. And, although the legislation was under consideration in the Congress for nearly two years, the Committees responsible for it were making changes in its text until the final day of Congressional consideration. In fact, the text of the Act, because it is so long, is not yet generally available from the Government Printing Office. Early comment about the legislation has therefore been forced to rely on press reports, some of which have been partial or inaccurate.

It is the purpose of this Memorandum to summarize the legislation as it relates to the nations of Latin America and the Caribbean, to make clear the policy the United States will adopt in implementing the Act, and to analyze the important benefits which Latin America may anticipate as the law is put into effect. The Memorandum addresses three major issues:

—the authorization for the U.S. Government to implement a system of generalized tariff preferences (GSP) for imports from developing countries;

—the forthcoming worldwide multilateral trade negotiations (MTN), which the Trade Act has now made possible; and

—the significance of the legislation for the U.S. countervailing duty system.

1. *Generalized Preferences.* The Trade Act of 1974 contains authority for the United States to grant tariff preferences to imports from developing countries—GSP, in short.

The new law provides that the United States may accord temporary (10-year) duty-free treatment for a range of manufactured and semi-manufactured products and selected agricultural and primary products. Eighteen other nations have similar—though in some cases much less liberal—preference systems.

The new U.S. preferences will fulfill a commitment undertaken in the Declaration of Tlatelolco that the U.S. Government would make a maximum effort to secure passage of such legislation.

GSP and most-favored-nation (MFN) tariff concessions are two very different concepts. GSP is temporary and nonbinding. Each industrialized country is free to withdraw it at any time. MFN tariff cuts are bound. MFN tariff reductions cannot be withdrawn from GATT [General Agreement on Tariffs and Trade] members without the granting of compensation. The major GSP systems of most major countries have quantitative limitations in the form of tariff quotas and competitive need ceilings which trigger a return to ordinary—nonpreferential—MFN tariff duty rates. Thus, various products of substantial interest to the Latin American countries are not eligible for the preferences of the other developed nations and will not be eligible for the new U.S. GSP. Those products will, however, be eligible for the multilateral tariff reductions anticipated in the course and as a part of the trade negotiations themselves. Thus, even with GSP, on a significant number of products it will be in the long-term interest of the Latin American countries to have the ordinary rates of duty negotiated down to as low a point as possible in the MTN.

In general, U.S. tariffs are already low. This is the result of successive rounds of tariff negotiations. Now, nearly 60 percent of U.S. imports from Latin America enter duty free. The duty on the remainder averages only 8 percent. Therefore, while preferences may be marginally helpful in the short run in some particular product areas, over the longer run MFN tariff reductions and action on nontariff barriers—as set forth in the following section of this Mem-

orandum—will prove to be far more important and beneficial to most Latin American countries.

The Administration worked closely with the Latin American countries to solicit their requests for specifications of products to be included in our GSP product lists. The GSP product lists are now nearing completion. Wherever possible, these lists include the products requested by the Latin American countries. As a result the lists of agricultural and primary products to be submitted later this month to the International Trade Commission will be significantly larger in terms both of numbers of items and dollar trade coverage than were the illustrative lists prepared for and submitted to the UNCTAD and OECD [United Nations Conference on Trade and Development; Organization for Economic Cooperation and Development] in 1970. Preliminary indications are that over 30 percent by value of the remaining U.S. dutiable imports from Latin America—that is to say, over three quarters of a billion dollars of Latin American exports to the United States based on 1972 trade values—will be included in our system of GSP.

The new legislation, unfortunately, contains provisions which could exclude certain categories of developing countries from preferences. The Administration consistently opposed these criteria as being excessively rigid. We are currently examining the legislation to determine what leeway it may contain. We will work in a spirit of cooperation with the Congress to seek necessary accommodations.

2. *The Multilateral Trade Negotiations.* While GSP will be helpful in encouraging Latin American export diversification, the multilateral trade negotiations now made possible by the new Trade Act will go deeper, and be of considerably more lasting importance for all of Latin America. These negotiations will fix the structure of global trade for a long term future, and will touch the export interests of every country in the hemisphere.

In September 1973, 102 countries agreed, in the celebrated Tokyo Declaration, to undertake a new round of multilateral trade

negotiations. The negotiations anticipated by the Declaration were dedicated to the following aims:

—the expansion and liberalization of world trade through significant dismantling of tariff barriers, of nontariff barriers and of other conditions and restraints which distort world trade;

—the improvement in the world trading system, so that it conforms more closely to current conditions and realities; and

—the securing of benefits for the trade of developing countries, including substantially greater access for their products to markets around the world.

Without the authority established in the Trade Act, the international effort contemplated by the Tokyo Declaration to expand trade and to reform the world trading system—in which almost all Latin American countries are participating—would have been aborted. In other words, the consequences of not having the negotiating power in the Trade Act, particularly in view of the current world economic conditions, would have been severe, and most adverse in fact to the very countries whose development goals depend most heavily on diversifying and expanding exports. Rather than opening new opportunities for trade, the virtually certain result of a failure to enact the new U.S. Trade Act would have been contraction.

With the Trade Act now in hand, the United States is prepared to move toward the achievement of the aims set out in the Tokyo Declaration. The United States will move rapidly.

Committees and working parties have been meeting in Geneva. A further meeting in Geneva of the Trade Negotiating Committee is scheduled for February; this will mark the real beginning of the trade negotiations. The U.S. Government will be there. It hopes that all Latin American countries will actively participate.

The tariff cutting authority provided in the Trade Act is substantial—6 percent of existing duty rates above 5 percent ad va-

lorem, and authority to go to zero for rates of 5 percent ad valorem or less. It is the firm intention of the United States to use this authority vigorously, to secure the greatest possible reciprocal reduction in tariffs among the major developed trading countries. Major beneficiaries of such reductions will be the developing countries, including particularly Latin America.

Even more important than the lowering of tariff barriers will be the elimination or reduction of nontariff barriers. As tariffs have been progressively reduced over the years, nontariff barriers and other similar measures distorting trade have played an increasingly pernicious role as restraints on trade expansion. The Trade Act provides unprecedented authority for the harmonization, reduction or elimination of the nontariff barriers in this country and in all other major trading nations which now burden international trade, including that of Latin America.

The United States is acutely aware that in many cases these nontariff barriers are particularly burdensome to the exports of developing countries. It anticipates that some of the more onerous of these nontariff barriers may be subject to reduction or elimination through the negotiation of new sets of international rules on market access. Such new rules are also provided for in the Trade Act. The United States will do what it can to bring this about. For example, the United States will seek revision of the existing international safeguard procedures under the GATT to deal with problems associated with an exceptionally rapid growth of imports in a way which will make resort to safeguard actions less politically contentious and subject all the while to greater international surveillance and discipline, while hopefully eliminating import quotas maintained illegally under present GATT rules. Similarly, the problem of export subsidies and corresponding countervailing duties can be approached by the development of an international code on these issues, as can problems of government procurement and product standardization.

The United States will adopt a strategy in the forthcoming negotiations which will give particular consideration to the interests and needs of developing countries, including Latin American interests. The United States is committed to consult closely with the Latin Americans in the course of the multilateral trade negotiations to develop common positions. In part toward this end, there has been formed among the various U.S. Government agencies an interdepartmental Subgroup on Latin America. This Subgroup is reviewing the effects of our trade policies on Latin America. It will ensure that Latin American trade interests are fully considered in the implementation of U.S. trade policy in the coming multilateral trade negotiations.

3. *Countervailing Duties.* Finally, the Act also contains important new developments in connection with countervailing duty proceedings. In addition to the possibility of a multilateral code governing export subsidies and countervailing action, referred to above, the Trade Act also gives the Secretary of the Treasury discretionary authority to refrain from imposing duties for up to four years in those special cases where (1) adequate steps have been taken to reduce or eliminate the adverse effects of the bounty or grant; and (2) there is a reasonable prospect that successful trade agreements will be entered into on nontariff barriers; and (3) the imposition of duties would seriously jeopardize these negotiations.

4. *Conclusion.* The Trade Act of 1974 contains many elements. Only a few have been mentioned here. It is not a perfect law. Every

provision in it is not as the Administration would have wished. But its major, overriding significance is clear—the demonstration that the United States remains committed to a liberal and open world trading system, and is prepared to make considerable concessions for that purpose, and will work with other countries in the Geneva trade negotiations in pursuit of that commitment.

The United States is convinced that such a system is in the best interest of all countries—developed and developing—and essential to the achievement of the common objective of a stable, healthy world economic order.

This is a matter of profound importance to Latin America. If the trade negotiations which are now made possible by the new Act are successful, Latin America will be able to look forward to increased opportunities for export earnings in the United States and in the other industrialized countries as well. Had the Act not been passed, those negotiations would not have been possible. Given the international economic situation, the strong tendencies of the major trading nations would have been toward isolationist trade policies. This would have had profoundly adverse effects on the export prospects of the countries of Latin America and the Caribbean.

The United States is in the process of working out the implementation of the Trade Act. In that process, we look forward to a continuing dialogue and cooperation with the countries of the hemisphere.

WASHINGTON, D.C., *January 14, 1975.*



## "A Conversation With President Ford"—An Interview for NBC Television and Radio

Following are excerpts relating to foreign policy from the transcript of an interview with President Ford by John Chancellor and Tom Brokaw broadcast live on NBC television and radio on January 23.<sup>1</sup>

*Mr. Chancellor:* Now you told, I think it was *Time* magazine, that we might have gas rationing if we get another oil embargo. Is that correct?

*President Ford:* Another oil embargo which would deprive us of anywhere from 6 to 7 million barrels of oil a day would create a very serious crisis.

*Mr. Chancellor:* But is that a likelihood, sir? As I understand it, of those 7 million barrels a day, only about 8 percent come from the Arab countries, or 10 or something like that.

*President Ford:* I can't give you that particular statistic. It would depend, of course, on whether the Shah of Iran or Venezuela or some of the other oil-producing countries cooperated.

At the time of the October 1973 oil embargo, we did get some black-market oil. We got it from some of the noncooperating countries; but in the interval, the OPEC [Organization of Petroleum Exporting Countries] nations have solidified their organization a great deal more than they did before. So, we might have a solid front this time rather than one that was more flexible.

*Mr. Chancellor:* In other words, you are

worried not about an Arab oil boycott but a boycott by all the oil-producing countries that belong to OPEC?

*President Ford:* That is correct.

*Mr. Chancellor:* Do you regard that as a political—

*President Ford:* It is a possibility.

*Mr. Chancellor:* And in that case, that would produce the necessity for a gas rationing system?

*President Ford:* It would produce the necessity for more drastic action. I think gas rationing in and of itself would probably be the last resort, just as it was following the 1973 embargo.

At that time, as you remember, John, in order to be prepared, Bill Simon, who was then the energy boss, had printed I don't know how many gas rationing coupons. We have those available now; they are in storage. I think they cost about \$10 million to print, but they are available in case we have the kind of a crisis that would be infinitely more serious than even the one of 1973.

*Mr. Chancellor:* Mr. President, you have talked also about energy independence, and it is a key to your whole program. As I recall, of the 17 million barrels of oil a day we use in this country, about 7, as you say, come from other countries.

*Let me just put it to you in a tendentious way. An awful lot of experts are saying that it will be impossible for us by 1985 to be totally free of foreign supplies of energy. Do you really think we can make it?*

*President Ford:* The plan that I have submitted does not contemplate that we will be

<sup>1</sup> For the complete transcript, see Weekly Compilation of Presidential Documents dated Jan. 27.

totally free of foreign oil, but the percentage of reliance we have, or will have, on foreign oil will be far less.

At the present time, for example, John, 37 percent of our crude oil use comes from foreign sources. In contrast to 1960—we were exporting oil. But in the interval between 1960 and the present time—we are now using 37 to 38 percent of foreign oil for our energy uses.

Now, if my plan goes through, if the Congress accepts it and we implement it and everything goes well, by 1985, if I recall, instead of 37 or 38 percent dependence on foreign oil, we will be down to about 10 percent. Well, a 10 percent cutoff, with all the contingency plans we might have, we can handle without any crisis.

*Mr. Chancellor: Tom, may I just follow up on that?*

*Mr. Brokaw: You are doing just fine, John.*

*Mr. Chancellor: The other day at your press conference, you were asked about Dr. Kissinger's quote on the possibility of military intervention. And something surprised me, sir. You have been in politics for a long time, and you are as expert a question-ducker as anybody in that trade. Why didn't you duck that question? Why didn't you just say, "Well that's hypothetical?" You did go into some detail on it.*

*President Ford: I did. I in part reiterated what I had said, I think, at a previous news conference. I wanted it made as clear as I possibly could that this country, in case of economic strangulation—and the key word is "strangulation"—we had to be prepared, without specifying what we might do, to take the necessary action for our self-preservation.*

When you are being strangled, it is a question of either dying or living. And when you use the word "strangulation" in relationship to the existence of the United States or its nonexistence, I think the public has to have a reassurance, our people, that we are not going to permit America to be strangled to death. And so, I, in my willingness to be as frank—but with moderation—I thought I

ought to say what I said then. And I have amplified it, I hope clarified it, here.

*Mr. Chancellor: The New Republic this week has a story saying that there are three American divisions being sent to the Middle East, or being prepared for the Middle East. We called the Pentagon, and we got a confirmation on that, that one is air mobile, one is airborne, and one is armored. And it is a little unclear as to whether this is a contingency plan, because we don't know where we would put the divisions in the Middle East. Could you shed any light on that?*

*President Ford: I don't think I ought to talk about any particular military contingency plans, John. I think what I said concerning strangulation and Dr. Kissinger's comment is about as far as I ought to go.*

*Mr. Chancellor: Then we have reached a point where another question would be unproductive on that?*

*President Ford: I think you are right.*

*Mr. Brokaw: Mr. President, you said the other day that—speaking of that general area—you think there is a serious danger of war in the Middle East. Earlier this year, you were quoted as saying, something over 70 percent. Has it gone up recently?*

*President Ford: I don't think I ought to talk in terms of percentage, Tom. There is a serious danger of war in the Middle East. I have had conferences with representatives of all the nations, practically, in the Middle East. I have talked to people in Europe. I have talked to other experts, and everybody says it is a very potentially volatile situation.*

It is my judgment that we might have a very good opportunity to be successful in what we call our step-by-step process. I hope our optimism is borne out. We are certainly going to try.

*Mr. Brokaw: Is it tied to Secretary Kissinger's next trip to that part of the world?*

*President Ford: Well, he is going because we think it might be fruitful, but we don't want to raise expectations. We have to be*

realistic, but if we don't try to move in this direction at this time, I think we might lose a unique opportunity.

*Mr. Brokaw: Should we not succeed this time, Mr. President, do you think it is probably time that we have to abandon this step-by-step process and go on to Geneva as the Soviets would like to have us do?*

*President Ford: I think that is a distinct possibility. We prefer the process that has been successful so far, but if there is no progress, then I think we undoubtedly would be forced to go to Geneva.*

I wouldn't be any more optimistic; in fact, I would be less optimistic if the matter was thrown on the doorstep of Geneva.

*Mr. Chancellor: Mr. President, really, the Russians have been shut out of Middle Eastern diplomacy since Dr. Kissinger began step-by-step diplomaey. Why was that? Couldn't the Russians play more of a positive role than they are doing? They are arming the Arabs to the teeth, and that is really about all we have been able to see or all they have been allowed to do under the way that we have set our polieies.*

*President Ford: I am not as authoritative on what was done during the October war of 1973 in the Middle East as I am now, of course. I can assure you that we do keep contact with the Soviet Union at the present time. We are not trying to shut them out of the process of trying to find an answer in the Middle East. They can play, and they have played, a constructive role, even under the current circumstances.*

So, I think it is unfair and not accurate to say that they are not playing a part. We are taking a course of action where it is more visible perhaps that we are doing something, but I say sincerely that the Soviet Union is playing a part even at the present time.

*Mr. Chancellor: Would you tell us what you think about the idea that is going around a little bit—and perhaps you have heard it as well, perhaps you know a great deal about it, I don't know—that if the Israelis made a*

*significant pullback on various fronts in the Middle East that that could be followed by some sort of American guarantee for their security?*

*President Ford: John, I really do not think I ought to get into the details of what might or might not be the grounds for a negotiated settlement. This is a very difficult area because of the long history of jealousies, antagonisms, and it is so delicate I really do not think I ought to get into the details of what might or might not be the grounds for a settlement.*

*Mr. Chancellor: Would you entertain a question based on the reported Israeli desire for a threefold increase in our aid to them?*

*President Ford: The United States, over the years, has been very generous in economic and military aid for Israel. On the other hand, we have been quite generous to a number of Arab nations. The State of Israel does need adequate military capability to protect its boundaries, or its territorial integrity.*

I think because of the commonality of interest that we have with Israel in the Middle East that it is in our interest as well as theirs to be helpful to them, both militarily and economically. There has been no determination by me or by us as to the amount of that aid.

*Mr. Brokaw: Mr. President, I wonder if we can come back at you again about Israel's security in another way. As you know, reporters don't give up easily on some of these questions.*

*President Ford: I found that out, Tom.*

*Mr. Brokaw: On a long-range basis, do you think that it is possible for Israel to be truly secure in the Middle East without a U.S. guarantee of some kind?*

*President Ford: Well, of course, Israel, to my knowledge, Tom, has never asked for any U.S. manpower or any guarantee from us for their security or their territorial integrity. I think the Israelis, if they are*

given adequate arms and sufficient economic help, can handle the situation in the Middle East. Now, the last war, unfortunately, was much more severe from their point of view than the three previous ones. And I suspect that with the Arabs having more sophisticated weapons and probably a better military capability, another war might even be worse. That is one reason why we wish to accelerate the efforts to find some answers over there.

But, I think the Israelis, with adequate equipment and their determination and sufficient economic aid, won't have to have U.S. guarantees of any kind.

*Mr. Brokaw: I wonder if we can move to another area in the world, or would you like to go back to the Middle East?*

*Mr. Chancellor: I have one question I would like to put to the President.*

*Sir, when we talk about strangulation—and I hope we don't talk about it any more tonight after this, because I do think it is the hypothetical—I agree with you on that—what about the moral implications? If a country is being strangled by another country or set of countries that own a natural resource, is it moral to go and take that? It is their oil; it is not ours. Isn't that a troublesome question?*

*President Ford: I think it is a troublesome question. It may not be right, John, but I think if you go back over the history of mankind, wars have been fought over natural resources from time immemorial. I would hope that in this decade or in this century and beyond, we would not have to have wars for those purposes, and we certainly are not contemplating any such action. But history, in the years before us, indicates quite clearly that that was one of the reasons why nations fought one another.*

*Mr. Brokaw: Mr. President, what are our objectives now in Southeast Asia, in Viet-Nam, particularly?*

*President Ford: Viet-Nam, after all the lives that were lost there, Americans, over 50,000, and after the tremendous expenditures that we made in American dollars,*

several years, more than \$30 billion a year—it seems to me that we ought to try and give the South Vietnamese the opportunity through military assistance to protect their way of life.

This is what we have done traditionally as Americans. Certainly, since the end of World War II, we have helped innumerable nations in military arms and economic assistance to help themselves to maintain their own freedom.

The American people believe, I think, historically that if a country and a people want to protect their way of life against aggression, we will help them in a humanitarian way and in a military way with arms and funds if they are willing to fight for themselves. This is within our tradition as Americans.

And the South Vietnamese apparently do wish to maintain their national integrity and their independence. I think it is in our best tradition as Americans to help them at the present time.

*Mr. Brokaw: How much longer and how deep does our commitment go to the South Vietnamese?*

*President Ford: I don't think there is any long-term commitment. As a matter of fact, the American Ambassador there, Graham Martin, has told me, as well as Dr. Kissinger, that he thinks if adequate dollars which are translated into arms and economic aid—if that was made available that within two or three years the South Vietnamese would be over the hump militarily as well as economically.*

Now, I am sure we have been told that before, but they had made substantial progress until they began to run a little short of ammunition, until inflation started in the last few months to accelerate.

I happen to think that Graham Martin, who is a very hardnosed, very dedicated man, and very realistic, is right. And I hope the Congress will go along with this extra supplemental that I am asking for to help the South Vietnamese protect themselves.

*Mr. Chancellor: Sir, that is \$300 million*

*you have asked for the South Vietnamese. And given what you have just said—well, I am just going to phrase it this way—will we see the light at the end of the tunnel if we give them \$300 million?*

*President Ford:* The best estimates of the experts that are out there, both military and civilian, tell me that \$300 million in this fiscal year is the minimum. A year ago when the budget was submitted for military assistance for South Viet-Nam, it was \$1.4 billion. Congress cut it in half, which meant that South Vietnamese rangers going out on patrol instead of having an adequate supply of hand grenades and weapons were cut in half, which of course has undercut their military capability and has made them conserve and not be as strong.

Now, \$300 million doesn't take them back up to where they were or where it was proposed they should be. But the experts say who are on the scene, who have seen the fighting and have looked at the stocks and the reserves, tell me that that would be adequate for the current circumstances.

*Mr. Chaucellor:* *Mr. President, does it make you uneasy to sit on that couch in this room and have experts in Viet-Nam saying only a little bit more, and it will be all right? We did hear that for so many years.*

*President Ford:* I think you have to think pretty hard about it, but a lot of skeptics, John, said the money we were going to make available for the rehabilitation of Europe after World War II wouldn't do any good, and of course the investment we made did pay off. A lot of people have said the money that we made available to Israel wouldn't be helpful in bringing about the peace that has been achieved there for the last year and a half or so, but it did. It helped.

I think an investment of \$300 million at this time in South Viet-Nam could very likely be a key for the preservation of their freedom and might conceivably force the North Vietnamese to stop violating the Paris accords of January 1973.

When you look at the agreement that was signed—and I happened to be there at the

time of the signing in January of 1973—the North Vietnamese agreed not to infiltrate. The facts are they have infiltrated with countless thousands—I think close to 100,000 from North Viet-Nam down to South Viet-Nam. They are attacking cities, metropolitan areas. They have refused to permit us to do anything about our U.S. missing in action in North Viet-Nam. They have refused to negotiate any political settlement between North Viet-Nam and South Viet-Nam. They have called off the meetings either in Paris or in Saigon.

So here is a country—South Viet-Nam—that is faced with an attitude on the part of the North Vietnamese of total disregard of the agreement that was signed about two years ago. I think the South Vietnamese deserve some help in this crisis.

*Mr. Brokaw:* *Mr. President, underlying all of this in much of this interview is a kind of supposition on your part, I guess, that the American public is willing to carry the burdens that it has carried in the past. Do you believe that? Is that your view of the world, kind of, and the view of this country?*

*President Ford:* Yes, and I am proud of that, Tom. The United States—we are fortunate. We have a substantial economy. We have good people who by tradition—certainly since the end of World War II—have assumed a great responsibility. We rehabilitated Europe. We helped Japan—both in the case of Germany and Japan, enemies that we defeated.

We have helped underdeveloped countries in Latin America, in Africa, in Southeast Asia. I think we should be proud of the fact that we are willing to share our great wealth with others less fortunate than we.

And it gives us an opportunity to be a leader setting an example for others. And when you look at it from our own selfish point of view, what we have done has basically helped America; but in addition, it has helped millions and millions of other people. We should be proud of it. We should not be critical of our efforts.

## Proclamation Raising Import Fees for Oil and Oil Products Signed

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

In my state of the Union address, I set forth the nation's energy goals to assure that our future is as secure and productive as our past. This proclamation that I am about to sign is the first step down the long and difficult road toward regaining our energy freedom. The proclamation will gradually impose higher fees on imported oil, and this will result in substantial energy conservation by the United States.

As we begin to achieve our near-term conservation goals, the nation will once again be going in the right direction, which is away from energy dependence. Each day that passes without strong and tough action, which this proclamation is, results in a further drain on our national wealth and on the job it creates for the American people. Each day without action means that our economy becomes more and more vulnerable to serious disruption. Each day without action increases the threat to our national security and welfare.

This proclamation, which is just as fair and equitable as the law permits, must now be followed by positive congressional action. The nation needs a fully comprehensive and long-range energy program, one that increases domestic energy supplies and encourages lasting conservation. To reach our national goals, we need the help of each American and especially their representatives in the Congress.

I look forward to vigorous debate and serious congressional hearings on our comprehensive energy plan. The crucial point is that this proclamation moves us in the right direction while we work to enact the energy legislation. The tactics of delay and proposals which would allow our dependency and vulnerability to increase will not be tolerated

<sup>1</sup> Made in the Oval Office at the White House on Jan. 23 (text from Weekly Compilation of Presidential Documents dated Jan. 27). For text of Proclamation 4341, see 40 *Fed. Reg.* 3965.

by the American people, nor should they be.

The new energy-saving fees put us on the right path. There are problems ahead. There will be hardships. Let us get on with the job of solving this serious energy problem.

## Ambassador Johnson Discusses Prospects for SALT Talks

*The U.S.-U.S.S.R. Strategic Arms Limitation Talks (SALT) resumed at Geneva on January 31. Following is the transcript of an interview with Ambassador at Large U. Alexis Johnson, U.S. Representative to the talks, conducted at Washington by Paul Siseo of United Press International, for broadcast on Eurovision on January 29.*

Press release 36 dated January 29

*Mr. Siseo: Mr. Ambassador, the SALT talks resume at the tail end of January in Geneva. What would you say is the prime aim of this session?*

*Ambassador Johnson: Well, we have been given the mandate by the leaders on both sides—by President Ford and by General Secretary Brezhnev—to conclude, or to write, an agreement which will implement the agreement which they entered into and agreed upon in Vladivostok in November.*

*They agreed upon, you might say, the broad outlines of the agreement; and the job that the Soviet negotiator, Minister Semenov [Deputy Foreign Minister Vladimir Semenov], and I will be having, together with our delegations, will be to translate this into the specifics of an agreement which can be signed by both governments.*

*Mr. Siseo: Well, now, obviously you enter these talks optimistic, but are you optimistic that something concrete will come out of this particular session?*

*Ambassador Johnson: I certainly am, because I think that the agreement that was entered into at Vladivostok is so concrete and contains such constructive elements in it that I feel that it is going to be possible*

for us to write an agreement which will commend itself to both governments.

Now, this doesn't mean it is going to be easy. Vladivostok did not seek to answer all the questions, but it does mean that we have a more solid basis now than we have ever had in the past for writing a new agreement.

*Mr. Sisco: Of course, I am sure you are aware of certain criticisms of the Vladivostok agreement, that the 2,400 nuclear missile total many people thought far too high. How do you feel about that? Is there a chance that that can be reduced when we get down to the fine print?*

*Ambassador Johnson: I have no inhibitions or reservations whatsoever about the validity, importance, and desirability of the Vladivostok agreement. The Vladivostok agreement, to my mind, represented a very significant breakthrough, as the term has been used, and I agree, given my own background, that it was a breakthrough.*

Since I entered the negotiations, we have been talking over the past few years about reductions; and we, the United States, have been taking the position that in order to negotiate reductions, it was first necessary for the two sides to arrive at a common level and then reduce from that level.

Well, up to now, the problem has always been the difficulty of arriving at an agreement on a common level. The Soviets have insisted upon there being compensations, they call it—that is, their having a somewhat higher number because of various factors—and thus they would start from a higher figure than we would start from.

The big breakthrough at Vladivostok was that the Soviets agreed with us on starting from a common level. Now, having reached that common level, I think it will facilitate negotiations in the future on reductions. In fact, that Vladivostok agreement says that we will enter into negotiations on reductions.

Now, the agreement has been criticized because it doesn't include reductions, also. However, you have to start some place. And I

think that the Vladivostok agreement is a very important breakthrough toward starting on a further path that will lead both sides toward reductions.

*Mr. Sisco: Well, you don't believe that that 2,400 figure was just arbitrarily set too high. One part of that criticism, if I may add—some people say the Russians actually wanted a lower figure. Is that right? Is that true?*

*Ambassador Johnson: I never heard that statement made.*

*Mr. Sisco: That was in some press clippings I have seen.*

*Ambassador Johnson: As a matter of fact, the 2,400 figure is a figure somewhat in between what we have and what the Russians have. So it is a compromise figure, you might say.*

*Mr. Sisco: Mr. Ambassador, I wonder if you feel that your job in the last few weeks has become harder because of the Russian's rejections of the trade treaty, apparently a little bit cracking of this U.S.-Soviet détente. Do you think perhaps they are going to be a little tougher?*

*Ambassador Johnson: I don't want to predict what their attitude is going to be, except that I go into these talks with the conviction that both sides want them to succeed. No matter what other problems there may be in our relations, it seems to me that both countries have an overwhelming interest in preventing the holocaust of a nuclear war. And I am going into these talks with the idea that they are going to succeed. I hope and expect that my Soviet colleague will be doing the same.*

*Mr. Sisco: Mr. Ambassador, on the same plane, sort of, the United States and Soviets are at least talking to limit nuclear weapons. What about the proliferation of nuclear weaponry for other nations? I am thinking really of the Mideast where obviously the Arabian countries are going to have the money, at least, perhaps to get into the nuclear race. Is there something that the United*

*States and the Soviets together can do to limit the spreading of nuclear weapons?*

*Ambassador Johnson:* Well, as you know, both countries have signed the Nonproliferation Treaty (NPT) and both countries have supported the Nonproliferation Treaty. And, as you know, also an NPT review conference will be taking place in the course of this year. So both countries are still supporting the principles involved in the Nonproliferation Treaty. We in the SALT talks do not directly deal with this matter.

*Mr. Sisco:* *What are some of the nuts and bolts of this talk? How long do you expect to be there, and something along that line?*

*Ambassador Johnson:* Well, that's a question my wife asks me. I am not able to answer it that firmly. I expect to be there as long as it is necessary to do the job.

*Mr. Sisco:* *Looking way down the road, and a bit philosophically, can you foresee a time when perhaps there will be no nuclear weaponry, and we don't have this big thing hanging over our shoulders and minds?*

*Ambassador Johnson:* I wish I could say that, but I don't see the possibility at the present time.

In this connection, Mr. Sisco, in connection with this agreement, I think people understandably keep searching for some magic formula that will dispose of this whole question once and for all—eliminate all nuclear weapons—or there be a definitive agreement between ourselves and the Soviet Union that will last for a long time, last indefinitely into the future.

I just don't think that there is such a formula. I think that, given the growth of technology, given the developments in both countries, between the two countries as well as elsewhere in the world, I think this whole question of arms limitation, and particularly the limitation of strategic arms, is going to be something that both countries are going to have to deal with on a continuing basis now and into the future.

I think this is one of the advantages of this present agreement at Vladivostok. It

was agreed that we will not try to write something that will last indefinitely into the future. It was agreed that we will try to write something that will have a life of 10 years. Ten years is a span in this field that it is possible to foresee and anticipate developments, and thus I think that we have brought this into a framework which makes it manageable.

This agreement isn't going to end all problems. This agreement, as I said, is simply, I think, the beginning of—or let's say, a further step in this process of negotiating and reaching understandings between ourselves and the Soviet Union in this very dynamic field.

*Mr. Sisco:* *If I may touch on something that you touched on earlier, I am wondering whether perhaps the decline of Mr. Brezhnev—you mentioned Mr. Brezhnev and President Ford signed the agreement—and there is a strong feeling that perhaps he lost some influence in the Soviet Union. Do you think this makes your job harder, or do you know anything that might go along that line?*

*Ambassador Johnson:* I just don't think it would be useful for me to speculate. I deal with the representative of the Soviet Government. He deals with it as a representative of that government.

*Mr. Sisco:* *Mr. Ambassador, just on another philosophical note, do you feel that perhaps it might have been better not to have nuclear weaponry at all in the last 25-30 years?*

*Ambassador Johnson:* Yes, I would certainly agree, if it had been possible. And you will recall that the United States, when it had a monopoly on nuclear weaponry, made a proposal, the Baruch proposal, wasn't it, back in 1946, that nuclear weapons be outlawed, in effect, and that all nuclear energy be brought under international control. And you will recall that that was turned down at the time.

Now, as long as nuclear weapons exist, I think it important that the United States maintain its deterrent posture. And of



course the Soviet Union has been seeking parity with the United States in nuclear weapons.

As long as deterrence can be maintained, I have hopes that nuclear war can be averted between the two powers, and that, in effect, is what the SALT talks are all about. The SALT talks are not about eliminating all nuclear weapons. The SALT talks are establishing a relationship between the two countries on the level of weapons such as not to encourage either side to initiate nuclear war.

The theme of the talks, if you will, as far as I am concerned, in many ways, is stability; that is, that our weapons systems and our strategic nuclear forces are not such as to bring about instability, particularly in a crisis situation, so that deterrence can be maintained and stability can be maintained in relationships between our two countries.

*Mr. Sisco: Thank you, Mr. Ambassador.*

## **U.S.-India Economic and Commercial Subcommittee Meets at Washington**

### *Joint Communique*<sup>1</sup>

The Economic and Commercial Subcommittee of the India-U.S. Joint Commission held its first meeting in Washington on January 20-21, 1975, to discuss ways to broaden economic and commercial relationships between the two countries. Progress made by the Subcommittee underscored a new stage in U.S.-Indian economic relations based on an increasing and closer cooperation in a wide range of activities in trade, agricultural inputs, taxation, investment and industry.

The meetings were chaired by Indian Finance Secretary M. G. Kaul and Assistant Secretary of State for Economic and Business Affairs Thomas O. Enders. Two other subcommittees, one on science and technology and one on education and culture, will meet during the next few weeks. The

<sup>1</sup> Issued on Jan. 21 (text from press release 23).

subcommittee meetings are in preparation for a meeting of the Joint Commission, chaired by the Secretary of State, Dr. Henry A. Kissinger, and the Minister for External Affairs, Shri Y. B. Chavan, which will be held in Washington on March 13-14, 1975.

The Subcommittee decided on specific steps to expand economic relations between the two countries. Toward this objective, the two sides agreed that a Joint Business Council should be established to increase direct contacts between the business sectors, including Indian public sector enterprises, in industrial and commercial projects of high priority.

Indian officials expressed their interest in expanding the scope and magnitude of Indian exports to the United States and agreed to provide a list of non-traditional products with potential for increased exports to the United States. The U.S. delegation provided a list of product categories in which the U.S. is interested in expanding its exports to India. Both sides agreed to cooperate in such trade expansion on a Government-Government and Government-private business basis. Both sides also agreed upon the need for a regular and timely exchange of information on marketing conditions and regulations which might affect their exports to each other.

The Indian and U.S. delegations exchanged views on the U.S. Trade Act of 1974. The Subcommittee discussed provisions considered to be of particular relevance and benefit to India, and also examined questions relating to the implementation of a U.S. system of generalized tariff preferences.

Concerning problems faced by India as a result of recent short supply of key commodities, U.S. agricultural experts gave a detailed presentation of current and projected market developments, especially in the areas of fertilizers and pesticides. Considering the importance of agriculture to the two economies, the delegates decided to form a special working group which will meet immediately to concentrate on the supply of certain agricultural inputs in short supply including developing long-term

Indian capacity for production of these items.

To improve the climate for U.S. investment in India, the two sides agreed to hold talks within the next few weeks on a possible double taxation treaty.

The Subcommittee also explored new ways to stimulate cooperation between U.S. and Indian firms in the development of high technology and export oriented industries and in cooperative ventures in third countries. Both Governments, in cooperation with the proposed Joint Business Council, will actively cooperate to assure that such opportunities are fully utilized.

## **President Vetoes Bill To Provide Nontariff Barrier on Filberts**

### *Memorandum of Disapproval*<sup>1</sup>

I am withholding my approval from H.R. 2933, a bill which would amend the Agricultural Marketing Agreement Act to make existing grade and quality restrictions on certain imported commodities applicable to imported filberts.

In my judgment, the bill would be unfair to the American consumer and the American farmer, as well as prejudicial to the interests of American trade policy.

H.R. 2933 would be unfair to the consumer because it could unnecessarily increase prices for filbert products. Existing law already requires all imported foodstuffs to meet health standards prescribed under the Food and Drug Act.

The bill could also produce unfair consequences for the farmer by causing the loss of some of his important markets abroad. It could result at best in comparatively limited benefits for domestic producers while risking

<sup>1</sup> Issued on Jan. 4 (text from Weekly Compilation of Presidential Documents dated Jan. 13).

retaliation from abroad against the larger volume of other products exported by our farmers.

Finally, the bill would be prejudicial to our trade policy because it would be inconsistent with our obligations under the General Agreements on Tariffs and Trade. It would erect a non-tariff trade barrier at a time when we are trying to persuade other nations to dismantle theirs.

Although there are other commodities which are subject to the same statutory restrictions that H.R. 2933 would impose on filberts, no new commodities have been included in that list since January of 1971. I cannot in good conscience support the addition of a new commodity just after signing into law the new Trade Act which has a major aim of eliminating non-tariff trade barriers.

For the foregoing reasons, I am compelled to withhold my approval from H.R. 2933.

GERALD R. FORD

THE WHITE HOUSE, *January 3, 1975.*

## **Notice of Time for Filing Claims Against Syria by U.S. Nationals**

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

Notice is hereby given that the Department of State will receive at its Office of the Legal Adviser, located at 2201 C Street, N.W., Washington, D. C. 20520, during the period beginning February 3, 1975, and ending August 4, 1975, claims against the Government of the Syrian Arab Republic by U.S. nationals for the nationalization, expropriation or sequestration of, or other measures directed against their property by the Government of the Syrian Arab Republic.

<sup>1</sup> Issued on Jan. 27 (text from press release 30).

## President Ford Requests Additional Funds for Assistance to Viet-Nam and Cambodia

*Message to the Congress*<sup>1</sup>

*To the Congress of the United States:*

Two years ago the Paris Agreement was signed, and several weeks later was endorsed by major nations including the Soviet Union, the United Kingdom, France and the People's Republic of China. We had succeeded in negotiating an Agreement that provided the framework for lasting peace in Southeast Asia. This Agreement would have worked had Hanoi matched our side's efforts to implement it. Unfortunately, the other side has chosen to violate most of the major provisions of this Accord.

The South Vietnamese and Cambodians are fighting hard in their own defense, as recent casualty figures clearly demonstrate. With adequate U.S. material assistance, they can hold their own. We cannot turn our backs on these embattled countries. U.S. unwillingness to provide adequate assistance to allies fighting for their lives would seriously affect our credibility throughout the world as an ally. And this credibility is essential to our national security.

### *Vietnam*

When the Paris Agreement was signed, all Americans hoped that it would provide a framework under which the Vietnamese people could make their own political choices and resolve their own problems in an atmosphere of peace.

<sup>1</sup> Transmitted on Jan. 28 (text from White House press release).

In compliance with that Agreement, the United States withdrew its forces and its military advisors from Vietnam. In further compliance with the Agreement, the Republic of Vietnam offered a comprehensive political program designed to reconcile the differences between the South Vietnamese parties and to lead to free and supervised elections throughout all of South Vietnam. The Republic of Vietnam has repeatedly reiterated this offer and has several times proposed a specific date for a free election open to all South Vietnamese political groups.

Unfortunately, our hopes for peace and for reconciliation have been frustrated by the persistent refusal of the other side to abide by even the most fundamental provisions of the Agreement. North Vietnam has sent its forces into the South in such large numbers that its army in South Vietnam is now greater than ever, close to 289,000 troops. Hanoi has sent tanks, heavy artillery, and anti-aircraft weapons to South Vietnam by the hundreds. These troops and equipment are in South Vietnam for only one reason—to forcefully impose the will of Hanoi on the South Vietnamese people. Moreover, Hanoi has refused to give a full accounting for our men missing in action in Vietnam.

The Communists have also violated the political provisions of the Paris Agreement. They have refused all South Vietnamese offers to set a specific date for free elections, and have now broken off negotiations with the Government of the Republic of Vietnam.

In fact, they say that they will not negotiate with that Government as it is presently constituted, although they had committed themselves to do so.

Recent events have made it clear that North Vietnam is again trying to impose a solution by force. Earlier this month, North Vietnamese forces captured an entire province, the population centers of which were clearly under the control of the South Vietnamese Government when the Paris Agreement was signed. Our intelligence indicates, moreover, that their campaign will intensify further in coming months.

At a time when the North Vietnamese have been building up their forces and pressing their attacks, U.S. military aid to the South Vietnamese Government has not been sufficient to permit one-to-one replacement of equipment and supplies used up or destroyed, as permitted by the Paris Agreement. In fact, with the \$700 million appropriation available in the current fiscal year, we have been able to provide no new tanks, airplanes, trucks, artillery pieces, or other major equipment, but only essential consumable items such as ammunition, gasoline, spare parts, and medical supplies. And in the face of the increased North Vietnamese pressure of recent months, these supplies have not kept pace with minimally essential expenditure. Stockpiles have been drawn down and will soon reach dangerously low levels.

Last year, some believed that cutting back our military assistance to the South Vietnamese Government would induce negotiations for a political settlement. Instead, the opposite has happened. North Vietnam is refusing negotiations and is increasing its military pressure.

I am gravely concerned about this situation. I am concerned because it poses a serious threat to the chances for political stability in Southeast Asia and to the progress that has been made in removing Vietnam as a major issue of contention between the great powers.

I am also concerned because what happens in Vietnam can affect the rest of the world.

It cannot be in the interests of the United States to let other nations believe that we are prepared to look the other way when agreements that have been painstakingly negotiated are contemptuously violated. It cannot be in our interest to cause our friends all over the world to wonder whether we will support them if they comply with agreements that others violate.

When the United States signed the Paris Agreement, as when we pursued the policy of Vietnamization, we told the South Vietnamese, in effect, that we would not defend them with our military forces, but that we would provide them the means to defend themselves, as permitted by the Agreement. The South Vietnamese have performed effectively in accepting this challenge. They have demonstrated their determination and ability to defend themselves if they are provided the necessary military materiel with which to do so. We, however, may be judged remiss in keeping our end of the bargain.

We—the Executive and Legislative Branches together—must meet our responsibilities. As I have said earlier, the amount of assistance appropriated by the previous Congress is inadequate to the requirements of the situation.

I am, therefore, proposing:

—A supplemental appropriation of \$300 million for military assistance to South Vietnam.

The \$300 million in supplemental military assistance that I am requesting for South Vietnam represents the difference between the \$1 billion which was authorized to be appropriated for fiscal year 1975 and the \$700 million which has been appropriated. This amount does not meet all the needs of the South Vietnamese army in its defense against North Vietnam. It does not, for example, allow for replacement of equipment lost in combat. It is the minimum needed to prevent serious reversals by providing the South Vietnamese with the urgent supplies required for their self-defense against the current level of North Vietnamese attacks.

I believe that this additional aid will help to deter the North Vietnamese from further escalating their military pressure and provide them additional incentive to resume the political discussions envisaged under the Paris Agreement.

All Americans want to end the U.S. role in Vietnam. So do I. I believe, however, that we must end it in a way that will enhance the chances of world peace and sustain the purposes for which we have sacrificed so much.

### *Cambodia*

Our objective in Cambodia is to restore peace and to allow the Khmer people an opportunity to decide freely who will govern them. To this end, our immediate goal in Cambodia is to facilitate an early negotiated settlement. The Cambodian Government has repeatedly called for talks without preconditions with the other Khmer parties. We have fully supported these proposals as well as the resolution passed by the United Nations General Assembly calling for early negotiations among Khmer parties.

Regrettably, there has been no progress. In fact, the Communists have intensified hostilities by attacking on the outskirts of Phnom Penh and attempting to cut the land and water routes to the capital. We must continue to aid the Cambodian Government in the face of externally supported military attacks. To refuse to provide the assistance needed would threaten the survival of the Khmer Republic and undermine the chances for peace and stability in the area.

The Cambodian Government forces, given adequate assistance, can hold their own. Once the insurgents realize that they cannot win by force of arms, I believe they will look to negotiations rather than war.

I am, therefore, proposing:

—Legislation to eliminate the current ceilings on military and economic assistance to Cambodia, and to authorize the appropriation of an additional \$222 million for military aid for Cambodia, and

—An amendment to the fiscal year 1975 budget for the additional \$222 million.

To provide the assistance necessary, the present restrictions on our military and economic aid to Cambodia must be removed and additional money provided. The \$200 million in military assistance currently authorized was largely expended during the past six months in response to the significantly intensified enemy offensive action. In addition, I have utilized the \$75 million drawdown of Department of Defense stocks authorized by Congress for this emergency situation. Since the beginning of the Communist offensive on January 1, ammunition expenditures have risen and will exhaust all available funds well before the end of this fiscal year. To meet minimum requirements for the survival of the Khmer Republic, I am requesting an additional \$222 million in military assistance and the elimination of the present \$200 million ceiling on military assistance to Cambodia. I am also requesting elimination of the \$377 million ceiling on overall assistance to Cambodia. This is necessary to enable us to provide vital commodities, mostly food, under the Food for Peace program, to assure adequate food for the victims of war and to prevent the economic collapse of the country.

I know we all seek the same goals for Cambodia—a situation wherein the suffering and destruction has stopped and the Khmer people have the necessary security to rebuild their society and their country. These goals are attainable. With the minimal resources and flexibility I am requesting from you, the Congress, we can help the people of Cambodia to have a choice in determining their future. The consequences of refusing them this assistance will reach far beyond Cambodia's borders and impact severely on prospects for peace and stability in that region and the world. There is no question but that this assistance would serve the interests of the United States.

GERALD R. FORD.

THE WHITE HOUSE, *January 28, 1975.*

## TREATY INFORMATION

### Outer Space Registration Convention Signed by United States

*Statement by John Seali  
U.S. Representative to the United Nations*<sup>1</sup>

I am happy to sign on behalf of the United States the Convention on Registration of Objects Launched into Outer Space.

The United States was one of the leaders in the long negotiations that led to the Registration Convention, as we were in negotiating the Outer Space Treaty of 1967, the Astronaut Assistance and Return Agreement of 1968, and the Convention on International Liability for Damage Caused by Space Objects of 1971. The new Registration Convention is another step in developing a cooperative and mutually beneficial legal order for the conduct of outer space activities. We hope it will meet with broad support and acceptance around the world.

The Registration Convention was negotiated over a three-year period beginning in 1972 and was agreed to in 1974 by all the states participating in the 37-member U.N. Committee on the Peaceful Uses of Outer Space.

It secures three objectives sought by the United States and other like-minded nations:

First, the convention will encourage every country launching objects into orbit around the earth or into other sustained space transit to maintain an orderly record of their launches.

Second, it establishes an international register of manmade space objects in orbit, to be kept by the Secretary General and to which there will be full and open access. This register will contain information concerning each object launched into space or beyond, including the name of the launching state

<sup>1</sup>Made at U.N. Headquarters on Jan. 24 (text from USUN press release 4).

or states, an appropriate designator for, or the registration number of, the object, the location and date of launch, basic orbital parameters, and a description of the general function of the object.

Third, the convention will provide for cooperative assistance by countries which have space monitoring and tracking facilities in the event that a country is unable to identify the nation of origin of a manmade space object which lands in its territory and causes damage.

### U.S. and Romania Sign Five-Year Agreement on Exchanges

*Following are texts of a Department announcement issued December 26 and the U.S.-Romania five-year Agreement on Cultural and Scientific Exchanges and Cooperation signed at Bucharest on December 13.*

Press release 547 dated December 26

#### DEPARTMENT ANNOUNCEMENT

On December 13, 1974, the United States and Romania signed a new five-year Agreement on Cultural and Scientific Exchanges and Cooperation, replacing the previous two-year accords at a lower level for programs in these fields. The agreement, which enters into force on January 1, 1975, provides for expanded cultural, scientific, and informational activity and incorporates in a separate article the 1969 understanding between the two countries which led to the establishment of the American Library in Bucharest.

A document outlining the specific program of exchanges and cooperation for the next two years was also signed by American Ambassador Harry G. Barnes, Jr., and Romanian Deputy Foreign Minister Vasile Gliga in a ceremony attended by members of the American Embassy and officials of the Romanian Ministry of Foreign Affairs and other Romanian institutions involved in the program.<sup>1</sup>

<sup>1</sup>For text of the 1975-76 program, see press release 547 dated Dec. 26.

The agreement and program provide for exchanges of students, researchers, and university lecturers in Romanian and American studies, as well as for short-term visitors in all fields. Continuing and expanding exchanges and cooperation between Romanian agencies and American private and governmental organizations in the fields of science and technology were also incorporated in the accords as well as provisions for activities in the performing and creative arts, motion pictures, exhibits, communications media, and sports. The accords also provide for exchanges of political leaders.

## TEXT OF AGREEMENT

### AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA ON COOPERATION AND EXCHANGES IN THE CULTURAL, EDUCATIONAL, SCIENTIFIC AND TECHNOLOGICAL FIELDS

The Government of the United States of America and the Government of the Socialist Republic of Romania,

Considering the historic ties of friendship between the American and Romanian peoples;

Believing that exchanges and cooperation in cultural, educational, scientific, technological and other fields will contribute to further knowledge and mutual understanding between the American and Romanian peoples and to the continued development of mutually beneficial relations between the two countries;

Recognizing that exchanges and cooperation between institutions of the two countries will contribute to the cultural and material development of their peoples;

Considering the existing exchanges and cooperation in these fields between the two countries, and desiring their further expansion;

Desiring to develop their relations on the basis of the principles set forth in the joint statement of the Presidents of the two States on December 5, 1973,

Agree as follows:

#### ARTICLE I

1. The Parties will encourage and develop exchanges and cooperation in the arts, culture, communications media, education, tourism, sports, and in other fields of common interest on the basis of mutual benefit and respect. They will provide opportunities for and facilitate appropriate direct contacts and cooperative activities between organizations,

institutions, and individuals of the two countries. Such exchanges, contacts and activities may include, but need not be limited to the following:

A. Exchange of students, instructors, professors, lecturers, researchers, education officials and specialists;

B. Exchange of books, periodicals, educational and teaching materials, including visual aids;

C. Organization of conferences, symposia, and seminars as well as joint research projects;

D. Direct cooperation and exchanges between universities and other institutions of higher education;

E. Study of the language, literature and culture of the two countries, at the University and other levels;

F. Exhibits of an artistic, cultural, educational or general informational nature;

G. Visits and exchanges of representatives in the fields of architecture, art, literature, music, theater and other arts, including professional and amateur groups of performing artists in music, dance and theater;

H. Showing of documentary and feature films, the organization of film weeks, as well as exchanges and other activities in the field of cinematography;

I. Visits and exchanges of athletes and athletic teams, as well as specialists in the fields of physical education and sports;

J. Visits and exchanges of journalists, editors, publishers and translators of literary works as well as cooperative activities between organizations in the fields of press, radio and television.

#### 2. The Parties will facilitate:

A. Distribution of cultural, informational and other materials designed to enrich the mutual knowledge of the peoples and their cultural values.

B. Access to libraries, museums, cultural centers, reading rooms and archives and the development of direct relations between these and other cultural institutions through exchanges of social, cultural, technical and scientific books, publications and microfilms.

3. The Parties will encourage, with the consent of the authors and in accordance with the legal requirements of the two countries, the translation and publication of literary and scientific works as well as works of a general nature, of the other country.

#### ARTICLE II

The Parties will continue to facilitate the activities of the American and Romanian Libraries in conformity with the Understanding of August 3, 1969.

#### ARTICLE III

1. The Parties will encourage and develop exchanges and cooperation in the fields of science,

technology and health on the basis of mutual benefit. They will facilitate, as appropriate, cooperative activities and direct contacts between organizations, institutions and specialists of the two countries. Such activities, contacts, and exchanges may include, but need not be limited to the following:

A. Joint research, development and implementation of programs and projects in basic and applied sciences, as well as exchanges of experience and research results;

B. Visits, study trips, and exchanges between scientists and specialists;

C. Organization of joint courses, conferences, seminars and symposia;

D. Organization of scientific and technical exhibits and displays on a non-commercial basis;

E. Exchanges of scientific and technical documentation and information, including scientific and technical films;

F. Other forms of scientific and technical cooperation as may be mutually agreed.

2. The Parties will take all appropriate measures to encourage and achieve the fulfillment of agreements and understandings mentioned in periodic programs of exchanges.

#### ARTICLE IV

The Parties will also encourage the conclusion, when considered necessary and mutually beneficial, of other understandings, arrangements and periodic programs of exchanges in the fields covered by this Agreement.

#### ARTICLE V

This Agreement, and the exchanges, contacts, and activities under it will be carried out subject to the Constitution and to applicable laws and regulations of each country. Within this framework, both Parties will exert their best efforts to promote favorable conditions for the fulfillment of the Agreement and the exchanges, contacts and cooperative activities under it.

#### ARTICLE VI

For the purpose of implementing this Agreement, the Parties will conclude periodic programs of exchanges which will detail the activities and exchanges, as well as the financial conditions, to be carried out.

The Parties will meet periodically to review current activities, to take appropriate measures, and to consider future activities.

#### ARTICLE VII

This Agreement will enter into force on January 1, 1975. The Agreement is valid for five years and may be automatically extended for additional periods of five years. It may be modified only by prior agreement of the Parties.

The Agreement may be terminated by either Party upon written notice to the other Party at least six months prior to its expiration.

DONE at Bucharest, in duplicate, the day of December 13, 1974, in the English and Romanian languages, both equally authentic.

For the Government of the United States of America:

HARRY G. BARNES, JR.

For the Government of the Socialist Republic of Romania:

VASILE GLIGA

## Current Actions

### MULTILATERAL

#### Aviation

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973. TIAS 7570.

*Ratification deposited:* Poland (with a reservation), January 28, 1975.

#### Customs

Customs convention on containers, 1972, with annexes and protocol. Done at Geneva December 2, 1972.<sup>1</sup>

*Accessions deposited:* German Democratic Republic (with declarations), October 4, 1974; New Zealand, December 20, 1974.<sup>2</sup>

#### Maritime Matters

Amendment of article VII of the convention on facilitation of international maritime traffic, 1965 (TIAS 6251). Adopted at London November 19, 1973.<sup>1</sup>

*Acceptances deposited:* Canada, December 19, 1974; France (with a declaration), December 12, 1974.

#### Narcotic Drugs

Single convention on narcotic drugs, 1961. Done at New York March 30, 1961. Entered into force December 13, 1964; for the United States June 24, 1967. TIAS 6298.

*Accession deposited:* Iceland, December 18, 1974. Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.<sup>1</sup>

*Accession deposited:* Thailand, January 9, 1975. Convention on psychotropic substances. Done at Vienna February 21, 1971.<sup>1</sup>

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

<sup>2</sup> Not applicable to the Cook Islands, Niue, and the Tokelau Islands.



*Ratification deposited:* Poland (with reservations), January 3, 1975.

*Accession deposited:* Iceland, December 18, 1974.

## Oil Pollution

International convention for the prevention of pollution of the sea by oil, 1954, as amended. Done at London May 12, 1954. Entered into force July 26, 1958; for the United States December 8, 1961. TIAS 4900, 6109.

*Acceptance deposited:* Malta, January 10, 1975.

International convention relating to intervention on the high seas in cases of oil pollution casualties, with annex. Done at Brussels November 29, 1969.<sup>1</sup>

*Accession deposited:* Union of Soviet Socialist Republics (with a declaration), December 30, 1974.

## Pollution

International convention for the prevention of pollution from ships, 1973, with protocols and annexes. Done at London November 2, 1973.<sup>1</sup>

*Signatures:* Australia (with a declaration), December 24, 1974; Brazil, December 12, 1974;<sup>2</sup> Ireland.<sup>3</sup> Netherlands,<sup>2</sup> December 30, 1974.

Protocol relating to intervention on the high seas in cases of marine pollution by substances other than oil. Done at London November 2, 1971.<sup>1</sup>

*Signatures:* Netherlands, December 30, 1974; New Zealand, December 23, 1974;<sup>2</sup> Union of Soviet Socialist Republics, December 30, 1974; United Kingdom, December 19, 1974.

## Property—Intellectual

Convention establishing the World Intellectual Property Organization. Done at Stockholm July 14, 1967. Entered into force April 26, 1970; for the United States August 25, 1970. TIAS 6932.

*Ratification deposited:* Monaco, December 3, 1974.

## Refugees

Protocol relating to the status of refugees. Done at New York January 31, 1967. Entered into force October 4, 1967; for the United States November 1, 1968. TIAS 6577.

*Accession deposited:* Zaïre, January 13, 1975.

## Safety at Sea

International convention for the safety of life at sea, 1974. Done at London November 1, 1974.<sup>1</sup>

*Signatures:* Belgium, December 17, 1974;<sup>3</sup> Poland, January 10, 1975.<sup>2</sup>

## Space

Convention on registration of objects launched into outer space. Opened for signature at New York January 14, 1975. Enters into force on deposit of the fifth instrument of ratification.

*Signatures:* France, January 14, 1975; United States, January 24, 1975.

## Terrorism—Protection of Diplomats

Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York December 14, 1973.<sup>1</sup>

*Signatures:* Australia, Italy, December 30, 1974; Romania (with a reservation), December 27, 1974.

## Trade

Protocol for the accession of the People's Republic of Bangladesh to the general agreement on tariffs and trade, with annex. Done at Geneva November 7, 1972. Entered into force December 16, 1972. TIAS 7552.

*Acceptance deposited:* Pakistan, January 17, 1975.

## Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Ratification deposited:* Switzerland, January 27, 1975.

*Accession deposited:* Nigeria, January 28, 1975. Protocol modifying and extending the food aid convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Ratification deposited:* Switzerland, January 27, 1975.

## BILATERAL

### Bulgaria

Consular convention, with agreed memorandum and exchange of letters. Signed at Sofia April 15, 1974.<sup>1</sup>

*Ratified by the President:* January 28, 1975.

### Republic of China

Agreement extending the agreement of January 23, 1969, relating to cooperation in science and technology. Effected by exchange of notes at Taipei January 21, 1975. Entered into force January 23, 1975.

### Malta

Agreement extending the agreement of June 14, 1967, as extended, relating to trade in cotton textiles. Effected by exchange of notes at Valletta December 27, 1974. Entered into force December 27, 1974.

### United Kingdom

Agreement amending and extending the agreement of July 3, 1958, as amended (TIAS 4078, 4267, 6659, 6861), for cooperation on the uses of atomic energy for mutual defense purposes. Signed at Washington July 22, 1974.

*Entered into force:* January 27, 1975.

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

<sup>2</sup> Not applicable to the Cook Islands, Niue, and the Tokelau Islands.

<sup>3</sup> Subject to ratification.

## First "Foreign Relations" Volume on China for 1949 Released

Press release 29 dated January 21 (for release January 31)

The Department of State released on January 31 volume IX in the series "Foreign Relations of the United States" for the year 1949. This volume is entitled "The Far East: China" and is one of two dealing with China for that year. The companion volume (VIII) is to be published subsequently.

The 1,441 pages of previously unpublished documentation contained in this volume set forth U.S. policy in a variety of important topics including the question of recognition of the new regime in mainland China, policy toward Taiwan, military and economic assistance to the Republic of China, financial and trade policy, the status of Tibet, and evacuation of Americans from the mainland. Documents are also included on the preparation and publication in August 1949 of "United States Relations With China" (also known as "the China White Paper"). The political and military situation in China and the status of U.S. diplomatic missions on the mainland will be covered in volume VIII.

The volume was prepared by the Historical Office, Bureau of Public Affairs. Copies of Volume IX (Department of State publication 8774; GPO cat. no. S1.1:949/v. IX) may be obtained for \$14.75 (domestic postpaid). Checks or money orders should be made out to "Superintendent of Documents" and should be sent to the U.S. Government Bookstore, Department of State, Washington, D.C. 20520.

## GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

**Mutual Defense Assistance.** Agreement with Belgium amending annex B to the agreement of January 27, 1950. TIAS 7866. 3 pp. 25¢. (Cat. No. S9.10:7866).

**Certificates of Airworthiness for Imported Aircraft Products and Components.** Agreement with the Netherlands. TIAS 7869. 9 pp. 25¢. (Cat. No. S9.10:7869).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with the Republic of Korea. TIAS 7871. 3 pp. 25¢. (Cat. No. S9.10:7871).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with Ethiopia. TIAS 7872. 3 pp. 25¢. (Cat. No. S9.10:7872).

**Agricultural Commodities.** Agreement with Pakistan amending the agreement of September 10, 1973, as amended. TIAS 7874. 3 pp. 30¢. (Cat. No. S9.10:7874).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with the Philippines. TIAS 7875. 3 pp. 30¢. (Cat. No. S9.10:7875).

### Check List of Department of State Press Releases: Jan. 27—Feb. 2

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

Releases issued prior to January 27 which appear in this issue of the BULLETIN are Nos. 547 of December 26, 23 of January 21, and 27 and 29 of January 24.

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30	1/27	Notice of time for filing claims against Syria by U.S. nationals.
*31	1/27	Advisory Committee on the Law of the Sea, Mar. 1.
†32	1/27	U.S.-France Cooperative Science Program meeting.
*33	1/28	U.S.-Malta textile agreement extended.
*34	1/28	Program for the official visit of the Prime Minister of the United Kingdom, Harold Wilson, Jan. 29—Feb. 1.
35	1/28	Kissinger: news conference.
36	1/29	Johnson: interview for Eurovision.
*37	1/29	Ray sworn in as Assistant Secretary for Oceans and Environmental and Scientific Affairs (biographic data).
*38	1/29	National Review Board for the Center for Cultural and Technical Interchange between East and West, Honolulu, Mar. 17—18.
*39	1/31	Todman sworn in as Ambassador to Costa Rica (biographic data).
*40	1/31	U.S. Advisory Commission on International Educational and Cultural Affairs, Feb. 25.

\* Not printed.

† Held for a later issue of the BULLETIN.

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# THE DEPARTMENT OF STATE BULLETIN

Volume LXXII • No. 1861 • February 24, 1975

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# THE DEPARTMENT OF STATE BULLETIN

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## Energy: The Necessity of Decision

### ADDRESS BY SECRETARY KISSINGER<sup>1</sup>

I appreciate this opportunity to speak to you on the question of energy.

The subject is timely, for this week marks an important moment in both our national and international response to the energy crisis.

On Wednesday, the Governing Board of the International Energy Agency (IEA) convenes in Paris for its monthly meeting. This organization, which grew out of the Washington Energy Conference, represents one of the major success stories of cooperation among the industrialized democracies in the past decade. In recent months it has begun to mobilize and coordinate the efforts of the industrial democracies in energy conservation, research, and development of new energy sources. The IEA already has put in place many of the building blocks of a coordinated energy policy. At the forthcoming meeting, the United States will advance comprehensive proposals for collective action, with special emphasis on the development of new energy sources and the preparation of a consumer position for the forthcoming dialogue with the producers.

Equally important, we are now engaged in a vital national debate on the purposes and requirements of our national energy program. Critical decisions will soon be made by the Congress, decisions that will vitally affect other nations as well as ourselves.

The international and national dimensions of the energy crisis are crucially linked. What happens with respect to international energy policy will have a fundamental effect

on the economic health of this nation. And the international economic and energy crisis cannot be solved without purposeful action and leadership by the United States. Domestic and international programs are inextricably linked.

The energy crisis burst upon our consciousness because of sudden, unsuspected events. But its elements have been developing gradually for the better part of two decades.

In 1950, the United States was virtually self-sufficient in oil. In 1960, our reliance on foreign oil had grown to 16 percent of our requirements. In 1973, it had reached 35 percent. If this trend is allowed to continue, the 1980's will see us dependent on imported oil for fully half of our needs. The impact on our lives will be revolutionary.

This slow but inexorable march toward dependency was suddenly intensified in 1973 by an oil embargo and price increases of 400 percent in less than a single year. These actions—largely the result of political decisions—created an immediate economic crisis, both in this country and around the world. A reduction of only 10 percent of the imported oil, and lasting less than half a year, cost Americans half a million jobs and over 1 percent of national output; it added at least 5 percentage points to the price index, contributing to our worst inflation since World War II; it set the stage for a serious recession; and it expanded the oil income of the OPEC [Organization of Petroleum Exporting Countries] nations from \$23 billion in 1973 to a current annual rate of \$110 billion, thereby effecting one of the greatest and most sudden transfers of wealth in history.

The impact on other countries much more

<sup>1</sup> Made before the National Press Club at Washington on Feb. 3; as prepared for delivery (text from press release 42).

dependent on oil imports has been correspondingly greater. In all industrial countries, economic and political difficulties that had already reached the margin of the ability of governments to manage have threatened to get out of control.

Have we learned nothing from the past year? If we permit our oil consumption to grow without restraint, the vulnerability of our economy to external disruptions will be grossly magnified. And this vulnerability will increase with every passing year. Unless strong corrective steps are taken, a future embargo would have a devastating impact on American jobs and production. More than 10 percent of national employment and output, as well as a central element of the price structure of the American economy, would be subject to external decisions over which our national policy can have little influence.

As we learned grimly in the 1920's and 1930's, profound political consequences inevitably flow from massive economic dislocations. Economic distress fuels social and political turmoil; it erodes the confidence of the people in democratic government and the confidence of nations in international harmony. It is fertile ground for conflict, both domestic and international.

The situation is not yet so grave. But it threatens to become so. The entire industrialized world faces at the same time a major crisis of the economy, of the body politic, and of the moral fiber. We and our partners are being tested—not only to show our technical mastery of the problems of energy but, even more important, to show if we can act with foresight to regain control of our future.

For underlying all difficulties, and compounding them, is a crisis of the spirit—the despair of men and nations that they have lost control over their destiny. Forces seem loose beyond the power of government and society to manage.

In a sense we in America are fortunate that political decisions brought the energy problem to a head before economic trends had made our vulnerability irreversible. Had we continued to drift, we would eventually have found ourselves swept up by

forces much more awesome than those we face today.

As it is, the energy crisis is still soluble. Of all nations, the United States is most affected by the sudden shift from near self-sufficiency to severe dependence on imported energy. But it is also in the best position to meet the challenge. A major effort now—of conservation, of technological innovation, of international collaboration—can shape a different future for us and for the other countries of the world. A demonstration of American resolve now will have a decisive effect in leading other industrial nations to work together to reverse present trends toward dependency. Today's apparently pervasive crisis can in retrospect prove to have been the beginning of a new period of creativity and cooperation.

One of our highest national priorities must be to reduce our vulnerability to supply interruption and price manipulation. But no one country can solve the problem alone. Unless we pool our risks and fortify the international financial system, balance-of-payments crises will leave all economies exposed to financial disruption. Unless all consuming nations act in parallel to reduce energy consumption through conservation and to develop new sources of supply, the efforts of any one nation will prove futile, the price structure of oil will not be reformed, and the collective economic burden will grow. And unless consumers concert their views, the dialogue with the producers will not prove fruitful.

The actions which the United States takes now are central to any hope for a global solution. The volume of our consumption, and its potential growth, are so great that a determined national conservation program is essential. Without the application of American technology and American enterprise, the rapid development of significant new supplies and alternative sources of energy will be impossible.

There is no escape. The producers may find it in their interest to ease temporarily our burdens. But the price will be greater dependence and greater agony a few years from now. Either we tackle our challenge



immediately, or we will confront it again and again in increasingly unfavorable circumstances in the years to come. If it is not dealt with by this Administration, an even worse crisis will be faced by the next—and with even more anguishing choices.

History has given us a great opportunity disguised as a crisis. A determined energy policy will not only ease immediate difficulties, it will help restore the international economy, the vitality of all the major industrial democracies, and the hopes of mankind for a just and prosperous world.

### **The Strategy of Energy Cooperation**

We and our partners in the International Energy Agency have been, for a year, pursuing strategy in three phases:

—The first phase is to protect against emergencies. We must be prepared to deter the use of oil or petrodollars as political weapons, and if that fails, we must have put ourselves in the best possible defensive position. To do this, we have established emergency sharing programs to cope with new embargoes and created new mechanisms to protect our financial institutions against disruption. This stage of our common strategy is well on the way to accomplishment.

—The second phase is to transform the market conditions for OPEC oil. If we act decisively to reduce our consumption of imported oil and develop alternative sources, pressure on prices will increase. Measures to achieve this objective are now before the International Energy Agency or national parliaments; we expect to reach important agreements on them before the end of March.

—Once the consumer nations have taken these essential steps to reduce their vulnerability, we will move to the third stage of our strategy: to meet with the producers to discuss an equitable price, market structure, and long-term economic relationship. Assuming the building blocks of consumer solidarity are in place, we look toward a preparatory meeting for a producer-consumer conference before the end of March.

Our actions in all these areas are inter-related. It is not possible to pick and choose; since they are mutually reinforcing, they are essential to each other. No emergency program can avail if each year the collective dependence on OPEC oil increases. New sources of energy, however vast the investment program, will be ineffective unless strict measures are taken to halt the runaway, wasteful growth in consumption. Unless the industrial nations demonstrate the political will to act effectively in *all* areas, the producers will be further tempted to take advantage of our vulnerability.

In recent months we and our partners have taken important steps to implement our overall strategy. Two safety nets against emergencies have been put in place. In November, the IEA established an unprecedented plan for mutual assistance in the event of a new embargo. Each participating nation is committed to build an emergency stock of oil. In case of embargo, each nation will cut its consumption by the same percentage, and available oil will be shared. An embargo against one will become an embargo against all.

And in January, the major industrial nations decided to create a \$25 billion solidarity fund for mutual support in financial crises—less than two months after it was first proposed by the United States. This mutual insurance fund will furnish loans and guarantees to those hardest hit by payments deficits, thus safeguarding the international economy against shifts, withdrawals, or cut-offs of funds by the producers.

The next steps should be to accelerate our efforts in the conservation and development of new energy sources. Action in these areas, taken collectively, will exert powerful pressures on the inflated price. No cartel is so insulated from economic conditions that its price structure is invulnerable to a transformation of the market. Because of the reduced consumption in the past year, OPEC has already shut down a fourth of its capacity, equaling 9 million barrels a day, in order to keep the price constant. New oil exploration, accelerated by the fivefold-higher price, is constantly discovering vast new reserves

outside of OPEC. The \$10 billion in new energy research in the United States—on the scale of the Manhattan project and the moon-landing program—is certain to produce new breakthroughs sooner or later.

As the industrialized nations reduce consumption and increase their supply, it will become increasingly difficult for OPEC to allocate the further production cuts that will be required among its members. Even now, some OPEC members are shaving prices to keep up their revenue and their share of the market. Indeed, it is not too soon in this decade of energy shortages to plan for the possibility of energy surpluses in the 1980's.

The strategy we have been pursuing with our partners since the Washington Energy Conference has linked our domestic and international energy policies into a coherent whole. We have made remarkable progress, but much remains to be done. The question now is whether the industrialized countries have the will to sustain and reinforce these promising initiatives. Conservation and the development of new sources of energy are the next priorities on our common agenda.

### Conservation

Unconstrained consumption of cheap oil is the principal cause of the present vulnerability of the industrial countries. Neither the United States nor other consumers can possibly reduce their dependence on imports until they reverse the normal—which is to say wasteful—growth of consumption.

There is simply no substitute for conservation. Alternative energy supplies will not be available for five or ten years. In the next few years conservation, and only conservation, will enable us both to absorb the present burden of high energy costs and to begin to restore the balance of consumer-producer relations.

Only a determined program of conservation can demonstrate that we and our partners have the will to resist pressures. If the industrialized nations are unwilling to make the relatively minor sacrifices involved in conservation, then the credibility of all our

other efforts and defensive measures is called into question.

Some say we face a choice between conservation and restoring economic growth. The contrary is true. Only by overcoming exorbitant international energy costs can we achieve reliable long-term growth. If we doom ourselves to 50 percent dependence on imported energy, with the supply and price of a central element of our economy subject to external manipulation, there is no way we can be sure of restoring and sustaining our jobs and growth. These decisions will depend on foreign countries for whom our prosperity is not necessarily a compelling objective.

To be sure, conservation—by any method—will have an economic cost. The restructuring away from production and consumption of energy-intensive goods which it entails incurs shortrun dislocations. At a time of recession, this must concern us. Yet these costs are small compared to what will be exacted from us if we do not act. Without conservation, we will perpetuate the vulnerability of our economy and our national policy. And we will perpetuate as well the excessive international energy prices which are at the heart of the problem.

At present, the United States—in the midst of recession—is importing 6.7 million barrels of oil a day. When our economy returns to full capacity that figure will rise; by 1977, it will be 8 or 9 million barrels a day in the absence of conservation. Imports will continue to grow thereafter. Even with new production in Alaska and the outer continental shelf, this import gap will remain if we do not reduce consumption significantly and rapidly.

With these prospects in mind, President Ford has set the goal of saving a million barrels a day of imports by the end of this year and 2 million by 1977. That amounts to the increase in dependence that would occur as the economy expands again, in the absence of a conservation program.

Our conservation efforts will be powerfully reinforced by the actions of our IEA partners and of other interested countries such

as France. Their collective oil consumption equals ours, and they are prepared to join with us in a concerted program of conservation; indeed, some of them have already instituted their own conservation measures. But any one country's efforts will be nullified unless they are complemented by other consumers. This is why the United States has proposed to its IEA partners that they match our respective conservation targets. Together we can save 2 million barrels a day this year and at least 4 million barrels in 1977.

If these goals are reached, under current economic conditions OPEC will have to reduce its production further; even when full employment returns, OPEC will have surplus capacity. More reductions will be hard to distribute on top of the existing cutbacks of 9 million barrels a day. As a result, pressures to increase production or to lower prices will build up as ambitious defense and development programs get underway. By 1977, some oil producers will have a payments deficit; competition between them for the available market will intensify. The cartel's power to impose an embargo and to use price as a weapon will be greatly diminished.

But if America—the least vulnerable and most profligate consumer—will not act, neither will anyone else. Just as our action will have a multiplier effect, so will our inaction stifle the efforts of others. Instead of reducing our collective imports, we will have increased them by 2–4 million barrels a day. OPEC's ability to raise prices, which is now in question, will be restored. In exchange for a brief respite of a year or two, we will have increased the industrialized world's vulnerability to a new and crippling blow from the producers. And when that vulnerability is exposed to public view through a new embargo or further price rises, the American people will be entitled to ask why their leaders failed to take the measures they could have when they should have.

One embargo—and one economic crisis—should be enough to underline the implications of dependency.

## The Importance of New Supplies

Conservation measures alone, crucial as they are, cannot permanently reduce our dependence on imported oil. To eliminate dependence over the long term, we must accelerate the development of alternative sources of energy. This will involve a massive and complex task. But for the country which broke the secret of fission in five years and landed men on the moon in eight years, the challenge should be exciting. The Administration is prepared to invest in this enterprise on a scale commensurate with those previous pioneering efforts; we are ready as well to share the results with our IEA partners on an equitable basis.

Many of the industrialized countries are blessed with major energy reserves which have not yet been developed—North Sea oil, German coal, coal and oil deposits in the United States, and nuclear power in all countries. We have the technical skill and resources to create synthetic fuels from shale oil, tar sands, and coal gasification and liquefaction. And much work has already been done on such advanced energy sources as breeder reactors, fusion, and solar power.

The cumulative effort will of necessity be gigantic. The United States alone shall seek to generate capital investments in energy of \$500 billion over the next 10 years. The Federal Government will by itself invest \$10 billion in research into alternative energy sources over the next five years, a figure likely to be doubled when private investment in research is included.

But if this effort is to succeed, we must act now to deal with two major problems—the expense of new energy sources and the varying capacities of the industrialized countries.

New energy sources will cost considerably more than we paid for energy in 1973 and can never compete with the production costs of Middle Eastern oil.

This disparity in cost poses a dilemma. If the industrial countries succeed in developing alternative sources on a large scale, the demand for OPEC oil will fall, and inter-

national prices may be sharply reduced. Inexpensive imported oil could then jeopardize the investment made in the alternative sources; the lower oil prices would also restimulate demand, starting again the cycle of rising imports, increased dependence, and vulnerability.

Thus, paradoxically, in order to protect the major investments in the industrialized countries that are needed to bring the international oil prices down, we must insure that the price for oil on the domestic market does not fall below a certain level.

The United States will therefore make the following proposal to the International Energy Agency this Wednesday:

In order to bring about adequate investment in the development of conventional nuclear and fossil energy sources, the major oil-importing nations should agree that they will not allow imported oil to be sold domestically at prices which would make those new sources noncompetitive.

This objective could be achieved in either of two ways. The consumer nations could agree to establish a common floor price for imports, to be implemented by each country through methods of its own choosing such as import tariffs, variable levies, or quotas. Each country would thus be free to obtain balance-of-payments and tax benefits without restimulating consumption, if the international price falls below agreed levels. Alternatively, IEA nations could establish a common IEA tariff on oil imports. Such a tariff could be set at moderate levels and phased in gradually as the need arises.

President Ford is seeking legislation requiring the executive branch to use a floor price or other appropriate measures to achieve price levels necessary for our national self-sufficiency goals.

Intensive technical study would be needed to determine the appropriate level at which prices should be protected. We expect that they will be considerably below the current world oil prices. They must, however, be high enough to encourage the long-range development of alternative energy sources.

These protected prices would in turn be a point of reference for an eventual consumer-

producer agreement. To the extent that OPEC's current high prices are caused by fear of precipitate later declines, the consuming countries, in return for an assured supply, should be prepared to offer producers an assured price for some definite period so long as this price is substantially lower than the current price.

In short, the massive development of alternative sources by the industrial countries will confront OPEC with a choice: they can accept a significant price reduction now in return for stability over a longer period, or they can run the risk of a dramatic break in prices when the program of alternative sources begins to pay off. The longer OPEC waits, the stronger our bargaining position becomes.

The second problem is that the capacities of the industrialized countries to develop new energy sources vary widely. Some have rich untapped deposits of fossil fuels. Some have industrial skills and advanced technology. Some have capital. Few have all three.

Each of these elements will be in great demand, and ways must be found to pool them effectively. The consumers therefore have an interest in participating in each other's energy development programs.

Therefore the United States will propose to the IEA this Wednesday the creation of a synthetic fuel consortium within IEA. Such a body would enable countries willing to provide technology and capital to participate in each other's synthetic energy projects. The United States is committed to develop a national synthetic fuel capacity of 1 million barrels a day by 1985; other countries will establish their own programs. These programs should be coordinated and IEA members should have an opportunity to share in the results by participating in the investment. Qualifying participants would have access to the production of the synthetics program in proportion to their investment.

In addition, the United States will propose the creation of an energy research and development consortium within IEA. Its primary task will be to encourage, coordinate, and pool large-scale national research efforts in fields—like fusion and solar power—where

the costs in capital equipment and skilled manpower are very great, the lead times very long, but the ultimate payoff in low-cost energy potentially enormous.

The consortium also would intensify the comprehensive program of information exchange which—with respect to coal, nuclear technology, solar energy, and fusion—has already begun within the IEA. We are prepared to earmark a substantial proportion of our own research and development resources for cooperative efforts with other IEA countries which are willing to contribute. Pooling the intellectual effort of the great industrial democracies is bound to produce dramatic results.

When all these measures are implemented, what started as crisis will have been transformed into opportunity; the near-panic of a year ago will have been transformed into hope; vulnerability will have been transformed into strength.

#### **Mutual Interests of Consumers and Producers**

Consumer solidarity is not an end in itself. In an interdependent world, our hopes for prosperity and stability rest ultimately on a cooperative long-term relationship between consumers and producers.

This has always been our objective. It is precisely because we wish that dialogue to be substantive and constructive that we have insisted that consumers first put their own house in order. Collective actions to restore balance to the international economic structure, and the development in advance of common consumer views on the agenda, will contribute enormously to the likelihood of the success of the projected consumer-producer dialogue. Without these measures, discussions will only find us restating our divisions and tempt some to seek unilateral advantages at the expense of their partners. The result will be confusion, demoralization, and inequity, rather than a just reconciliation between the two sides.

A conciliatory solution with the producers is imperative, for there is no rational alternative. The destinies of all countries are linked to the health of the world economy.

The producers seek a better life for their peoples and a future free from dependence on a single depleting resource; the industrialized nations seek to preserve the hard-earned economic and social progress of centuries; the poorer nations seek desperately to resume their advance toward a more hopeful existence. The legitimate claims of producers and consumers, developed and developing countries, can and must be reconciled in a new equilibrium of interest and mutual benefit.

We must begin from the premise that we can neither return to past conditions nor tolerate present ones indefinitely. Before 1973, market conditions were often unfair to the producers. Today, they are unbearable for the consumers; they threaten the very fabric of the international economic system, on which, in the last analysis, the producers are as dependent for their well-being as the consumers.

As the consumers approach their preparatory meeting with the producers, what are the basic principles that should guide them?

The United States will propose the following approach to its partners in the IEA:

First, we should explore cooperative consumer-producer action to recycle the huge financial surpluses now accumulating. The oil producers understand that these new assets—which are far greater than they can absorb—may require new management mechanisms. At the same time, the industrial nations know that the stability of the global economic structure requires the constructive participation of the producers.

Second, and closely related to this, is the need to examine our internal investment policies. The oil producers need productive outlets for their revenues; the industrial democracies, while they should welcome new investment, will want to retain control of essential sectors of their economies. These needs can be reconciled through discussion and agreement between consumers and producers.

Third, we must help the producer nations find productive use for their wealth in their own development and in reducing their de-

pendence on a depleting resource. New industries can be established, combining the technology of the industrialized world with the energy and capital of the producers for their own benefit and that of the poorer nations. The creation of fertilizer and petrochemical plants is among the more promising possibilities.

Fourth, the oil-producing countries and the industrial consuming countries share a responsibility to ease the plight of the poorest nations, whose economies have been devastated by OPEC's price increases. Technology and capital must be combined in an international effort to assist those most seriously affected by the current economic crisis.

Fifth is the need to provide consumers with a secure source of supply. Another attempt to use oil as a weapon would gravely threaten the economies of the industrial nations and destroy the possibilities of consumer-producer cooperation. Oil-sharing arrangements by the consumers would blunt its impact at first, but over time an atmosphere of confrontation would be inevitable. Thus, if the producer-consumer dialogue is to be meaningful, understandings on long-term supplies are essential.

A central issue, of course, will be price. It is vital to agree on prices for the long run which will satisfy the needs of consumers and producers alike. The balance-of-payments crisis of the consumers must be eased; at the same time, the producers are entitled to know that they can count on a reasonable level of income over a period of time.

The United States is ready to begin consultations with the other major consuming nations on this agenda. We will be prepared to expand on these proposals and will welcome the suggestions of our friends so that we can fashion together a common and positive program.

In sum, consumers and producers are at a crossroads. We have the opportunity to forge new political and institutional relationships, or we can go our separate ways, each paying the price for our inability to take the long view. Mutual interest should bring us closer

together; only selfishness can keep us apart. The American approach will be conciliatory.

The implications for the structure of world politics are profound. If we act with statesmanship we can shape a new relationship between consumer and producer, between developed and developing nations, that will mark the last quarter of the 20th century as the beginning of the first truly global, truly cooperative international community.

### **The Need for United Action**

The United States will soon celebrate the 200th anniversary of its independence. In those 200 years Americans have gloried in freedom, used the blessings of nature productively, and jealously guarded our right to determine our fate. In so doing, we have become the most powerful nation on earth and a symbol of hope to those who yearn for progress and value justice. Yet now we sometimes seem uncertain of our future, disturbed by our recent past, and confused as to our purpose. But we must persevere, for we have no other choice. Either we lead, or no one leads; either we succeed, or the world will pay for our failure.

The energy challenge is international; it can only be met by the cooperative actions of all the industrial democracies. We are far advanced with our partners toward turning a major challenge into bold creation and determined response.

But our hopes for the future rest heavily on the decisions we take on our own domestic energy program in the days and weeks ahead. Our example—for good or ill—will chart the course for more than ourselves alone. If we hesitate or delay, so will our partners. Undoing measures already instituted, without putting an alternative program in their place, will have implications far transcending the immediate debate.

The United States bears world responsibility not simply from a sense of altruism or abstract devotion to the common good, although those are attributes hardly deserving of apology. We bear it, as well, because we recognize that America's jobs and pros-

perity—and our hopes for a better future—decisively depend upon a national effort to fashion a unified effort with our partners abroad. Together we can retain control over our affairs and build a new international structure with the producers. Apart we are hostages to fate.

A domestic program that will protect our independence, a cooperative program with other consumers, and accommodation with producers—these are the indispensable and inseparable steps toward a new equilibrium of interest and justice. No one step can succeed in the absence of the other two.

It is the glory of our nation that when challenged, we have always stepped forward with spirit and a will to dare great things. It is now time to do so again and in so doing to reaffirm to ourselves and to the world that this generation of Americans has the integrity of character to carry on the noble experiment that began two centuries ago.

## QUESTIONS AND ANSWERS

*The Chairman [William Broom, president, National Press Club]: Thank you, Mr. Secretary.*

*Mr. Secretary, in November you, the Secretary of the Treasury, and Mr. Arthur Burns, the Chairman of the Federal Reserve Board, all made speeches emphasizing the imperative need to bring about a lowering of the OPEC prices of oil. Now the Administration is advocating an energy policy based upon a price even higher than the OPEC price. What happened between November and now?*

*Secretary Kissinger:* I do not think it is correct to say that the Administration's energy policy is based on an increase in price. The Administration's energy policy attempts to reduce consumption. The increase in price that is designed to reduce consumption will be rebated to the American public so that the inflationary impact will be severely minimized, if not eliminated. So we are not dealing here with an increase in price that produces a balance-of-payments drain. We are dealing with a technical measure designed

to reduce consumption for the reasons that I have explained, and the increase will then be rebated in various ways to the American people.

*Q. Our audience has many questions for you today, Mr. Secretary. A second one here concerns what you anticipate from our allies. The first questioner asks, what result might you foresee if IEA nations do not all agree on some method of establishing floor prices; specifically, what results if only the U.S.A. does so? And secondly, someone wonders if you can identify or expect any European country or any consuming nation not to act in parallel in the consumer bloc.*

*Secretary Kissinger:* The proposal about a floor price will of course only be formally submitted to our allies on Wednesday. But we have had some exploratory conversations which lead us to believe that the proposal will receive a sympathetic reception. The United States is of course in a position to establish such a price for itself, and given the scale of its investment, it could carry out a very massive program for the development of alternative energy sources. But in order to achieve the objectives which I have described, the cooperation of all the consumers would be extremely important.

I would not want to identify—indeed, I do not know any consumers that are likely to disagree. I believe that the cooperation of the nations in IEA, as I pointed out in my speech, has been one of the great success stories of the last decade and a half. Within the space of less than a year, very major steps have been taken in the field of conservation, in the field of emergency sharing, and in the field of financial solidarity. And I have every confidence that the spirit of cooperation that has brought us to this point will hold in the months ahead.

*Q. A number of questions on price. What do you estimate the protected price of oil will be? For how long will it be protected? How will the long-term protected price be affected by inflation? And based on your remarks, what do you believe is the minimum price per barrel for domestic oil that will be required to keep U.S. investments competitive?*

*Secretary Kissinger:* Well, the precise price would have to be established first by more detailed technical studies and then in consultation with our partners that also have an interest in the problem. However, it can be stated now that the protected price would be substantially below the existing world price. It would have to be protected for a period of time sufficient to justify the massive investment in the alternative sources that are called for.

With respect to the impact of inflation on the protected price, if a long-term price arrangement were made with the producers and if the price were pegged at a level considerably below current world prices, the United States would not exclude discussing indexing in relation to it.

*Q. If the cost of oil in the United States and in the major industrial nations remains above the level of exported oil or Communist country prices, how are U.S. or European exporters of petrochemicals going to cope with competition from Eastern European or other nations?*

*Secretary Kissinger:* Well, this assumes that there is an unlimited capacity by the Soviet Union to expand its oil exports at lower prices, and we doubt seriously that this capacity exists.

*Q. Have you had any reaction as yet from the oil-producing countries' leaders regarding President Ford's plan to impose the import levy on oil in this country? What is the possibility that the oil-producing countries will use that as a reason for a further price increase?*

*Secretary Kissinger:* We have not had any reaction from the oil-producing countries with respect to the President's import tax. I believe also that the oil producers very clearly understand the difference between a price increase that compounds a balance-of-payments deficit and a price increase that is rebated to the consumers.

*Q. Do you agree, Mr. Secretary, with Senator Church's proposal that the United States set up an oil purchasing agency as one way*

*of eliminating unnecessary competition for profits and supplies?*

*Secretary Kissinger:* I have frankly not had an opportunity to study this proposal in great detail, and I therefore would rather withhold judgment.

*Q. An enterprising member of the audience asks, can we trade U.S. wheat for Russian oil?*

*Secretary Kissinger:* That, too, is something I would like to examine a little bit. [Laughter and applause.]

*Q. We have a number of questions on other countries, particularly the Middle East, where you will be going within a very short space of time. Will it be possible to arrange a further military disengagement on the Sinai with Egypt without further progress with Syria on the Golan Heights? And secondly, will the time come when the United States will have to deal with the Palestine Liberation Organization (PLO)?*

*Secretary Kissinger:* If I didn't believe that there was some possibility of progress in further negotiations I would not, obviously, go to the Middle East. Of course any step that is taken should only be considered as an interim step toward a final peace. And all other of the nations in the Middle East will have to participate in that next step—or will have to participate, not in the forthcoming step, but will have to participate in a negotiation for a final peace.

With respect to the PLO, we have stated our position repeatedly, that there is no possibility of a negotiation as long as the PLO does not recognize the existence of Israel.

*Q. How do you explain shipments of American airplanes to the Middle East and to the Arab countries in view of the possibility of the renewal of an Arab embargo on oil?*

*Secretary Kissinger:* In my press conference last week, I explained the American policy with respect to arms shipments to other countries as follows: The questions



that have to be answered are whether a threat to the security of these countries exists in the minds of these countries; whether the United States considers this a realistic appraisal; whether the United States has an interest in the stability and security of the countries concerned; and finally, whether, if the United States does not supply these weapons, these countries would remain without weapons.

In the case of the arms shipments to which the United States has agreed, we believe that the answer to each question can be affirmative—and in view of the various balance-of-payments considerations that I have earlier outlined, also in our interest. But the controlling decision is not a commercial one. The controlling decision is the political one that I explained.

*Q. Four or five questions on Cuba. The first one asks whether you have any comment on Senator Sparkman's recent remarks about resuming U.S. relations with Cuba and what are the chances that U.S. policy toward Cuba will change this year.*

*Secretary Kissinger:* I'm brave but not reckless. [Laughter.]

In the spirit of partnership between the Congress and the executive that I called for recently, I would like to say that we are examining our policy toward Cuba—that we are prepared to look at various of the measures that have been taken in the inter-American system with a view toward seeing what can be done in our Cuban relationship.

*Q. Do you see any possibility, Mr. Secretary, of an opportunity for the United States to sell some goods to Cuba in the near future to help us with our balance of payments?*

*Secretary Kissinger:* Whatever decision will be made on Cuba is not going to be dictated by economic considerations. It will grow out of our assessment in the international context, as well as our overall relationships with the Western Hemisphere.

*Q. Let's switch to the Eastern Hemisphere for a moment. A member of the audience notes that Chinese leaders are reportedly dis-*

*satisfied at the pace of Sino-American rapprochement. When will the United States recognize mainland China? Will it be during President Ford's visit to China this year? And, presuming, when will we withdraw U.S. troops from Taiwan?*

*Secretary Kissinger:* I read these accounts with great interest, but of course we can only deal with the expressions that the Chinese leaders make to American officials. And we do not have the impression that the Chinese leaders are dissatisfied with the state of Chinese-American relations. We are committed in the Shanghai communique to proceed toward the normalization of relations with the People's Republic of China. We are determined to carry out not only the letter but the spirit of the Shanghai communique, and we will base our improving relations with the People's Republic of China on these principles.

*Q. Within a few days, the Prime Minister of Pakistan will be paying a visit to Washington. Is the United States ready to lift the embargo on arms to Pakistan when Prime Minister Bhutto is here this week?*

*Secretary Kissinger:* The question about Pakistan, an ally which is in the curious position of being subject to American embargo, is always before us—especially at a time when the Prime Minister of Pakistan visits the United States. No decisions have yet been made, and I doubt that any final decision will be made while Prime Minister Bhutto is here. But of course it is always a subject that is seriously examined in preparation for his visit and of course will be discussed.

*Q. A pair of questions on Viet-Nam. Is the division of South Viet-Nam into Government and Viet Cong regions a feasible way to stop the fighting? Or—to put it another way—another questioner asks, despite any agreements that have been made or will be made, do you feel there can be peace in Viet-Nam as long as North Vietnamese troops occupy any part of South Viet-Nam?*

*Secretary Kissinger:* The United States

has always been prepared, together with the Government in Saigon, to see to it that peace is maintained in South Viet-Nam along the demarcation lines that existed when the armistice agreement was signed. It is the Communist side which has consistently refused to agree to a demarcation and to deploy the international control teams by which such a demarcation would be insured.

Under the agreement in January 1973, there was no requirement for the withdrawal of the North Vietnamese troops which were then in South Viet-Nam. But there was a flat prohibition against any further increase in their numbers—or, indeed, a flat prohibition against sending any new personnel. This prohibition has been consistently violated from the very first day of the agreement. And the only security problem in South Viet-Nam is the presence of North Vietnamese military forces.

*Q. Back to the Western Hemisphere. Today's Washington Post reported some conclusions by former Chilean Ambassador Orlando Letelier, who alleged that he had been deceived about CIA involvement with the opposition to the Allende government. In retrospect, should any of the CIA's activities have been different—do you regret the outcome?*

*Secretary Kissinger:* I found it amazing that the front page of a leading newspaper would report a totally unsupported story by an individual who, after all, was not exactly disinterested and who told a rather amazing tale that he had been invited to the house of a Washington columnist to receive a special message from me.

Now, it would be an interesting question—who exactly passed that message to him that he should come to the house of that columnist. That columnist does not remember such an incident; I do not remember such an incident. And while our denial was duly reported in the last paragraph of the story, one would not be able to determine that from the front page of an article that can only be designed to prove that I was telling a lie for purposes that are totally

unclear by a man who has a profound interest in the problem. And I might say I find it particularly painful because I have not been uninvolved in his release from prison in Chile. [Applause.]

*Q. A pair of questions here about food as it relates to the present energy crisis. One questioner wants to know if there is a plan to use food as a weapon in the strategy of the consuming nations against the oil-producing countries.*

*Secretary Kissinger:* In my first public statement as Secretary of State, two days after I was sworn in, I proposed the convening of a World Food Conference. I did so because it seemed to me that if we were serious about our assertions that the world was interdependent and that a new world order had to be instituted based on this principle, then we had a moral and political obligation to use the resource which we have in surplus for the benefit of all of mankind. We made proposals at the World Food Conference which were designed to alleviate the chronic food shortage that exists all over the world; and we emphasized that whatever the level of American food aid, we would not be able to deal with the chronic problem by American food alone—that it was necessary to increase the productivity, especially in less developed countries, to improve the distribution, and to take other fundamental measures of agricultural reform, to which the United States will contribute.

With respect to American food aid, which is a separate problem, a very large percentage of this food aid is given for primarily humanitarian purposes. There are, of course, countries where we are conscious that this food aid also helps us politically, and we have no reason to apologize for this. But even in those countries there is a profound need for food.

We have worked closely with Senator Humphrey, with Senator Hatfield—first, to produce the maximum level of food aid that was possible and, secondly, to allocate it in a manner that met both the humanitarian and other needs of this country.

Q. In that connection, Mr. Secretary, in the final moments of drafting the budget, \$178 million was apparently added to the total available for the P.L. 480 Food for Peace program. Some people are crediting you with arguing for the addition of that \$178 million. Who is going to receive it? How much of the total food aid available will go to most seriously affected (MSA) countries? Have Cambodia and South Viet-Nam been added to the MSA list?

Secretary Kissinger: I can hardly keep up with the newspaper reports printing the breakdown of various working papers with respect to food aid, none more recent, incidentally, than two months. I, frankly, don't know the exact figure that was added in recent weeks to the budget. But, again, if you remember—I don't know why I assume that each of you remember every detail of every speech I gave; I look at my staff here and they have to open staff meetings by rehearsing them, in spite of their prayers. [Laughter.]

But in that speech I indicated that the United States would support the highest possible level of food aid. The only reason we did not announce the level then was because of the impact on American domestic prices and because we were afraid that if the result of announcing a high level of food aid would be to push up the American domestic food prices, that then congressional support for the food aid program might evaporate altogether. Therefore we have consistently been at the highest level that was compatible with our domestic price structure.

Now that the recent crop reports have indicated that we have adequate food supplies, we have, as a matter of course, gone to the high levels. And it is not the case that this was suddenly jury-rigged in order to produce a particular effect. With respect to the allocations required by the Congress between the humanitarian and other purposes, we have worked out this arrangement with all the Senators and Congressmen who have shown a particular interest in the problem.

To answer your specific question, Viet-

Nam and Cambodia have not been added to the MSA list, even though, in fairness, the only reason they are not on the MSA list of the United Nations is because Viet-Nam is not in the United Nations.

## **British Prime Minister Wilson Visits Washington**

*Harold Wilson, Prime Minister of the United Kingdom of Great Britain and Northern Ireland, made an official visit to Washington January 29-February 1. Following are an exchange of greetings between President Ford and Prime Minister Wilson at a welcoming ceremony on the South Lawn of the White House on January 30 and their exchange of toasts at a White House dinner that evening.*

### **REMARKS AT WELCOMING CEREMONY**

Weekly Compilation of Presidential Documents dated February 3

#### **President Ford**

Mr. Prime Minister, ladies and gentlemen: It gives me a very great deal of pleasure to welcome you again to the United States. You are no stranger, of course, to this city and to this house. Your visits here over the years as a staunch ally and a steadfast friend are continuing evidence of the excellence of the ties between our countries and our people.

You, Mr. Prime Minister, are the honored leader of one of America's truest allies and oldest friends. Any student of American history and American culture knows how significant is our common heritage. We have actually continued to share a wonderful common history.

Americans can never forget how the very roots of our democratic political system and of our concepts of liberty and government are to be found in Britain.

Over the years, Britain and the United States have stood together as trusting friends and allies to defend the cause of freedom on

a worldwide basis. Today, the North Atlantic alliance remains the cornerstone of our common defense.

However, we and other members of the Atlantic community face a new dimension of challenges. That these challenges today are different from those that we have confronted in the past does not mean that they are any less perilous.

What is at stake is the future of industrialized democracies which have perceived and sustained their destiny in common for 30 years. The problems of recession, inflation, and of assuring equitable access to fairly priced resources threaten the stability of every economy and the welfare of people in developed as well as developing nations alike. These problems defy solution by national means alone.

Mr. Prime Minister, as I recently said in my state of the Union address, if we act imaginatively and boldly to deal with our present problems, as we acted after World War II, then this period will, in retrospect, be seen as one of the great creative moments in our history.

Britain's role then, as now, was crucial. Only by working together can the industrialized democracies and the nations of the world overcome these great challenges. Only in this manner can we insure a better life and a better world for all peoples.

The United States, for its part, is fully prepared to give our closest cooperation to this joint enterprise. A start has already been made—an international energy program, an International Energy Agency, and an international financial facility have been created.

Consultations such as you and I will have today and tomorrow are setting the stage for further cooperation. Your government plays a very essential part. We recognize and we applaud the support that Britain has shown for strengthened international cooperation and your contribution to dealing with the global problems of inflation, food, and energy.

Mr. Prime Minister, I look forward with pleasure to the discussions that we will have on the major security, political, and economic

issues before our two countries. As befitting talks between close friends, I know that they will be wide-ranging and candid. They will confirm our mutual trust and serve our common goals.

Mr. Prime Minister, you and your party are most welcome in our country.

#### **Prime Minister Wilson**

Mr. President: First, may I thank you for your very warm welcome, symbolic in every way of the close friendship and the very real ties which, as you have said, have always existed between our countries over the generations.

It is today a privilege that the Foreign Secretary and I should have the opportunity to join with you and the Secretary of State in what I am sure will be wide-ranging and deep discussions about the problems we face together as friends, as partners, and as allies.

We could not be meeting at a time of greater moment for the causes for which our two countries have worked and fought over the years—the continuing strength to protect and fortify peace and to bring security to all peoples, and especially at this time, our declared pledges to our own peoples and to the wider world of our determination to meet this new and menacing world economic crisis.

For we know that the urgency of meeting this challenge is not simply a question of economic mechanisms and economic institutions; it is vital for the economic security, the jobs, and the living standards of the millions of families whose interests we are here to protect and to serve.

Mr. President, I thank you.

#### **TOASTS AT WHITE HOUSE DINNER**

Weekly Compilation of Presidential Documents dated February 3

#### **President Ford**

Mr. Prime Minister and Mrs. Wilson, our distinguished guests: We are very deeply honored, and we are greatly pleased to have both of you and your party here with us this

vening. You have been guests in this house before, and I hope you have enjoyed it tonight as well as you have enjoyed your previous occasions. My wife and I consider ourselves very fortunate to have this opportunity to extend our hospitality to both of you, both officially as well as personally.

The great heritage that we have, that we share, draws our two countries together. George Bernard Shaw once remarked that we are two nations separated by the same language. Nevertheless I believe you will agree that what unites us is vastly more significant than our differences.

As you put it so well on a previous visit, Mr. Prime Minister, Britons and Americans communicate effectively because we share a common background of understanding. And each of us is aware that behind these few words lie volumes of thought and experience which do not need to be articulated, and of course this is a priceless asset to both our nations and our enduring friendship.

Mr. Prime Minister, another aspect of our common heritage is our devotion to democracy, our faith in the wisdom of people—and you and I have spent most of our adult life in government in one capacity or another.

This year marks the 30th anniversary of your election as a Member of the Parliament, where you have built an extraordinary record of achievement, leadership, and service to your country.

My own election to the House of Representatives was in 1948, when one of our guests, Hubert Humphrey, and I were both elected, he to a more prestigious office in the minds of some Members of the Congress [laughter]; but none of us in those days could have foreseen what would happen in the 1970's.

Today, the task is not to rebuild and to reorder a world torn by war but to face the challenges of peace and to face the problems of recession, inflation, balance-of-payments deficit, the shortages of energy and fuel as well as food, and the safeguarding of our security while trying to reduce the international tensions that are difficult as we try to strengthen our international relationships.

The problems underlying our interdepend-

ence of nations and the need for communication are vastly important, and our two nations, I think, can set an example for the problems that we face in this regard.

Recently, the world honored the 100th anniversary of Sir Winston Churchill's birthday, and it is almost unbelievable that today marks the 10th anniversary of Sir Winston Churchill's death. So, we think of him and of our difficulties and challenges. We are reminded of his courage and optimism in the face of great peril.

He told the world in December of 1941—and I think this is appropriate to mention now:

We have not journeyed all this way across the centuries, across the oceans, across the mountains, across the prairies because we are made of sugar candy.

Mr. Prime Minister, the challenges we face are serious, they are different and, in many ways, much more complex than those confronted in the Second World War; yet I am confident by working together the free and democratic nations can again triumph. We are still made not of sugar candy.

I look forward, Mr. Prime Minister, to continuing our constructive discussions tomorrow that we initiated today. It was most enjoyable to have an opportunity to be in the company of our British friends.

Mr. Prime Minister, you and I talked before dinner of a sport that apparently we both enjoy, but we don't do too competently. It is a sport better known among the Scottish, but loved by Americans as well as the British.

You know, I especially like to play golf with our Secretary of State, Henry Kissinger, who is with us tonight. Henry is undoubtedly one of the greatest diplomats this world has ever known. Let me tell you why I can make that categorical statement. The last time we played, I found myself in a sand trap. There was a water hazard beyond that, and then 95 feet before we found the first hole. Henry conceded the putt. [Laughter.]

Mr. Prime Minister, with profound appreciation for your presence with us today and tonight, I offer a toast to Her Majesty Queen Elizabeth and to you and Mrs. Wilson. To the Queen.

Mr. President, Mrs. Ford, Mr. Vice President, Mrs. Rockefeller, Your Excellencies, distinguished fellow parliamentarians of both Houses of Congress, ladies and gentlemen: On behalf, Mr. President, of all those who have traveled with me for this meeting this week I should like to express our sincere thanks for your warm hospitality and for your kindness in inviting tonight so great and distinguished a company of your fellow countrymen, many of them old friends of mine, very many of whom to my personal knowledge have contributed to the full in maintaining and strengthening our transatlantic friendship.

The tradition of meetings between the governments of our two countries is rooted deep in our history. The very informality and friendship of these meetings, as we have found again today, so far from being a bar to the deep and wide-ranging probing of world problems, these things are themselves a guarantee that these problems fearlessly faced will be resolutely handled.

In my experience, the value of these Anglo-American intergovernmental and equally, may I say, interparliamentary associations that strengthen our relationship—the value of them rests in the fact that when we meet, there is so much that just does not need to be said between us.

It is all taken for granted, whether it be the assertion of the principles which we jointly hold or whether it be the obligations upon us to work together toward the solution of our own problems and those of the world, and it saves a great deal of time because we don't even have to go back to first base and repeat these things one to another.

From my experience of intergovernmental meetings in this city and in London, now going back more than a quarter of a century, I repeat tonight what I said to my hosts on Capitol Hill this afternoon. I repeat that I cannot recall a time when our relationship was so close or our understanding so deep as it is at this time as we meet, Mr. President, this week.

In the past years and for more than a generation—many would say for many generations—our peoples have worked together and indeed fought together to secure and strengthen the peace of the world and to play the role that democracy can play and must play within that world.

Last year 15 North American and European nations celebrated the 25th anniversary of the Atlantic alliance. As a surviving member of the Attlee Cabinet in Britain, which jointly with President Truman's Administration played so large a part in creating that alliance, I asked last year at the celebrations how many of us in 1949 could have foreseen the enduring strength of the alliance, still less foresee the contribution it would make and is making for peace and for the defense of democracy in some of those dangerous years which have lain between.

But whenever peace was in danger, whenever democracy was threatened, there were always leaders in our two countries ready to work together in joint action and in a wider setting to meet whatever challenges faced us, nor at any time did those leaders lack the unstinted support of their peoples.

But always we set before us the objective not just of building strength for its own sake or even building strength just for our own defense; always we have looked on strength as a means to peace and to reconciliation and to détente.

It is these aims that we are together again this week pursuing with world leaders. It is these aims that Her Majesty's Government will continue to assert when the Foreign Secretary and I visit Moscow in two weeks' time.

But, Mr. President, in a wider sense, our talks this week are being directed to still greater, still wider, still newer problems which have arisen to threaten the economic life of our own nations and of so many other nations of the world, rich and poor. It is out of the very nature of the challenges we have faced together—challenges which now are to the economic advance, challenges to the well-being for all the peoples of the world—

is out of the nature of the very challenge, is also out of the understandings developed between us in the past that we must now in his new situation forge still newer instruments for meeting the economic problems, these problems the gravity of which—and they are grave—serve only to strengthen the joint resolution which we shall put forward together.

In this spirit, Mr. President, thanking you again for your wonderful hospitality today and this evening, it is in this spirit that we undertake together the discussions of this week, and it is in this spirit, too, that we shall go forward together.

In that spirit, Mr. President, may I now have the honor, on behalf of your visitors here this week and of this great company, of proposing the health and prosperity of the President of the United States and of Mrs. Ford.

## **President Ford's News Conference at Atlanta February 4**

*Following are excerpts relating to foreign policy from the transcript of a news conference held by President Ford at Atlanta, Ga., on February 4.<sup>1</sup>*

*Q. In the last 24 hours you have spoken at length about domestic concerns. I would like to ask you what options you will have to help maintain a non-Communist government in Viet-Nam if the Congress does not go along with your supplemental appropriation request as well as this fiscal year '76 request for Viet-Nam?*

*President Ford:* If the Congress does not respond to the requested additional military assistance for the current fiscal year, an amount which the Congress last year previously authorized, it will certainly complicate the military situation from the point of view of the South Vietnamese.

The South Vietnamese on their own, with our financial assistance, our military aid, have done very well; but the Congress did not fully fund the requested military assistance that was requested. I believe that if the Congress funds the additional money that I have proposed for this fiscal year and continues the money that I have recommended for next fiscal year, the South Vietnamese can and will be able to defend themselves against the aggressors from the North.

*Q. The question is, if the Congress fails to do that, what options will you have then?*

*President Ford:* I do not think that the time for me to answer that question is at the present. I, in the first place, believe Congress will fund the money that I have requested; and if they do, then I have no need to look at any other options, because they will be capable of defending themselves. The good judgment of the Congress will fund, the South Vietnamese will defend themselves, and I do not think there will be any other needed options.

*Q. Mr. President, when you left Vladivostok in November, we were led to understand that General Secretary Brezhnev would be in Washington in May or June. The time is running short, a lot has happened in American-Soviet relations since then. Do you still look forward to welcoming Mr. Brezhnev just three or four months from now?*

*President Ford:* Mr. Cormier [Frank Cormier, Associated Press], I look forward to having the General Secretary in the United States in the summer of 1975. The negotiations which we concluded in Vladivostok are moving along in the negotiations that are necessary to put the final draft. These negotiations are taking place in Geneva.

I see no reason why we cannot reconcile any of the relatively minor differences. The basic agreement is still in effect, and I am confident that we can welcome the General Secretary to the United States in the summer of 1975, and I look forward to it.

<sup>1</sup> For the complete transcript, see Weekly Compilation of Presidential Documents dated Feb. 10, 1974.

## President Ford Warns of Effects of Military Aid Cutoff to Turkey

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

Legislation enacted by Congress requires that arms deliveries to Turkey must be suspended February 5. The Administration will comply fully with the law. However, it should be made clear that military aid to Turkey is not given in the context of the Cyprus issue, nor has it been granted as a favor to Turkey. Rather, it is based on our common conclusions that the security of Turkey is vital to the security of the eastern Mediterranean and to the security of the United States and its allies.

A suspension of military aid to Turkey is likely to impede the negotiation of a just Cyprus settlement. Furthermore, it could have far-reaching and damaging effects on the security and hence the political stability of all the countries in the region. It will affect adversely not only Western security but the strategic situation in the Middle East. It cannot be in the interest of the United States to take action that will jeopardize the system on which our relations in the eastern Mediterranean have been based for 28 years.

When it is seen that the United States is taking action which is clearly incompatible with its own interests, this will raise grave doubts about the conduct of American foreign relations even among countries that are not directly involved in that area.

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<sup>1</sup> Issued on Feb. 5 (text from White House press release).

The Administration judges these adverse effects of a suspension of aid to Turkey to be so serious that it urges the Congress to reconsider its action and authorize the resumption of our assistance relationship with Turkey.

### Letters of Credence

#### *Bolivia*

The newly appointed Ambassador of the Republic of Bolivia, Roberto Capriles, presented his credentials to President Ford on January 29.<sup>1</sup>

#### *Dominican Republic*

The newly appointed Ambassador of the Dominican Republic, Dr. Horacio Vicioso Soto, presented his credentials to President Ford on January 29.<sup>1</sup>

#### *Ecuador*

The newly appointed Ambassador of the Republic of Ecuador, Jose Corsino Cardenas presented his credentials to President Ford on January 29.<sup>1</sup>

#### *Sudan*

The newly appointed Ambassador of the Democratic Republic of the Sudan, Dr. Francis Mading Deng, presented his credentials to President Ford on January 29.<sup>1</sup>

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<sup>1</sup> For texts of the Ambassador's remarks and the President's reply, see Department of State press release dated Jan. 29.



## Department Discusses Request for Supplemental Appropriation for Military Assistance to Cambodia

*Statement by Philip C. Habib*

*Assistant Secretary for East Asian and Pacific Affairs<sup>1</sup>*

In both Viet-Nam and Cambodia there has been a recent significant escalation of military action by Communist forces. This has placed new and severe strains on the resources of the governments of those countries and has rendered the assistance we provide to them inadequate to meet its intended objectives. The President has therefore asked Congress to make available additional funds for military aid to Viet-Nam and Cambodia and to remove impediments to the use of funds already appropriated to provide essential food aid to Cambodia.

The Viet-Nam supplemental, a Defense appropriation, will be formally considered on another occasion. The authority to increase food aid for Cambodia does not require any additional appropriation. My testimony today therefore is primarily in support of our request for appropriations for military aid for Cambodia. But in my remarks this afternoon I will attempt to address the problem of Cambodia in the broader context of our overall Indochina policy.

Two years ago we concluded an agreement in Paris which we hoped would end the war in Viet-Nam and pave the way for settlements in Laos and Cambodia. The Paris

agreement was the end result of a long and tortuous negotiating process. In its final form, the agreement was one which we felt honored the sacrifices and respected the sense of justice of both sides. It implied a rejection of absolutes, an acceptance of restraint, an acknowledgment of limitations—as must any accord. From the standpoint of the United States, the agreement in large measure met what had been our purpose throughout the long history of our efforts in Viet-Nam: it ended our direct military involvement there and established a formula through which the people of South Viet-Nam could determine their political future without outside interference.

Things have not worked out as we had hoped. Only in Laos have the contending parties moved from military confrontation to political competition. In Viet-Nam, after a period of relative quiescence, warfare again rages and the structure created by the agreement for working toward a political settlement is endangered. In Cambodia, there has been no amelioration of the conflict, and the military balance in that country is gravely threatened.

I cannot profess surprise at these developments. The Paris agreement contained no self-enforcing mechanisms. For that agreement to be effective and to achieve its purpose, both sides were required to act in accordance with the principles of restraint, compromise, and minimal good faith which must underlie the resolution of any indeci-

<sup>1</sup>Made before the Subcommittee on Government Operations of the House Committee on Appropriations on Feb. 3. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

sive conflict. Those qualities have been conspicuously absent from Hanoi's approach. In Cambodia, also, a negotiated settlement demands that both sides accept the imperatives of compromise. The Cambodian Communists have instead sought military victory.

While its focus was on Viet-Nam, the Paris agreement also contained provisions relating to Laos and Cambodia. The signatories were enjoined to respect the sovereignty and territorial integrity of those countries, and all foreign troops were to have been withdrawn. South Viet-Nam and the United States have abided by those strictures. Hanoi has not. North Viet-Nam continues to use the territory of Laos to send forces and war materiel to South Viet-Nam and continues to station troops in remote areas of that country. North Viet-Nam uses the territory of Cambodia to support its military operations in South Viet-Nam. In addition, Hanoi gives material assistance and battlefield advice to Communist forces operating against the Cambodian Government.

Let me now turn specifically to the situation in Cambodia. The conflict in Cambodia is complex, and its origins are widely misunderstood. Sihanouk was deposed in 1970 by a government which he himself had formed less than a year before. That action was ratified by a National Assembly whose members Sihanouk had personally selected. The United States played no role in the matter. (Our total presence in Cambodia at that time consisted of two diplomatic officers and three military attaches.) Several days after those events, North Vietnamese forces attacked Cambodian Government outposts in the eastern region of the country. Armed hostilities in Cambodia date from those attacks. Under North Vietnamese auspices, insurgent forces were formed and joined the fray.

Warfare has since been unremitting and often intense. The human and material cost has been high. The economic life of Cambodia has been shattered. What was once a rich agricultural country producing con-

sistent rice surpluses is now heavily dependent on outside assistance for even the most basic necessities. Perhaps as many as 1.5 million people, over a fifth of the total population, have become refugees. Thousands of Cambodians—soldiers and civilians—have lost their lives.

Cambodia's battle against an externally supported insurgent movement has been intensified still further in recent weeks. On January 1, Communist forces launched a new offensive, stepping up attacks in the area near Phnom Penh and against several provincial capitals and making strong efforts to cut the vital Mekong supply corridor. Total casualties for both sides are running at least 1,000 a day—killed, wounded, or missing—and more than 60,000 new refugees have been created. The already stricken economic life of the country is further ravaged.

Cambodian Government forces have fought remarkably well in the face of difficult odds. In little more than four years, a small and largely ceremonial army has grown into a sizable and increasingly effective fighting force. In this connection, I have seen a number of recent press articles alleging waste of ammunition by Cambodian forces. They require comment. While this was partly true a year ago, as noted by the Inspector General for Foreign Assistance in a recent report, that report also notes that steps have been taken to improve ammunition conservation. Because of those efforts, Cambodian forces are undoubtedly making better use of their ammunition this year than last. But combat intensity remains the primary determinant of ammunition expenditure—and the Communists have raised the intensity markedly since January 1.

I would also add that it is misleading to compare the ammunition expenditures of defending forces with those of insurgents. As in Viet-Nam, Communist forces—having no population centers or fixed positions to defend—are able to mass forces at times and places of their choosing; this allows them economies unavailable to widely dispersed defenders.

In Cambodia, even more than in Viet-Nam, the material resources the nation must have for its defense are strained to the limit. If South Viet-Nam faces a harsh choice in allocating diminishing defense resources, it is not inaccurate to say that Cambodia has no choice. If it is to avoid collapse and chaos, and if there is to be any prospect for a compromise solution, additional aid must be provided without delay.

Our objective in Cambodia is to restore peace and to allow the Cambodian people an opportunity to decide freely the political future of their country. It has never been our belief, or a premise of our policy toward Cambodia, that the conflict would end in conclusive military victory by Cambodian Government forces. Nor, however, should it end in military victory by the Communists. We believe the only logical and fair solution is one involving negotiations and a compromise settlement. The Cambodian Government has repeatedly called for talks with the opposing side, without preconditions. We have fully supported these proposals as well as the resolution, sponsored by Cambodia's Southeast Asian neighbors and adopted in the last session of the U.N. General Assembly, calling for early negotiations. The Communists, however, have been adamantly opposed to a negotiated settlement. Their attitude is unlikely to change unless and until they conclude that military victory is not possible. The first imperative, therefore, and the aim of our military assistance to the Cambodian Government, is to preserve a military balance and thereby to promote negotiations.

Present restrictions on our military and economic assistance to Cambodia, contained in the 1974 amendment to the Foreign Assistance Act, make it impossible to accomplish that goal. The Administration originally requested \$390 million in military aid for this fiscal year. The \$200 million in military aid authorized for this fiscal year was expended during the past six months, on the basis of continuing-resolution authority, in response to significantly intensified Communist offensive actions. Since the be-

ginning of the latest Communist offensive on January 1, ammunition expenditures have gone higher, of necessity, and even the \$75 million drawdown of Defense Department stocks authorized for this emergency situation will not meet the needs. In addition to this stringent situation with respect to military supplies, Cambodia also faces an impending severe rice shortage.

Therefore, to meet minimum requirements for the survival of the Khmer Republic, President Ford has asked the Congress to do three things:

—First, to eliminate the existing \$200 million ceiling on military assistance for Cambodia.

—Second, to authorize and appropriate \$222 million in military aid, in addition to appropriating the \$200 million currently authorized. Our original request to the Congress for military assistance to Cambodia during the current fiscal year, \$390 million, was an amount we regarded then as the minimum needed. With unexpectedly increased Communist pressures, and in view of the sharp rise in the cost of ammunition—the largest single item in the program—\$222 million in additional funds is now clearly required. That amount, plus the \$200 million in aid funds and the \$75 million in Department of Defense drawdown already authorized, will bring total military assistance for the year to a level generally comparable to our original estimates of the need and our original request to the Congress.

—Third, to eliminate the \$377 million ceiling on our overall aid to Cambodia, or at least to exempt Public Law 480 food from that ceiling. This is necessary to enable us to provide vital commodities, mostly food, as soon as possible. The inability to use funds already included in the Department of Agriculture appropriation will cause a break in the food supply pipeline beginning in June unless procurement action is begun by late March. New authority therefore is needed urgently. We anticipate, as we have throughout the year in appearances before you, that between \$73 million and \$100 million in

additional rice and wheat will have to be provided to Cambodia this fiscal year. Economic collapse, and even starvation, may otherwise result.

Mr. Chairman, gentlemen, we wish, as do you, to see an early end to the suffering of the Cambodian people and to the destruction of their country. The only equitable way in which this can be accomplished is to strengthen conditions which will permit a negotiated solution to take place. It is for this purpose that additional military assistance and economic assistance authority for Cambodia is an urgent necessity.

This request—and the one we are submitting separately for Viet-Nam—does not represent the beginning of a new and open-ended commitment for the United States. Nor does it reflect any change in policy on the part of the United States. The additional funds and authorities which we are asking the Congress to make available for Cambodia are vitally needed, for the reasons I have set forth, in support of a policy which has in large measure proven appropriate to the difficult circumstances of Indochina. That policy, borne out in the record of our actions, is one of steady disengagement—in a manner designed to prevent new upheavals in Indochina, new instability in the East Asia region, and renewed contention among the major powers.

Cambodia cannot be considered separately from Viet-Nam and Laos, and the whole of Indochina cannot be isolated from larger world issues. The consequences of a decision to withhold vitally needed assistance to Cambodia would extend beyond the confines of Indochina—and they would be inimical to the broad sweep of our interests in this small and interdependent world. Such a decision would amount to a conscious act to abandon a small country to a forcible Communist takeover, an action without precedent in our history. The amounts we are requesting for Cambodia are not large when measured against the sacrifices we and the people of Indochina have already made. They are, however, vital to the restoration of conditions which can lead to peace in Cambodia.

## Congressional Documents Relating to Foreign Policy

### 93d Congress, 2d Session

- Economic Assistance to China and Korea: 1949–50. Historical Series. Hearings held in executive session before the Senate Committee on Foreign Relations. (1949 and 1950). Made public January 1974. 280 pp.
- Reviews of the World Situation: 1949–50. Historical Series. Hearings held in executive session before the Senate Committee on Foreign Relations. (1949 and 1950). Made public June 1974. 447 pp.
- The Energy Crisis: Impact on Development in Latin America and the Caribbean. Hearing before the Subcommittee on Inter-American Affairs of the House Committee on Foreign Affairs. March 27, 1974. 41 pp.
- International Terrorism. Hearings before the Subcommittee on the Near East and South Asia of the House Committee on Foreign Affairs. June 11–24, 1974. 219 pp.
- Review of Arms Control and Disarmament Activities. Hearings before the Special Subcommittee on Arms Control and Disarmament of the House Committee on Armed Services. May 8–July 2, 1974. 71 pp.
- Resolutions of Inquiry Into Proposed Nuclear Agreements With Egypt and Israel. Hearing before the House Committee on Foreign Affairs. July 9, 1974. 6 pp.
- Turkish Opium Ban Negotiations. Hearing before the House Committee on Foreign Relations on H. Con. Res. 507 and identical and similar resolutions relating to the resumption of opium production by and the termination of foreign assistance to Turkey. July 16, 1974. 79 pp.
- World Population and Food Supply and Demand Situation. Hearings before the Subcommittee on Department Operations of the House Committee on Agriculture. July 23–25, 1974. 188 pp.
- Cyprus—1974. Hearings before the House Committee on Foreign Affairs and Its Subcommittee on Europe. August 19–20, 1974. 85 pp.
- Report on Nutrition and the International Situation. Prepared by the staff of the Senate Select Committee on Nutrition and Human Needs. September 1974. 57 pp.
- U.S. Policy and World Food Needs. Hearings before the Subcommittees on International Organizations and Movements and on Foreign Economic Policy of the House Committee on Foreign Affairs. September 10–12, 1974. 163 pp.
- U.S. Foreign Policy and the Export of Nuclear Technology to the Middle East. Hearings before the Subcommittees on International Organizations and Movements and on the Near East and South Asia of the House Committee on Foreign Affairs. June 25–September 16, 1974. 333 pp.
- Briefings on Diego Garcia and Patrol Frigate. Hearings before the Senate Committee on Foreign Relations with Adm. Elmo R. Zumwalt, Jr., U.S. Navy, Chief of Naval Operations. Executive hearings held on April 11, 1974; made public November 22, 1974. 47 pp.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Conservation

Convention on international trade in endangered species of wild fauna and flora, with appendices. Done at Washington March 3, 1973.<sup>1</sup>

*Signatures:* Bolivia, December 23, 1974; Ecuador, December 12, 1974; Ghana, December 16, 1974; Ireland, November 1, 1974; Netherlands, December 30, 1974; Norway, December 23, 1974; Peru, December 30, 1974; Portugal, December 6, 1974.

*Ratification deposited:* Cyprus, October 18, 1974.  
*Accession deposited:* United Arab Emirates, November 21, 1974.

##### Copyright

Protocol 1 annexed to the universal copyright convention, as revised, concerning the application of that convention to works of stateless persons and refugees. Done at Paris July 24, 1971. Entered into force July 10, 1974. TIAS 7868.

*Ratification deposited:* Spain (with reservation), October 16, 1974.

##### Cotton

Articles of agreement of International Cotton Institute, as amended (TIAS 6184). Done at Washington January 17, 1966. Entered into force February 23, 1966. TIAS 5964.

*Accession deposited:* Nigeria, February 4, 1975.

##### Customs

Convention establishing a Customs Cooperation Council, with annex. Done at Brussels December 15, 1950. Entered into force November 4, 1952; for the United States November 5, 1970. TIAS 7063.

*Accession deposited:* Liberia, January 7, 1975.  
Customs convention on containers, with annexes and protocol of signature. Done at Geneva May 18, 1956. Entered into force August 4, 1959; for the United States March 3, 1969. TIAS 6634.  
*Extended to:* Hong Kong, effective March 12, 1975.

##### Narcotic Drugs

Convention on psychotropic substances. Done at Vienna February 21, 1971.<sup>1</sup>

*Ratification deposited:* France, January 28, 1975.  
*Accessions deposited:* Barbados, January 28, 1975; Saudi Arabia, January 29, 1975.

##### Property—Industrial

Convention of Paris for the protection of industrial property of March 20, 1883, as revised. Done at

Stockholm July 14, 1967. Articles 1 through 12 entered into force May 19, 1970; for the United States August 25, 1973. Articles 13 through 30 entered into force April 26, 1970; for the United States September 5, 1970. TIAS 6923, 7727.

*Notifications from World Intellectual Property Organization that ratifications deposited:* Algeria (with a declaration and a reservation), Cameroon, January 20, 1975; Cuba (with a declaration and a reservation), January 8, 1975; Holy See, Japan (articles 1 to 12 excepted), January 24, 1975.

##### Property—Intellectual

Convention establishing the World Intellectual Property Organization. Done at Stockholm July 14, 1967. Entered into force April 26, 1970; for the United States August 25, 1970. TIAS 6932.

*Ratifications deposited:* Algeria, January 16, 1975; Holy See, Japan, January 20, 1975.

*Accessions deposited:* Cuba (with a declaration), December 27, 1974; Egypt, January 21, 1975.

##### Satellite Communications System

Agreement relating to the International Telecommunications Satellite Organization (Intelsat), with annexes. Done at Washington August 20, 1971. Entered into force February 12, 1973. TIAS 7532.

*Ratification deposited:* Iceland, February 7, 1975.

##### Women—Political Rights

Convention on the political rights of women. Done at New York March 31, 1953. Entered into force July 7, 1954.<sup>2</sup>

*Accession deposited:* Australia (with a reservation), December 10, 1974.<sup>3</sup>

##### World Heritage

Convention concerning the protection of the world cultural and natural heritage. Done at Paris November 16, 1972.<sup>1</sup>

*Ratifications deposited:* Nigeria, October 23, 1974; Zaïre, September 23, 1974.

#### BILATERAL

##### Canada

Agreement modifying the agreement of March 31 and June 12, 1967, as amended (TIAS 6268, 6626), relating to pre-sunrise operations of certain standard (AM) radio broadcasting stations. Effected by exchange of notes at Ottawa November 12, 1974, and January 22, 1975. Entered into force January 22, 1975.

##### Japan

Agreement relating to the establishment of the Radiation Effects Research Foundation. Effected by exchange of notes at Tokyo December 27, 1974. Entered into force December 27, 1974.

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

<sup>2</sup> Not in force for the United States.

<sup>3</sup> Not applicable to Papua New Guinea.

## Paraguay

Agreement relating to the deposit by Paraguay of 10 percent of the value of grant military assistance and excess defense articles furnished by the United States. Effected by exchange of notes at Asunción May 12, 1972. Entered into force May 12, 1972; effective February 7, 1972. TIAS 7461. *Terminated*: January 27, 1975.

## Spain

Supplementary treaty on extradition. Signed at Madrid January 25, 1975. Enters into force upon exchange of instruments of ratification.

## PUBLICATIONS

### GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

**U.S. Relations With Arabian Peninsula/Persian Gulf Countries.** This pamphlet in the Current Foreign Policy series is a statement by Alfred L. Atherton, Jr., Assistant Secretary of State for Near Eastern and South Asian Affairs, before the House Subcommittee on the Near East of the Committee on Foreign Affairs. Pub. 8777. Near East and South Asian Series 83. 8 pp. 25¢. (Cat. No. S1.86:83).

**Cooperation in Artificial Heart Research and Development.** Agreement with the Union of Soviet Socialist Republics. TIAS 7867. 9 pp. 30¢. (Cat. No. S9.10:7867).

**Copyright.** Universal Copyright Convention, as amended. TIAS 7868. 81 pp. \$1.15. (Cat. No. S9.10:7868).

**Investment Guaranties.** Agreement with Egypt relating to the agreement of June 29, 1963. TIAS 7870. 3 pp. 25¢. (Cat. No. S9.10:7870).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with Paraguay. TIAS 7873. 4 pp. 25¢. (Cat. No. S9.10:7873).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with Nicaragua. TIAS 7876. 4 pp. 30¢. (Cat. No. S9.10:7876).

**Economic, Technical, and Related Assistance.** Agreement with Bangladesh. TIAS 7877. 7 pp. 30¢. (Cat. No. S9.10:7877).

**Trade in Cotton Textiles.** Agreement with the Hungarian People's Republic amending the agreement of August 13, 1970, as amended. TIAS 7878. 2 pp. 25¢. (Cat. No. S9.10:7878).

**Control and Eradication of Foot-and-Mouth Disease.** Agreement with Colombia amending the agreement of November 27 and December 3, 14, and 17, 1973. TIAS 7879. 3 pp. 30¢. (Cat. No. S9.10:7879).

**Refugee Relief in the Republic of Viet-Nam, Lao and the Khmer Republic.** Agreements with the International Committee of the Red Cross amending the agreement of November 1, 1973. TIAS 7880. 4 pp. 25¢. (Cat. No. S9.10:7880).

**Air Transport Services.** Agreement with the Czechoslovak Socialist Republic amending and extending the agreement of February 28, 1969, as amended and extended. TIAS 7881. 4 pp. 25¢. (Cat. No. S9.10:7881).

**Suez Canal—Clearance of Mines and Unexploded Ordnance.** Arrangement with Egypt. TIAS 7882. 5 pp. 30¢. (Cat. No. S9.10:7882).

**Trade in Cotton Textiles.** Agreement with Haiti modifying the agreement of October 19 and November 3, 1971, as amended. TIAS 7883. 2 pp. 25¢. (Cat. No. S9.10:7883).

**Meteorology—Global Atmospheric Research Program (GARP) Atlantic Tropical Experiment (GATE).** Agreement with the World Meteorological Organization. TIAS 7884. 29 pp. 45¢. (Cat. No. S9.10:7884).

**Relations.** Joint statement with Jordan. TIAS 7885. 2 pp. 25¢. (Cat. No. S9.10:7885).

**Air Transport Services.** Agreements with Mexico extending the agreement of August 15, 1960, as amended and extended. TIAS 7886. 6 pp. 25¢. (Cat. No. S9.10:7886).

**Narcotic Drugs—Provision of Helicopters and Related Assistance.** Agreement with Burma. TIAS 7887. 4 pp. 25¢. (Cat. No. S9.10:7887).

**Prevention of Foot-and-Mouth Disease and Rinderpest.** Agreement with Panama amending the agreement of June 21 and October 5, 1972. TIAS 7888. 16 pp. 35¢. (Cat. No. S9.10:7888).

**Agricultural Commodities.** Agreement with Thailand amending the agreement of March 17, 1972, as amended. TIAS 7889. 2 pp. 25¢. (Cat. No. S9.10:7889).

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*41	2/3	Saxbe sworn in as Ambassador to India (biographic data).
42	2/3	Kissinger: address and question and answer period, National Press Club.
*43	2/3	U.S.-Singapore textile agreement extended.
*44	2/3	Program for the official visit of the Prime Minister of Pakistan, Zulfikar Ali Bhutto, Feb. 4-7.
†45	2/4	"Foreign Relations," 1948, volume III, Western Europe (for release Feb. 11).
*46	2/4	U.S.-Nicaragua textile agreement extended.
*47	2/4	Program for official visit of the Prime Minister of Pakistan: correction.
*48	2/4	U.S.-U.S.S.R. fisheries discussions convened.
*49	2/5	Kissinger, Rusk, Reston: interviews by Reg Murphy, Atlanta Constitution, for Public Broadcasting System program "Great Decisions '75."
†50	2/5	Department releases 1975 edition of "Treaties in Force."
*51	2/7	Study Group 2 of the U.S. National Committee for the CCIR, Mar. 6.
*52	2/8	Meeting on international grain reserves, London, Feb. 10-11.
†53	2/7	Kissinger: interview for Netherlands television.

\* Not printed.  
† Held for a later issue of the BULLETIN.

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# THE DEPARTMENT OF STATE **BULLETIN**

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*The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.*

*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and 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 on treaties of general international interest.*

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## Secretary Kissinger Interviewed for Netherlands Television

*Following is the transcript of an interview with Secretary Kissinger on February 8 at Washington by Thomas W. Braden, Los Angeles Times Syndicate columnist, and Klaas J. Hindriks of the Netherlands Broadcasting Foundation (N.O.S.) for broadcast on N.O.S. on February 9.*

Press release 53 dated February 8

*Mr. Hindriks: Mr. Secretary, a lot of people nowadays in Europe believe that in foreign policy, in Washington, that you are setting the tone. Is it possible for you to give us your assessment of the role of Europe in major foreign policy now and for the future?*

*Secretary Kissinger:* Well, I think that the contribution that Europe can make in foreign policy is essential, because in many of the issues that we are now discussing—in fact in all of them—the dominant fact is the interdependence of the industrial world and without the cooperative efforts of all of the industrial democracies the problems cannot be solved.

Now, where the ideas originate is really not as important as whether in fact they are accepted with the conviction of the people that have to execute them. It is true that some of the ideas have originated here. It is also true that in some others, such as in conservation, Europe has been way ahead of the United States.

But to me, the encouraging thing about the last year is that in various fields, Europe and the United States have moved together through a free exchange of views and developed a consensus.

*Mr. Hindriks: Well, after the Washington Energy Conference last year in February,*

*it seems to us that there was a lot of division between Europe and the United States. What in fact did you do? What were you trying to achieve? You got the French more or less on your side.*

*Secretary Kissinger:* Well, of course, there have been several changes of government since then. And I thought, in any event, that the disagreements of the Washington Energy Conference were really between one country and all the others and that they were made too melodramatic.

I believe that the underlying necessity of the Western countries working together was bound to reassert itself.

*Mr. Braden: Mr. Secretary, you are about to enter into very serious negotiations in the Middle East, and you seem to be under increasing attack at home. Senator Bentsen [Lloyd M. Bentsen, Jr.] said you wear too many hats. Senator Stevenson [Adlai E. Stevenson III] says that you are too secretive, and Mr. [Charles W.] Colson says the former President thought you were precipitous. Do you feel hampered as you go off on an important journey?*

*Secretary Kissinger:* I don't want to put Mr. Colson in the same category as the other two gentlemen.

*Mr. Braden: He just got out of jail, you know.*

*Secretary Kissinger:* I don't want to deal with Colson at all.

I think it is inevitable that as a result of Watergate, which had the curious effect of insulating foreign policy from the national debate for a while, that there should now be a number of comments to bring foreign

policy back into the mainstream of the debate.

I don't happen to agree with the particular comments that were made, because I think if one looks at the requirements of foreign policy in the present period, one will find that some things must be done secretly.

On the other hand, I have met over 110 times with congressional groups in 16 months in office. So I have made an effort to explain, as much as I could, what was being done.

On the number of hats that are being worn, I think one should judge that by the results rather than by administrative theory.

But I understand that foreign policy has to be part of the democratic debate, and I can handle what needs to be done.

*Mr. Braden: But is it not difficult to go off on serious negotiations with this trumpeting at home?*

*Secretary Kissinger:* Well, it is a new experience.

*Mr. Hindriks: Well, if you go to the Middle East, what if your mission fails? We supported in Europe, especially in the Netherlands, the step-by-step approach as one of the solutions possible. Will that mean that you will go to Geneva?*

*Secretary Kissinger:* First of all, I don't expect the mission to fail. Secondly, I have never looked at Geneva as an alternative to the step-by-step approach. I have always said that at some point Geneva should be reconvened, that everything depends on the framework within which Geneva should be reconvened. It is what the expectations of the various parties at Geneva will be. We believe, of course, that a successful next step would create a better framework for Geneva, and so I don't consider the two approaches contradictory. Nor is it so difficult to reassemble Geneva. The question is what is going to happen when we get there.

*Mr. Braden: What will be the signs of a successful mission?*

*Secretary Kissinger:* Well, the next trip is exploratory. The trip on which I am starting does not in itself, will not yield results. I am

making only one stop in each capital, except I am going twice to Israel, in order to get a feel for the real convictions of the chief protagonists, who might be reluctant to put their thoughts down in writing.

After I've had this, I will come back here, formulate an American view on the matter, and then return to the Middle East and conclude the negotiations.

*Mr. Hindriks: Can you see at a certain moment—let's say a point of view, saying it's impossible to meet the criticism at home and conduct foreign policy in the way you have done it in the last couple of years?*

*Secretary Kissinger:* I don't expect that to happen.

*Mr. Hindriks: One more question, Mr. Secretary. I am here as a Dutchman, and the relationship between Holland and the United States has one problem in Holland's foreign policy—that the United States might curtail our airline. Is there any solution?*

*Secretary Kissinger:* I have had extensive talks with your Foreign Minister on the subject. I have seen few subjects which have so moved the Dutch as the issue of KLM. So he isn't the only Dutch friend who has approached me.

The problem is that looked at from a strictly technical point of view there is considerable merit in the view of our technical agencies. Your leaders have convinced me that it is not simply a technical issue. And I have therefore agreed to reopen the negotiations from a wider perspective. And while they are going on, I don't want to discuss the outcome except to say that I personally am aware of the particular sensitivity of the KLM issue to Holland, to the Netherlands, and that I will conduct my discussions on it with your Foreign Minister, Mr. van der Stoel, in a very intimate way, with an attitude very constructive. And I consider him in any event a good friend and a courageous man.

*Mr. Hindriks: Anyway, some kind of détente between the United States and Holland. But just to mention the word "détente"*

—do you have the feeling that détente, for the European countries, has had a setback?

*Secretary Kissinger:* Well, I have said publicly that it has had a setback as a result of the discussions on the Trade Agreement. I believe that it can be restored.

As you know, I am meeting Foreign Minister [of the U.S.S.R. Andrei A.] Gromyko in Geneva. And while the original impetus that brought us together is the Middle East, I am positive that we will be reviewing the whole problem.

*Mr. Braden:* One more question on détente. There seems to be—as you are going to meet with Mr. Gromyko, the NATO alliance seems to be leaning a little on both ends, one in Portugal and one in Turkey. Can you prop this together? Can we?

*Secretary Kissinger:* Not with Mr. Gromyko [laughter]. We'll have to do our best to bring it together.

*Mr. Braden:* What is your opinion right now, how do you judge?

*Secretary Kissinger:* Well, the problem with Turkey is a self-inflicted wound, and we are now talking with the Congress in order to work out what I hope will be a constructive solution.

*Mr. Braden:* You mean it is a self-inflicted wound by this country, by this Congress?

*Secretary Kissinger:* Yes.

In Portugal it's the legacy of a generation of authoritarian rule. We will do our best to be helpful there, but that is less subject to direct American influence.

*Mr. Hindriks:* What can all nations—and

this is, in effect, my last question—to touch a little bit on your vision for the future, what can all nations, in fact, do for the future to lessen the danger of war? How do you see what is growing around us?

*Secretary Kissinger:* Well, I think it is necessary first to bring the arms race under control. This is why we have made major efforts in SALT [Strategic Arms Limitation Talks]—

*Mr. Hindriks:* The SALT agreement?

*Secretary Kissinger:* That is right—the Vladivostok agreement, mutual force reduction and other negotiations on the limitations of arms, the threshold test ban, and the whole series of similar measures.

Secondly, we have to develop, insofar as we can, cooperative relationships with the Communist world in order to give them a stake in a peaceful world.

Thirdly, industrial democracies have to restore their vitality so that their weaknesses don't carry out all over the world.

Those will be the major objectives.

*Mr. Hindriks:* Do you see this as a permanent line of American foreign policy for the future?

*Secretary Kissinger:* I believe that the basic principles of the foreign policy that we are now conducting will be carried out by other administrations.

I would like to say that, whatever noise is going on in the United States right now, it is my profound conviction that our foreign policy is essentially bipartisan.

*Mr. Braden:* Thank you.

*Mr. Hindriks:* Thank you very much.

## Energy and International Cooperation

*Address by Deputy Secretary Robert S. Ingersoll<sup>1</sup>*

I want to talk about energy and conservation this afternoon, and I will stress two points. The first is that this nation has no choice but to get moving, now, on a national energy effort. We cannot afford to wait.

The second point is that we have a sound strategy for meeting the challenge of energy. It is a strategy which rests on two pillars: National unity and international cooperation. We are doing much better in the field of international cooperation than in our efforts to forge national unity. The energy crisis of the past 16 months has presented our country and our closest allies with a challenge as severe as any in our history. The basic premise of our era—the progressive betterment of the human condition—is founded on the sources of energy which have enabled mankind to begin to master the forces of nature. This foundation has been seriously shaken. If we fail to take steps to deal with this crisis, our ability to do so will be diminished as our dependence on Middle East oil increases.

The damage will not be confined to economics. In an increasingly interdependent world, widespread inflation, recession, and commodity shortages could lead to a breakdown in the international trading system. It could fuel frustration and destroy political stability. Nations could turn from a search for moderate solutions to radical departures, from cooperative efforts to narrow nationalism.

We are now at a crucial point in our efforts

to cope with the energy crisis. We must recognize, as Secretary Kissinger observed last week, that:

History has given us a great opportunity disguised as a crisis. A determined energy policy will not only ease immediate difficulties, it will help restore the international economy, the vitality of all the major industrial democracies, and the hopes of mankind for a just and prosperous world.

Most of the press comment devoted to the Secretary's energy speech on February 3 has been directed at a single point: A floor price for oil to insure that alternative sources of energy are not rendered uncompetitive by imported fuel should the price of oil eventually be reduced. Our strategy and accomplishments in the field of international cooperation and the crying necessity for a program of conservation have been largely overlooked.

Let me outline briefly what we have done and are planning to do internationally. The most important vehicle for international cooperation in meeting the challenge of energy is the IEA—the International Energy Agency—an organization which grew out of last year's Washington Energy Conference. In less than a year the 18 participating countries of the IEA have reached agreement on concrete, significant programs to cope with the energy crisis. We and our partners in the IEA have been following a three-phase strategy to gain control of our energy destiny and bring us to the point where we can engage the producing nations in a meaningful dialogue.

The first phase has been to protect ourselves against future emergencies such as

<sup>1</sup> Made before a combined luncheon of the Yale-Harvard-Princeton Clubs at Washington on Feb. 13 (text from press release 64).

the oil embargo of 1973. This task essentially has been accomplished by an unprecedented agreement to help each other through future crisis. Each participating nation is committed to build an emergency stock of oil. In case of embargo each nation will cut its consumption by the same percentage and available oil will be shared. An embargo against one will be an embargo against all.

The other potential emergency is financial, and the industrialized nations have also acted to meet this threat. The major industrial nations agreed in January to create a \$25 billion solidarity fund for mutual support in financial crisis. We believe Congress and the legislatures of other consumer nations will recognize the crucial nature of this agreement and take steps quickly to approve their respective contributions. This financial safety net will provide assistance to those hardest hit by payments deficits and safeguard all participants against shifts, withdrawals, or cutoffs of funds by the producers.

The second phase of our strategy is to take the steps necessary to improve our supply and demand situation in world oil markets. We are working with other industrial countries in a concerted effort to reduce energy demand and to stimulate new sources. Last week's decision by the IEA countries to reduce petroleum imports this year by 2 million barrels a day is one indication that we are making real progress on this point.

Once these coordinated programs have been completed, we will be ready to move into the third stage of our strategy: a serious dialogue with the producing nations to discuss an equitable price, market structure, and long-term economic relationships. It has long been clear to the Administration that no solution to the energy problem is possible without a cooperative dialogue between producers and consumers. It has also been clear that no dialogue could succeed unless the consumers had a position of their own. We now have an agreed consumer strategy on the financial safety net and a common approach to energy conservation. We are working with our IEA partners to develop a cooperative framework to accelerate the development of alternative energy sources.

Hopefully, agreement on this element can be achieved in time to hold a preparatory meeting with producers late next month.

Consumers must cooperate, but they must also act to become relevant to each other's energy needs. That is why we have proposed that other countries match one for one our conservation effort of 1 million barrels a day by the end of 1975 and begin considering objectives for 1976-77 and beyond. That is why President Ford established the goal for the United States of once again becoming a net energy supplier to the industrialized world by the end of the century. This effort, which will coincide with the growing depletion of world petroleum resources, will utilize conventional energy sources not yet exploited and those sources still in the research stage.

In our effort to reduce dependence on imported oil and accelerate development of new energy supplies the industrialized countries fortunately have major energy reserves which have not yet been exploited. North Sea oil, oil and gas resources in Canadian frontier areas, German coal, underdeveloped coal and oil deposits in the United States (such as Alaska and offshore), and nuclear power in all countries are a few examples. Beyond that we have a massive potential for development of synthetic fuels, fusion, breeder reactors, and other nonconventional energy resources.

It is our hope that each consumer nation will establish similar energy development objectives and coordinate them in the IEA. These new energy supplies are going to be relatively expensive. Eventually some of them should be available at a price substantially below the current world oil price. But without exception they will be higher than prices we were accustomed to pay for our energy in the years prior to 1973. Moreover, they are all much more expensive than the cost of production of OPEC [Organization of Petroleum Exporting Countries] oil.

Our international strategy must also recognize that the industrialized countries have a wide disparity in energy potential. Some are relatively rich in the conventional fossil fuels of oil, gas, and coal. Others, such as

Japan, lack the fossil fuel resources which are key to energy self-sufficiency over the next decade. We must insure that consumer nations poor in resources are given a direct stake in the development of new energy supplies outside of their own countries.

The United States wants the International Energy Agency to develop procedures which will enable its members to participate in, and draw upon, each other's technological innovations. The United States is going to develop a synthetic fuel capability of 1 million barrels a day by 1985. IEA countries which provide capital or technology should be able to call on this output in proportion to their sharing of the costs.

Countries such as the United States must also have long-term assurances that their investment in the development of new energy sources does not unjustly penalize their economies by locking them into high-cost energy. We seek to prevent any future drop in OPEC oil prices from jeopardizing our investment in additional energy sources. We are therefore proposing a floor price plan or some similar mechanism to protect investment required to develop new sources of conventional fossil fuels and nuclear energy. These are the sources which will help meet our energy requirements over the next decade. The technology for their exploitation already exists, but the cost of exploitation is significantly higher today than when most of our conventional sources of energy were brought into production. The United States therefore proposed at last week's IEA meeting in Paris that a synthetic fuels consortium be established to enable member nations to develop cooperative synthetic energy projects such as coal gasification, oil shale, and tar sands.

We also suggested an energy research and development consortium for joint research efforts and pooled technology on large-scale, long-range, capital-intensive projects like fusion and solar power where the potential payoff in low-cost energy is enormous. The United States will commit \$10 billion to energy research over the next five years. We are prepared to spend a substantial portion of these funds in joint efforts with other IEA countries.

The best laid international plans, however, will be of no avail unless we can do what is required of us at home. We cannot ask other major consumers to reduce their consumption of energy unless we are prepared to do so and to take the lead in this regard. No one is going to do it for us.

Nor can we expect the oil producers to respect our position in the negotiations ahead unless we launch a serious effort to conserve energy at home. There are legitimate differences about tactics, but it is imperative that a comprehensive program of conservation begin now. We cannot wait, since further delay by the United States can only further convince our consumer allies and the producing states that our leadership on conservation and in the search for new sources of energy is wholly lacking.

There are two essential issues in the energy crisis—price and assured supply. Both are of deep concern to us. But ultimately, the supply of energy, our economy's lifeline, is of fundamental importance. Adjustment to higher energy prices is a painful process which can affect our standard of living and way of life, but it can be done. But it is inconceivable to me that the economic and military security of our nation should become contingent on the decisions of a few oil producers whether to continue or halt our supply of oil.

Secretary Kissinger signaled this concern in his address to the National Press Club last week. Our dependence on imported oil increased from nil in 1950 to 35 percent in 1973. If this trend is permitted to continue, we will be dependent on imported oil for fully half our needs in the 1980's. Let us have no illusions about the impact of such growing dependence on the security and prosperity of this nation. The foundation of our political and military strength has always been and will continue to be our economy. An oil embargo lasting less than six months at its worst reduced our petroleum imports by 15 percent and yet created severe economic dislocations in this country. Imagine the consequences if half our supply was suddenly denied.

The present prospect is difficult and pain-



ful, but the future will be far worse unless we take prompt remedial action. If the shock of embargo, the resulting economic crisis, and the potential for future interruptions in our supply are not sufficient to compel us to action, we must begin to ask whether this nation still has the will to preserve its strength and independence. The decision to reverse the trend of growing dependence can only become harder as we become increasingly reliant on foreign sources of energy.

The time for action on conservation has arrived. In the next few weeks we must reach agreement on a comprehensive national energy program. If Congress does not agree with the Administration's program then it has a responsibility to set forth an alternative of its own.

We cannot continue to attack one another. We must turn our efforts to attacking the problem. And we must do so now.

## **President Ford's News Conference at Topeka February 11**

*Following are excerpts relating to foreign policy from the transcript of a news conference held by President Ford at Topeka, Kans., on February 11.<sup>1</sup>*

*Q. Mr. President, your energy and economic concerns will go down the drain for naught if we have war in the Middle East. Could you please give us your latest information on Dr. Kissinger's negotiations in the Middle East and whether or not you think there is the possibility of a quick settlement in the wake of those negotiations?*

*President Ford:* Mr. Morgan, [Ray Morgan, Kansas City Star], the Secretary of State left Sunday night for a most important mission in the Middle East. He will be gone approximately 10 days, visiting a number of Arab, as well as Israeli—and he will

be more or less on an exploratory mission. We believe that the possibility exists for a step-by-step progress in the Middle East, but no one can be certain in that very volatile and very difficult area.

The Secretary of State will come back, hopefully, with some encouraging news, and then, if the news is encouraging, he will probably go back shortly thereafter for what we would hope would be a settlement on a step-by-step basis.

It is my judgment that unless progress is made, there is a very serious prospect of another war in the Middle East, which, if it did occur, of course raises the possibility of another oil embargo.

I would hope that by the Secretary of State's efforts that we can make this progress, avoiding another conflict and avoiding the prospects of another oil embargo.

The Secretary of State has my full backing. I think we are fortunate to have a person with that knowledge, that dedication, and that record of success. So I am an optimist; but it is a difficult assignment, and I think he deserves the full support of the American people and the Congress because it is in our benefit and the world as a whole.

*Q. Mr. President, I understand that your advance planning schedule shows a tentative visit by President Thieu [President Nguyen Van Thieu of the Republic of Viet-Nam] to this country in late April. Can you tell us if you are seriously considering such an invitation, and why?*

*President Ford:* Well, Mr. Beckman [Aldo Beckman, Chicago Tribune], I am not familiar with any invitation. I am not familiar with any prospective visit.

*Q. Would you consider inviting Mr. Thieu to this country?*

*President Ford:* I really had not thought of it and I know of no prospective visit.

*Q. Mr. President, are you and Dr. Kissinger still insisting on increased aid to Viet-Nam, South Viet-Nam? And if so, why?*

<sup>1</sup>For the complete transcript, see Weekly Compilation of Presidential Documents dated February 17.

*President Ford:* Well, the United States made a very significant contribution in Southeast Asia. Unfortunately and tragically, we lost some 55,000 American lives, spent literally billions.

The South Vietnamese are now trying to carry on on their own. We have no U.S. military forces there. We are living up to the Paris accords. The last Congress authorized \$300 million more in military assistance for South Viet-Nam on the basis that that would give them sufficient military assistance so that they could fight aggression by North Viet-Nam.

I am convinced that \$300 million would give to the South Vietnamese an opportunity to defend themselves against aggression. I strongly believe that it is a proper recommendation to the Congress. I hope that the Congress will respond.

*Q. But would you accept some sort of compromise proposal from those Members of Congress who don't think the way you do?*

*President Ford:* Well, I think \$300 million in further military assistance is the right answer to give the South Vietnamese the necessary military hardware to defend themselves. Anything less than that makes their defense of their country less effective, and I think they ought to be given enough to defend themselves. And \$300 million, according to my advisers, is the minimum for that purpose.

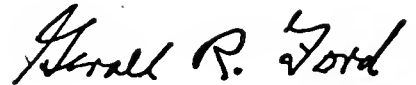
## National MIA Awareness Day

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

January 27, 1975, marks the second anniversary of the signing of the Paris Agreement ending United States combat involvement in Vietnam. Although the Agreement contains specific obligations on accounting for the missing and the return of the remains of the dead, the communist authorities have failed either to provide this information or to follow through on the return of the remains of our dead. Over 2400 Americans are still unaccounted for—some 900 of them still listed as missing, the remainder declared dead with their bodies never recovered. The families of these men continue to live with the anguish of uncertainty about the ultimate fate of these loved ones.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby designate Monday, January 27, 1975, as National MIA Awareness Day, dedicated to the many Americans who remain missing or unaccounted for in Indochina, and to their families. I call upon all Americans to join in voicing once again the clear, continuing commitment of the American people and their Government to seek the fullest possible accounting for Americans missing in Southeast Asia and the return of the remains of those who died.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fifth day of January, in the year of our Lord nineteen hundred seventy-five, and of the Independence of the United States of America the one hundred ninety-ninth.



<sup>1</sup> No. 4342; 40 *Fed. Reg.* 4115.

## Prime Minister Zulfikar Ali Bhutto of Pakistan Visits Washington

*Prime Minister Zulfikar Ali Bhutto of the Islamic Republic of Pakistan made an official visit to Washington February 4-7. Following is an exchange of toasts between President Ford and Prime Minister Bhutto at a White House dinner on February 5, together with the text of a joint statement issued on February 7 at the conclusion of the Prime Minister's visit.*

### EXCHANGE OF TOASTS, FEBRUARY 5

Weekly Compilation of Presidential Documents dated February 10

#### President Ford

Mr. Prime Minister and Begum Bhutto, and our distinguished guests from Pakistan as well as from the United States: We are deeply grateful that all of you are here, and we are especially thankful that the distinguished guests have come to our great country.

We think this is a very special evening. We, as Americans, have the honor of welcoming a true friend of America, the head of state of Pakistan, to our Nation's Capital, Washington, D.C.

I am delighted to have had the opportunity this morning to meet with the Prime Minister. We had a fruitful, beneficial, and enjoyable meeting this morning, and we are delighted, Mr. Prime Minister, to have you and Begum Bhutto with us this evening.

We are also especially pleased and honored to have your two children—two of your four children—with us on this occasion. I

think it is interesting, but also somewhat unique, that your children are going to school in our great country, and we are delighted to have them, and we hope that they have enjoyed themselves and are enjoying themselves. We are not only pleased but honored that they are with us in the United States for this experience.

It is, I think, particularly noteworthy, Mr. Prime Minister, that you and Begum Bhutto are here and that she has particularly joined you in this visit as she has joined you on previous occasions working for the best interests of your people in your country. And I compliment her as well as yourself for these efforts.

The world knows, Mr. Prime Minister, that the burdens of leadership fell on you at a time in the history of Pakistan which was one of the most critical and the most serious in the history of your country.

But with confidence and great determination, you have guided your nation through a period, an era, of peace and reconciliation. Your accomplishments, as well as your courage, I think, have received the highest praise, both within your country and without.

Our first official meeting represents another link in the chain of a much longer association between the leaders and the peoples of Pakistan and the United States. And we want to maintain and to strengthen that relationship and that friendship that has been most important between your country and ours.

The talks that we had this morning, I think, helped to strengthen and to broaden that relationship.

As we know, peace in the world depends upon peace in its various parts. Your leadership, Mr. Prime Minister, has enabled Pakistan to move forward with India toward achieving peace in that very important area of the world.

I am tremendously impressed by the efforts that you are promoting in economic and agricultural development for Pakistan despite the serious problems posed, as we all know, by the rapid rise of price levels for essential goods in your country.

And as you persevere, Mr. Prime Minister, persevere in your task, you may be sure that this government regards the sovereignty and the territorial integrity of a strong, secure, and prosperous Pakistan as a fundamental element in maintaining regional and world peace.

So, if I might, Mr. Prime Minister, let me propose a toast to you, Prime Minister and Begum Bhutto, to the ideals and to the hopes they personify so very well, and to further strengthening of our relations between our two countries. To Prime Minister and Begum Bhutto.

#### **Prime Minister Bhutto**

Mr. President, Mrs. Ford, distinguished friends: At the outset, I would like to say that my companions—those who have come with me from Pakistan—on their behalf and on behalf of the people of my country and on my own behalf, we would like to thank you, Mr. President, and your government for the very warm and generous hospitality which you have extended to us.

I have been here on a number of occasions, and each occasion has been a memorable one because it has been a journey to the capital of a great power, a superpower, a power to reckon with, a power which has a role to play in the tranquilization of the world situation and has exercised a formidable influence on men and matters for a very long period of time.

Here at this table we had the honor of

having a very congenial conversation with Mrs. Ford and the very dangerous man sitting on my right [columnist Art Buchwald]. [Laughter.]

He told us that this evening he came to the White House in a taxi, so that reminded me of one occasion during my many visits to your great capital, and it was in 1965. President Ayub was then in charge of the destiny of our country, and we had prolonged discussions with President Johnson. And the discussions went well, but at the same time we left the room a little depressed. So I and some of my companions went to all the nightclubs in Washington. [Laughter.] And when we left the last place, we told the taxi driver, "Take us to Blair House." He said, "Are you kidding?" [Laughter.]

Be that as it may, we warmly cherish our friendship and our association with the great American people.

As I told you this morning, Mr. President, the vitality and the energy of the American people have impressed us very much and has impressed the world at large.

I have often thought of your great values. I might be wrong, but I feel that it lies in your institutions and it lies in the leadership that the American Government has given to its own people and to the world at large at critical times.

These are critical times, and you have been summoned by destiny to take charge of the affairs of your country at a time when the world stands at the watershed. And many of your decisions might make or mar the course of events.

We feel that with your vision and with the very able lieutenants that you have, especially in the field of foreign affairs, that you will overcome one challenge after another and promote the cause of peace and good will.

There are problems which confront you internally. There are problems which confront you in the world outside. The Middle East, Europe, your efforts to promote a détente, your dialogue with China—all this

## TEXT OF JOINT STATEMENT, FEBRUARY 7

White House press release dated February 7

### JOINT STATEMENT ON THE OCCASION OF PAKISTANI PRIME MINISTER ZULFIKAR ALI BHUTTO'S VISIT TO WASHINGTON

President Ford and Prime Minister Bhutto held cordial and useful discussions during the Prime Minister's visit to Washington February 4-7. They welcomed the opportunity to establish a personal relationship in the spirit of cooperation and understanding which has traditionally existed between leaders of the two countries. The President and the Prime Minister stressed their commitment to the strengthening of the close ties which have been maintained between the United States and Pakistan for many years.

The two leaders discussed the important international political developments of the past eighteen months with particular emphasis on the significant steps taken in furthering international détente, the vital efforts to secure a just and lasting peace in the Middle East, and proposals to increase cooperation between developing and developed countries.

They also reviewed the important steps taken to bring about more normal relations among the nations of South Asia. The Prime Minister expressed Pakistan's determination to continue to play a constructive role in the search for peaceful solutions to regional disputes, so as to promote the establishment of durable peace in the Subcontinent. President Ford assured the Prime Minister that support for the independence and territorial integrity of Pakistan remains an enduring principle of American foreign policy. The two leaders also discussed their mutual security concerns in the context of the commitment of their Governments to the strengthening of regional and world peace.

President Ford expressed his deep sympathy over the loss of life resulting from the devastating earthquake which recently struck northern Pakistan. The Prime Minister expressed his appreciation for the contributions of the United States Government toward the relief efforts now underway.

The Prime Minister discussed the serious shortfall experienced by Pakistan in foodgrain production in recent months. He noted his concern with drought conditions which persist throughout the wheat-producing areas, a problem which has been accentuated by the unexpected delay in commissioning the Tarbela Dam. He noted, in this regard, his appreciation for the substantial assistance rendered Pakistan under the PL 480 program during the past several years. President Ford told the Prime Minister that the United States Government was pleased

the world watches. Every step you take is observed. And so we hope, with the passage of time, we will turn the corner, all of us put together—the whole world.

You will make a very major contribution, but whatever little contribution—small, insignificant—underdeveloped countries like ours can make, we would all be happy to see a happier world.

And I can assure you that on our part we will try to promote peace and consolidate the tissues of peace. We would not like to add tension to tension. We would not like to aggravate the situation in our own region. And the world at large can move forward to a situation where our children, at least, will feel more secure and happier, and they will admire the role that this present generation made to achieve that noble end.

This is a beautiful world, and we must preserve its beauty. Future generations should not say that, like Shelley, the superpowers found an Ozymandias. They should say that the superpowers, with bravery and with vision and with courage, reckoned with the problems and overcame them.

We know that you have the capacity and the material and the ability to do so, and we leave your shores feeling more reassured with the measures that you have taken to promote those Olympian ends.

Finally, Mr. President, I would like to reiterate our gratitude to you, to your Secretary of State, to your colleagues here, to the Senators we met today, for the understanding of the problems that we face and for their objective appreciation of our difficulties. This has been a fruitful and a constructive visit.

I better not say more than that, because the Secretary of State has told me that you must be very careful of what you say. [Laughter.]

So, I would like everyone to join me in a toast to the President of the United States, to Mrs. Ford, to the great American people, and to the role of the United States in the consolidation of world peace. Mr. President.

to be able to offer 300,000 tons of wheat under PL 480 Title I for immediate delivery, in addition to the 100,000 tons already made available during this fiscal year. The President assured the Prime Minister that Pakistan's needs would continue to receive priority consideration in determining additional allocations this year and next.

The two leaders also reviewed economic cooperation between the two countries. Prime Minister Bhutto described the important economic development programs now underway in Pakistan, including the high priorities placed on agricultural development and population planning—areas in which assistance from the United States and other donors has made a valuable contribution. President Ford pledged continued priority attention to Pakistan's development assistance requirements.

Prime Minister Bhutto renewed his invitation to President Ford to visit Pakistan. President Ford expressed his warm appreciation for this invitation and reiterated his hope that the visit would be possible later this year.

## **U.S. and Canadian Officials Discuss West Coast Tanker Traffic**

*Joint Statement, January 17*

Press release 20 dated January 20

U.S. and Canadian officials met in Washington on January 17 to discuss mutual problems related to the expected increase in oil transport and refining on the Pacific Coast. Central to these discussions was the problem of how to assure that marine transit and refining of oil in the Puget Sound/Straits of Juan de Fuca area can be accomplished in the most environmentally responsible fashion. The two sides expressed their satisfaction at the progress being made in bilateral efforts to ensure the protection of the environment of the area.

U.S. and Canadian officials reviewed the status of plans for joint vessel traffic management systems in the Puget Sound/Juan de Fuca area. It was announced that a voluntary traffic separation plan will go into effect on March 1, 1975. The system was developed and implemented jointly by the United States and Canada. Officials also discussed proposed offshore routes to be used

by tankers from Alaska to west coast ports.

U.S. officials tabled at the meeting a draft report on present and proposed U.S. scientific investigations in the Juan de Fuca/Puget Sound area. Canadian officials had tabled a similar report at the committee's previous meeting in Ottawa. It was agreed that technical representatives of both governments would review and assess the compatibility of existing research programs in both countries and that the committee would make recommendations to the governments early this spring on priorities and joint coordination of research activities.

Officials also discussed questions relating to liability and compensation for oil spills. Both sides undertook to provide detailed responses in the near future to questions regarding relevant domestic legislation. U.S. officials noted that further legislation affecting this field may soon be introduced in the Congress.

A State of Washington study on the feasibility of establishing offshore petroleum transfer facilities in the state's coastal waters was described in detail at the meeting. The study outlines several possible alternatives to tanker traffic into Puget Sound including terminals at or near Port Angeles, Washington on the Straits of Juan de Fuca. The representative of the State of Washington also raised a number of alternatives to avoid increased oil tanker traffic.

U.S. officials inquired about the status of Canadian plans for additional oil refining capacity in British Columbia. Canadian officials stated that consideration of any expansion of refinery capacity is at an early stage. In any event, the expanded facilities under consideration are expected to be supplied by pipeline and therefore should be fully compatible with the present bilateral effort to protect the marine environment in the region. U.S. officials also noted that increased shortfalls of Canadian natural gas and crude oil increased the requirements for tanker traffic to meet U.S. regional energy requirements.

Examination of the technical aspects of these problems will continue between the

agencies concerned. The agencies represented on the American side were the Departments of State and Interior, the Environmental Protection Agency, the National Oceanic and Atmospheric Administration, the Council on Environmental Quality, the Coast Guard, the Water Resources Council, the Corps of Engineers and the State of Washington. On the Canadian side, the Departments of External Affairs, Environment, Energy, Mines and Resources, Finance and the Province of British Columbia were represented.

## Congressional Documents Relating to Foreign Policy

### 93d Congress, 2d Session

- United States Caribbean Policy—Part I. Hearings before the Subcommittee on Inter-American Affairs of the House Committee on Foreign Affairs. September 19-21, 1973. 107 pp.
- South Asia, 1974: Political, Economic, and Agricultural Challenges. Hearings before the Subcommittee on the Near East and South Asia of the House Committee on Foreign Affairs. September 19-24, 1974. 216 pp.
- Malthus and America. A Report About Food and People by the Subcommittee on Department Operations of the House Committee on Agriculture. October 1974. 17 pp.
- Our Commitments in Asia. Hearings before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs. March 13-October 2, 1974. 274 pp.
- Arms Control and Disarmament Agency. Hearings before the Subcommittee on National Security Policy and Scientific Developments of the House Committee on Foreign Affairs. September 24-October 3, 1974. 241 pp.
- Crisis on Cyprus: 1974. A study mission report prepared for the use of the Subcommittee to Investigate Problems Connected with Refugees and Escapees of the Senate Committee on the Judiciary. October 14, 1974. 116 pp.
- To Facilitate the Entry Into Foreign Ports of United States Nuclear Warships. Report to accompany H.J. Res. 1161. H. Rept. 93-1467. October 16, 1974. 8 pp.
- Export-Import Bank Act Amendments. Conference report to accompany H.R. 15977. H. Rept. 93-1582. December 12, 1974. 12 pp.

## President Ford Establishes Committee on Illegal Aliens

*Following is a memorandum dated January 6 from President Ford to members of the Domestic Council.*

White House press release dated January 6

JANUARY 6, 1975.

MEMORANDUM FOR: THE DOMESTIC COUNCIL

Secretary of State  
Secretary of the Treasury  
Attorney General  
Secretary of the Interior  
Secretary of Agriculture  
Secretary of Commerce  
Secretary of Labor  
Secretary of Health, Education and Welfare  
Secretary of Housing and Urban Development  
Secretary of Transportation  
Assistant to the President Baroody  
Director, Office of Management and Budget  
Chairman, Council of Economic Advisers  
Chairman, Council on Environmental Quality  
Administrator of the Environmental Protection Agency  
Director, ACTION

SUBJECT: *Domestic Council Committee on  
Illegal Aliens*

I am today establishing a new Domestic Council Committee on Illegal Aliens. This Committee will develop, coordinate and present to me policy issues that cut across agency lines to provide better programs for dealing with this National problem. The Attorney General will serve as the Chairman of this Committee. The membership of the Committee will consist of the Secretary of State, Secretary of the Treasury, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor, Secretary of Health, Education, and Welfare, Assistant to the President Baroody [William J. Baroody, Jr.], and the Director of the Office of Management and Budget.

GERALD R. FORD.

## Promoting a New Spirit of Constructive Compromise in the United Nations

*Address by John Scali  
U.S. Representative to the United Nations<sup>1</sup>*

At the opening of this decade we Americans had already started to think of ourselves as a nation in perpetual crisis. And today our world still seems to be changing too fast for comfort. Our children come home from school with some curious ideas and sometimes behave in ways that are difficult to understand. Many of our most cherished values and ideals have been questioned, analyzed, and assaulted. Our "sweet land of liberty" has become a sweet land of liberation movements. Women's lib was one of these, and adjustment didn't always come easy. These social problems are real, important, and continuing.

In the international arena, new, unexpected problems have erupted to challenge us even as we seek answers to the old ones. The painful memory of Viet-Nam is reviving at the same time trouble spots like the Middle East and Cyprus threaten the peace of the world. New crises of food and energy were only prophecies a few years ago. Today they are realities and have sent shock waves through the economies of the world. In the last 12 months alone, \$60 billion in surplus oil revenues have poured into the treasuries of oil-producing countries under the label of petrodollars. This economic earthquake has coincided with drought, food shortages, and crop failures in many areas of the world. Along with this have come sharply increased

inflation and unemployment in the United States and other countries.

This unnerving combination of economic and political developments has led some to advocate a new economic order for the world and related changes in the old political order.

Nowhere has the cry for a new economic and political order in this world of growing interdependence been louder than in the forums of the United Nations. The glass palace of the United Nations is sometimes a distorted mirror. Generally, however, it reflects all too clearly the stresses and strains, the frustrations and the crises, of the entire world community.

In its brief 28-year history, the United Nations ranks as still too modest an element in the world community to warrant the blame for developments it did not cause and cannot magically dispel. Nevertheless, among our other frustrations, the shortcomings and failings of the United Nations have recently attracted more attention than at any time in the past decade. Statesmen, public opinion leaders, and mass communications media have found much to criticize in the United Nations during the past year. Some of this criticism has been exaggerated. Some of it has been unjust. But much of it, I submit, has been well deserved.

Supporters of the United Nations are always quick to point out that while this organization's occasional failings receive widespread press and public attention, its many solid accomplishments go largely unnoticed.

<sup>1</sup>Made before the Massachusetts State Federation of Women's Clubs at Boston, Mass., on Jan. 29 (text from USUN press release 6/corr.1 dated Jan. 28).



Basically, I agree. I know that whenever I criticize the United Nations, I may add to this problem for the short term. I also know, however, that one cannot improve an institution by talking only about its strong points. One must give credit where it is due—as I hope I have—but only a frank and open discussion of an organization's weaknesses can help to correct them.

The mounting criticism of the United Nations in this country reflects a number of real concerns and poses some legitimate questions. In my view, those who dismiss the new criticism of the United Nations as complaints from fair-weather friends or disguised enemies seriously misread the mood of the American people. I continue to be a strong supporter of the United Nations. I also believe that it can benefit from constructive, reasoned criticism. The United Nations is strong enough to withstand such criticism, it is flexible enough to profit from it, and it is important enough to justify it.

#### **Widespread Desire for Greater Dialogue**

Last month I spoke to the General Assembly about a series of recent U.N. decisions which increasingly disturbed the U.S. Government. I deplored several actions by the Assembly which tended to inflame some of the world's most sensitive problems rather than help solve them. On highly emotional issues like the invitation to Yasir Arafat to speak before the General Assembly, the suspension of South Africa, and the current world economic situation, it is our view that the Assembly had adopted enormously controversial, partisan resolutions. Worse still, the majority bloc which passed these resolutions appeared willing to pursue their objectives in violation of the traditions and Charter of the United Nations. Constitutionalism went out the window while the Assembly voted to exclude South Africa. On some issues majorities seemed to forget that in a democracy a majority cannot safely push a minority too far.

My statement to the Assembly coincided with those of several Western European

representatives who expressed concerns very similar to our own. Delegates from the Third World seemed surprised by this serious new criticism, but they quickly regrouped to respond.

Eventually delegates from 50 member states representing all shades of world opinion rose to express their government's views in what developed into a "great debate." Some speakers agreed with us while others did not. The exchange of views was vigorous, forthright, but generally without rancor. For several days the Assembly thus found itself engaged in a thoughtful and unprecedented examination of its future and that of the U.N. system. I am proud the United States was able to stimulate this long-overdue debate.

Despite the wide range of opinion expressed, there was general agreement on the proposition that the fundamental purpose of the United Nations is to harmonize conflicting views, as the charter says, and to promote orderly change. The wealthier nations naturally tended to emphasize the need for order. The Third World understandably placed its priority on the need for rapid change. Opinion in the Assembly certainly varied, but on this central issue the difference was one of degree, not of principle.

During this debate, all speakers seemed to agree that the United Nations functioned best through dialogue and negotiation. Coming at the end of an Assembly session marked by heightened confrontation, this widespread desire for greater dialogue was welcome. It was a welcome sign that others, too, realized that we were headed in the wrong direction.

In a farewell press conference as the Assembly ended, this year's Assembly President, Algerian Foreign Minister [Abdelaziz] Bouteflika, added his voice to those calling for more dialogue between the Third World and older member nations. I share his wish, and I am genuinely pleased that my remarks of December 6 helped open the door to a greater and franker exchange within the Assembly. I intend in the coming months to do whatever I can to build on and enlarge the

scope of this two-way exchange. The time has come to create a new spirit of constructive compromise in the United Nations. To do so, there will need to be less emphasis on rounding up bloc votes and more on accommodation and conciliation.

In the weeks ahead we will consult intensively with those expressing different as well as similar viewpoints. If such consultations are to be worthwhile, however, there must be a genuine dialogue. There must be a readiness to move from the initial position each side expresses. It is time we begin to talk to one another instead of at one another.

On too many occasions, negotiations with the dominant Third World group of countries have not involved a sufficient degree of this necessary give-and-take. On many important issues the initial position of the Third World countries often turned out to be their final position. Failure to accept their unchanging stand was often regarded as a stubborn refusal to acknowledge how the world has changed. This created more confrontation than conciliation.

### **Accomplishments of the United Nations**

Although I have in my remarks today focused on some areas where we seek improvement of the United Nations, it is only fair that I note that in many ways the organization has moved effectively, considering our complicated world.

It is worth remembering, for instance, that the same recent session of the General Assembly which adopted decisions which alarmed the United States also approved the recommendations of the recent World Food Conference in Rome and of the World Population Conference in Bucharest. In so doing, the Assembly flexibly responded to worldwide demands for action on two issues fundamental to man's future on this planet.

This same session of the Assembly took a number of other steps strongly supported by the United States. These included measures to strengthen the U.N.'s facilities for disaster relief, to improve the status of women, and to encourage greater interna-

tional cooperation in locating soldiers missing in action. These programs join with U.N. efforts to control narcotics, protect the environment, determine who owns the wealth in and at the bottom of the sea.

This same session provided funds for and renewed the mandate of U.N. peacekeeping forces in the Middle East. After lengthy debate, it rejected ill-advised one-sided resolutions on Cambodia and Korea.

Even as press and public attention is irresistibly drawn to the verbal battle in the General Assembly, dedicated international civil servants are engaged in productive and vitally important U.N. work in fields such as health, child care, food, disaster relief, human rights, and economic development. My colleague and friend Patricia Hutar [U.S. Representative on the U.N. Commission on the Status of Women] spoke to you this morning about the pioneering efforts in the United Nations to improve the status of women.

Let me, from my own experience, add still one more example of how quickly and effectively the United Nations can act, particularly in a crisis.

In October of 1973, at the height of the Yom Kippur war in the Middle East, the Security Council agreed to establish a new U.N. Emergency Force to help restore the peace. Within just a few hours of that decision, the first contingents of U.N. troops began arriving on the Sinai battlefield. They moved quickly into the midst of the fighting to separate the combatants. Within a few days this Force had brought about the cease-fire which was an indispensable prelude to negotiation. This cease-fire remains in effect today.

This delicate and dangerous task required cooperation, courage, discipline, and the kind of experience in peacekeeping which only the United Nations has. Can you imagine the time, the effort, and additional crises that would have been necessary to create anything resembling this impartial Force if the United Nations had not existed, ready to act as the respected emergency peacekeeper of the world? Indeed, could such a force have

been created in time if the United Nations did not exist? The visible success of the blue-helmeted troops in the Middle East reflects highly not only on these officers and men who serve but also on the U.N. Secretariat in New York, which so effectively organizes, directs, and maintains them in place.

### **Solutions Through Cooperation**

I began my remarks by noting that there has been a growing criticism of the United Nations in this country. I also said that much of this criticism is justified. The question is, what are we going to do about it?

I do not have any pat answers to this question. Our government is reviewing our policies toward the United Nations. I hope that through this review we can develop some new approaches to these difficult issues. I cannot forecast the results. I start out with the premise that you do not solve a problem by walking away from it. Frank criticism can help curb irresponsible behavior, but it must be combined with responsible, imaginative leadership if it is to have a positive impact on our search for peace and a better world.

In an organization of 138 member nations, the United States cannot expect to prevail on every issue, regardless of our power and position. But as long as we press our views vigorously, while recognizing we do not possess a monopoly of the world's wisdom, the result eventually can be an acceptable compromise of conflicting views.

There are some who feel that when the United Nations acts contrary to U.S. interests, we should simply turn our back upon it or even withdraw. I am not one of these.

Without the United States, the United Nations would persist. Only it would be worse, not better. If we could erase the United Nations from the pages of history—and we cannot—there would inevitably be a new organization, because interdependence is an incontrovertible fact of our times. It is growing rather than lessening. It means that the United States cannot advance its own interests single-handedly, but only in

concert with other nations, because the solutions demand action by the United States and others working together.

Secretary of State Henry Kissinger, whose diplomatic achievements have eased tensions around the world, sketched the dimensions of the problems confronting us in these words in an interview January 16:

... one of the central facts of our period is that more than 100 nations have come into being in the last 15 years, and they, too, must be central participants in this process. So that for the first time in history foreign policy has become truly global and therefore truly complicated.

... we are at a watershed. We are at a period which in retrospect is either going to be seen as a period of extraordinary creativity or a period when really the international order came apart, politically, economically, and morally.

I believe that with all the dislocations we now experience, there also exists an extraordinary opportunity to form for the first time in history a truly global society, carried by the principle of interdependence. And if we act wisely and with vision, I think we can look back to all this turmoil as the birth pangs of a more creative and better system.

To exercise positive leadership in the United Nations, our people must join together in support of a truly national foreign policy. The United States must be able to speak with one voice. Our leaders must be able to enter into meaningful discussions with their foreign colleagues, and these foreign statesmen must be confident that the American people stand behind their leaders.

We must also recognize that America often leads best by example. Thus, our success in solving our economic and social difficulties at home strengthens our voice around the negotiating table. Our willingness to accept sacrifices and inconveniences in meeting the world's energy crisis will be viewed as a test of our leadership of the free world. The truth evident in our world today is that a vigorous domestic policy and an active international role depend heavily on each other for success. Thus, only a combination of national and international action can solve global problems like inflation, rising unemployment, and shortages of food, energy, and other key resources.

## U.S. and France Hold Annual Meeting of Cooperative Science Program

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

I believe America is ready to do what it must do—at home and internationally—both within and outside the United Nations. Even the most vigorous and imaginative American leadership cannot guarantee success, but a halfhearted America can insure defeat.

Reversing the current trend toward division and confrontation in the United Nations does not depend on our efforts alone. I am convinced, however, that we must walk the extra mile to overcome suspicion. We are not the guardians of the status quo. We are proud of our heritage as a revolutionary country which seeks to promote freedom. Some may question whether the flame of liberty burns as bright as we approach our 200th birthday. We must demonstrate by our actions that we remain dedicated not only to freedom, equality, and human dignity but to a more just world. I have pledged the United States to seek to promote this new spirit of constructive compromise in the United Nations. Others must join us.

As Britain's Representative to the United Nations, Ambassador Ivor Richard, said in his address before the annual meeting of the Pilgrims of the United States in New York January 22:

Our task is to show that the interests of the developed and the developing are complementary, not antagonistic. All must understand the realities which limit the possibilities for action, and all must make a deliberate attempt to find the common interest and act on it to a point where all can see that they gain as well as give.

Ambassador Richard has pointed out the only path to a truly effective United Nations, one which can serve all members, regardless of size, wealth, or aspirations.

It is not the radical extremists of the right or the left who will draw the blueprint of tomorrow's more just world order. There are thoughtful, responsible representatives at the United Nations from every continent and in every grouping. We must join our own efforts to the wisdom and energy of these individuals to pursue this goal—and in so doing revitalize the organization.

The annual meeting of the United States-France Cooperative Science Program was held in Washington on January 23-25, 1975, to review the broad scope of on-going bilateral programs in scientific and technical fields. Following discussions during the recent summit meeting between French President Giscard d'Estaing and United States President Ford, the two delegations focused special attention on increased collaboration in cancer research. During substantive discussions with representatives of the National Cancer Institute at the National Institutes of Health, it was agreed that such enhanced cooperation would lead to periodic meetings, intensified exchange of information, and joint action. A meeting will be held this spring to discuss the preparation of a specific arrangement between responsible agencies.

During the review, meetings were held with Dr. H. Guyford Stever, Director, National Science Foundation; Dr. Dixy Lee Ray, Assistant Secretary of State for Bureau of Oceans and International Environmental and Scientific Affairs; Dr. Frank Rauscher, Director, National Cancer Institute; and representatives of other agencies. It was agreed that the next review meeting would take place in Paris in the fall of 1975.

Professor Hubert Curien, Director of the General Delegation for Scientific and Technological Research (DGRST), headed the French delegation. He was accompanied by Xavier de Nazelle, Director for Scientific Affairs, Ministry of Foreign Affairs; Charles Maisonnier, Counselor for Foreign Affairs, Science Bureau, Ministry of Foreign Affairs; and Michel Peissik, Director, Division of Foreign Relations, DGRST. The U.S. participants in the program review were led by Dr. Allen V. Astin, Director Emeritus, U.S.

<sup>1</sup> Issued on Jan. 27 (text from press release 32).

National Bureau of Standards and U.S. Coordinator of the U.S.-France Cooperative Science Program.

The U.S.-France Cooperative Science Program was established in 1969 by agreement between the French Minister for Industrial and Scientific Development and the President's Science Advisor. Collaborative programs in such fields as oceanography, space, environment, health and agriculture involve over 15 United States government agencies. Projects in energy conservation, improvement of industrial working conditions, recycling of waste products and increased university-to-university cooperation were identified in this year's meeting as areas of further cooperation.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the United States December 29, 1970. TIAS 6997. *Accession deposited:* Cuba (with declaration), December 30, 1974.

##### Telecommunications

Telegraph regulations, with appendices, annex, and final protocol. Done at Geneva April 11, 1973. Entered into force September 1, 1974.<sup>1</sup>

*Notifications of approval:* German Democratic Republic, October 28, 1974; Madagascar, November 6, 1974; Netherlands, December 3, 1974. Telephone regulations, with appendices and final protocol. Done at Geneva April 11, 1973. Entered into force September 1, 1974.<sup>1</sup>

*Notifications of approval:* German Democratic Republic, October 28, 1974; Madagascar, November 6, 1974; Netherlands, December 3, 1974. International telecommunication convention, with annexes and protocols. Done at Malaga-Torremolinos October 25, 1973. Entered into force January 1, 1975.<sup>1</sup>

<sup>1</sup> Not in force for the United States.

*Ratification deposited:* Denmark, November 12, 1974.

*Accession deposited:* South Africa, December 23, 1974.

##### Trade

Arrangement regarding international trade in textiles, with annexes. Done at Geneva December 20, 1973. Entered into force January 1, 1974, except for article 2, paragraphs 2, 3, and 4, which entered into force April 1, 1974. TIAS 7840.

*Acceptances deposited:* Poland, December 17, 1974; Romania (with declaration), January 22, 1975.

*Accession deposited:* Paraguay (subject to ratification), December 23, 1974.

##### Treaties

Vienna convention on the law of treaties, with annex. Done at Vienna May 23, 1969.<sup>2</sup>

*Ratification deposited:* Sweden, February 4, 1975.

##### Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Accession deposited:* Libya, February 13, 1975.

#### BILATERAL

##### Bangladesh

Loan agreement to provide for financing foreign exchange costs of acquiring and importing agricultural inputs and related services, with annex. Signed at Dacca January 15, 1975. Entered into force January 15, 1975.

Agreement relating to investment guaranties, with related letters. Effected by exchange of notes at Dacca January 17 and 20, 1975. Enters into force on the date of the note by which Bangladesh communicates to the United States that the agreement has been approved in conformity with Bangladesh's constitutional procedures.

Agreement amending the agreement for sales of agricultural commodities of October 4, 1974 (TIAS 7949). Effected by exchange of notes at Dacca January 27, 1975. Entered into force January 27, 1975.

##### Egypt

Agreement extending the agreement of May 10, 1974, relating to trade in cotton textiles. Effected by exchange of notes at Cairo December 28 and 31, 1974. Entered into force December 31, 1974.

##### India

Agreement concerning fulfillment of India's obligations under the agreement of May 16, 1946, as amended (TIAS 1532; 8 Bevans 1233), on settlement for lend-lease, reciprocal aid, surplus war property, and claims. Effected by exchange of letters at New Delhi January 24, 1975. Entered into force January 24, 1975.

<sup>2</sup> Not in force.

## Nigeria

Investment guarantee agreement, with agreed minute. Signed at Lagos August 3, 1974.

*Entered into force:* February 10, 1975.

## Singapore

Agreement amending the agreement of October 30, 1973, and January 20, 1974, relating to exports of wool and man-made fiber textile products from Singapore. Effected by exchange of notes at Singapore January 3 and 13, 1975. Entered into force January 13, 1975.

## Viet-Nam

Agreement amending the agreement for sales of agricultural commodities of October 8, 1974 (TIAS 7952). Effected by exchange of notes at Saigon January 30, 1975. Entered into force January 30, 1975.

## PUBLICATIONS

### 1948 "Foreign Relations" Volume on Western Europe Released

Press release 45 dated February 4 (for release February 11)

The Department of State released on February 11 "Foreign Relations of the United States," 1948, volume III, "Western Europe." Six other volumes, dealing with Central and Eastern Europe, the Far East, and the Western Hemisphere, have already been published for the year 1948, and the two remaining volumes (General; Near East, South Asia, and Africa) are in preparation. The "Foreign Relations" series has been published continuously since 1861 as the official record of American foreign policy.

This volume of 1,165 pages contains previously unpublished documentation on U.S. encouragement of a Western European Union, the antecedents of the North Atlantic Treaty Organization, the diplomacy of the European Recovery Program, establishment of the Organization for European Economic Cooperation, and American policies and actions relating to individual countries of Western Europe. Among the principal personages who appear prominently in these documents are President Truman, Secretary of State Marshall, Clement R. Attlee, Ernest Bevin, Georges Bidault, Alcide De Gasperi, Charles de Gaulle, James V. Forrestal, George F. Kennan, Robert A. Lovett, Robert Schuman, and Arthur H. Vandenberg.

The volume was prepared by the Historical Office, Bureau of Public Affairs. Copies of volume III (Department of State publication 8779; GPO cat. no. S1.1:948/v. III) may be purchased for \$12.90 (domestic postpaid). Checks or money orders should be made out to the Superintendent of Documents and should be sent to the U.S. Government Bookstore, Department of State, Washington, D.C. 20520.

## GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

**Finance—Consolidation and Rescheduling of Certain Debts.** Agreements with India. TIAS 7890. 11 pp. 30¢. (Cat. No. S9.10:7890).

**Earth Resources—Cooperative Research in Remote Sensing for Earth Surveys.** Agreement with Mexico extending the agreement of December 20, 1968, as amended and extended. TIAS 7891. 3 pp. 25¢. (Cat. No. S9.10:7891).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with Tunisia. TIAS 7892. 3 pp. 25¢. (Cat. No. S9.10:7892).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with Bolivia. TIAS 7893. 4 pp. 25¢. (Cat. No. S9.10:7893).

**Agricultural Commodities.** Agreement with the Republic of Viet-Nam amending the agreement of November 9, 1973, as amended. TIAS 7894. 4 pp. 25¢. (Cat. No. S9.10:7894).

**Certificates of Airworthiness for Imported Aeronautical Products and Components.** Agreement with Italy. TIAS 7895. 9 pp. 30¢. (Cat. No. S9.10:7895).

## Correction

The editor of the BULLETIN wishes to call attention to the following error which appears in the January 27 issue:

*p. 123, col. 2:* Line 29 should read "contained in L.1011 also commends itself to."

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**Check List of Department of State Press Releases: February 10-16**

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

Releases issued prior to February 10 which appear in this issue of the BULLETIN are Nos. 20 of January 20, 32 of January 27, 45 of February 4, and 53 of February 8.

No.	Date	Subject
†54	2/11	Mildred Marcy appointed Coordinator for International Women's Year (biographic data).
*55	2/11	Regional foreign policy conference, Dallas, Tex., Feb. 18.
*56	2/11	Shipping Coordinating Committee, Mar. 11.
*57	2/11	Secretary's Advisory Committee on Private International Law, Study Group on Recognition and Enforcement of Foreign Judgments, Mar. 8.
*58	2/11	Study Group 7 of the U.S. National Committee for the CCIR, Mar. 13.
†59	2/11	Kissinger, Allon: arrival, Tel Aviv, Feb. 10.
†60	2/12	Kissinger, Allon: dinner toasts, Jerusalem, Feb. 11.
†61	2/12	Kissinger, Allon: departure, Tel Aviv.
*62	2/12	Kisinger: arrival, Cairo.
†63	2/13	Kissinger, Sadat: remarks, Cairo, Feb. 12.
64	2/13	Ingersoll: combined Yale-Harvard-Princeton clubs.
*65	2/13	Kissinger: departure, Cairo.
†66	2/13	Kissinger: departure, Damascus.
*67	2/13	Kissinger: arrival, Tel Aviv.
†68	2/13	Kissinger, Allon: remarks, Jerusalem.
*69	2/14	Kissinger, Allon: departure, Tel Aviv.
†70	2/14	Kissinger: arrival, Aqaba.

\* Not printed.

† Held for a later issue of the BULLETIN.

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## Secretary Kissinger Visits the Middle East and Western Europe; Meets With the Shah of Iran and Soviet Foreign Minister Gromyko

*Secretary Kissinger left Washington February 9 for a trip to the Middle East and Western Europe and returned February 19. Following are remarks by Secretary Kissinger and foreign leaders during the trip, including a news conference held by Secretary Kissinger and the Shah of Iran at Zurich, and the text of a joint statement issued following meetings between Secretary Kissinger and Soviet Minister Andrei A. Gromyko at Geneva.*

### ARRIVAL, BEN GURION AIRPORT, FEBRUARY 10

Press release 59 dated February 11

#### Israeli Foreign Minister Yigal Allon

We are delighted to receive Dr. Kissinger and Mrs. Kissinger and their companions on their official visit to this country, a visit which was decided upon when I was in Washington recently, when the Secretary of State and Mrs. Kissinger accepted my invitation to pay us an official visit. But as you well know, Foreign Ministers today are less fussy about the official side of visits and protocol and so on, and I am sure that their short stay with us will be used for some political talks in which we shall be able to exchange views to assess the situation together in our common effort to achieve peace or at least some progress toward peace.

Welcome to this country. The floor is yours, Mr. Secretary.

#### Secretary Kissinger

Mr. Foreign Minister, Mrs. Allon: I do not quite know how to interpret the stress

on the official side of my visit, because I cannot quite imagine what my previous visits were. At any rate, it is always a great pleasure to come and see my friends in Israel.

I am here to discuss with my friends—in the spirit of cooperation and partnership that has characterized our relationship—what further progress can be made toward peace in an area which has long needed it and for a people that has long yearned for it.

I welcome the decision that was announced yesterday by the Israeli Cabinet endorsing the step-by-step approach. The United States, of course, is not committed to any particular approach; it is committed to rapid progress. We will work closely and cooperatively and in a spirit of friendship with our colleagues of the Israeli Cabinet. We agree with them that the step-by-step approach is likely to be the most productive. We are prepared to explore other means and other forums, if necessary, in order to make rapid progress. But whatever we do, it will be in a spirit of friendship, and with the attitude that the survival and security of Israel are a basic American concern.

Thank you.

### EXCHANGE OF TOASTS AT A DINNER AT JERUSALEM, FEBRUARY 11

Press release 60 dated February 12

#### Foreign Minister Allon

Upon his arrival, Dr. Kissinger asked me what was the difference between an official visit and an ordinary visit. I must say I had to think a little bit about it and even

ask for some advice from my colleagues in the Foreign Office. And then we discovered what should be the answer: First, in an official visit there are no demonstrations. Only when the shuttle diplomacy begins, we still have some demonstrations here and there. Secondly, from an official visit nobody expects any results and then one can confine himself to some preliminary talks, clarifications, exploration, with a sufficient excuse to go back home without claiming any new miracle or any other achievement.

Nevertheless I do hope that even if we have to expect demonstrations, that the second round of the Kissinger trip to the Middle East will take place as a result of this official visit. I know that some of the demonstrators—people whom I appreciate, many of them I knew personally—were unhappy probably with the results of the disengagement agreements. Being a member of the former Cabinet, as some other of my colleagues were, let me tell you that if anybody is to be blamed for the disengagement agreements, it's the Golda Meir Cabinet and not Dr. Kissinger, because the terms of those two agreements were accepted by the Cabinet and were not forced upon us.

Whether they are good or not, I still think that none of the parties concerned—we, the Egyptians, and the Syrians—should regret that those agreements, which I am sure served equally the interests of both parties. And we highly appreciated and still appreciate the special contribution that Dr. Kissinger made in order to achieve those agreements, which could be considered not only as the reinforcement of the cease-fire but also as the first step toward peace.

During the service of Henry Kissinger, first as the head of the National Security Council of his country and later on as Secretary of State in his dual capacity, the relationship between our respective countries which reached new peaks, new heights in every aspect of our relations—on the bilateral level, the economic aid, the military supplies, political cooperation—and I would like to exploit this opportunity in order to express our thanks to the United States of

America, to the government, the Administration, the Congress with its two Houses, the people, and the press.

But sometimes the press is wrong, but this can be tolerated. And of course all of us remember very vividly the famous airlift and even the unusual step that the American Administration took by declaring a global alert in a very grave situation during the Yom Kippur war. What else can we ask from a friendly government?

And I would like to tell you from first-hand knowledge that Dr. Kissinger was one of the architects, if not the architect, of the new heights of relationship between our countries. This does not mean that we have to agree on every point, neither with Henry and his colleagues nor even with the President of the United States. From the eight months of my service as the Foreign Minister of this country, I can testify that in our frequent meetings in the United States and here, we didn't always agree.

But all our differences could be discussed in the friendliest possible manner as well as with complete candor and frankness; and I really hope that this fashion, these manners of relationship, between a great country and a small one—and as you know in my view I don't think that greatness is always related to size and wealth and strength; greatness is a qualitative aspect, and I am inclined very modestly to believe that, although we are small in size we are not small in quality here and America, in spite of being big, is really great in many aspects.

This is the sort of relationship we have to nourish, we have to develop, while keeping of course our freedom of argument and our position and so on. Now, it is an open secret that Dr. Kissinger will try his best to find out whether there is any chance or any hope to revive the political momentum in our region. It is agreed between us that nobody is looking for a permanent status quo. All of us want movement—calculated, carefully planned, not run amuck, nevertheless not to stand still, in a most responsible way to search for peace, to leave no stone unturned in our search for peace. And I

don't have to tell Henry Kissinger, who is maybe a little younger than I am—but he gathered a lot of experience—that the process of peacemaking cannot be achieved as quickly as the cooking of instant coffee.

And I discovered with his appearance in the Geneva Conference that he masters also the Arabic language. But in order to be safe, I will translate an Arabic phrase into English. That is an Arabic aphorism saying that *Allah mach sabism, wiz a mas sabara kaporo* [sic], which means “God is on the side of the patient; impatience is a sin”; and I am sure that by patience we may gain our ultimate goal.

There is also a Hebrew proverb saying: *Sop ma'aseh ve vemach shavat chila*. In a free translation I would have said: “Thinking, planning is done”; and everything we are doing should be well planned and well thought of beforehand. Nevertheless, I don't believe it could be possible to make sure of the positive result of a mission before the mission stops. This would be self-defeating.

It is impossible to embark on such a great mission without taking some risks, one's own risks, even one's own country's risks, because I think this risk is part and parcel of the peacemaking process, although all the parties concerned should really do their best to minimize the risk and to make the political progress possible. We are being told that diplomacy is the art of the possible. This is an old saying, maybe out of date. It seems to me that diplomacy today is the art of achieving the impossible, or at least targets which seem to be impossible to get at. And this is the situation in which we live.

After 27 years, almost 28 years, of a state of belligerency, with all the accumulation of hatred and psychological reluctance on our neighbors' side, it isn't an easy mission, particularly when there are forces inside the region and outside the region who are doing their best to encourage extremism across the lines. And extremist ideas can never help to achieve anything mutual, but some compromise which will serve all sides is the right manner, and we trust Dr. Kissinger's intentions. We trust his ability, and ever since Nancy is around him, our confidence is even

greater than before, and even before it was great enough.

I would like to conclude by saying that one needs a very deep belief in the idea of peace, not only as a necessity but as a conviction, as an integral element in our fate. And I think, with all the difficulties that one can see, he can also witness from a distance a ray of hope, because I simply believe that peace or at least progress toward peace is needed, not only by us but also by our neighbors.

And although we are talking now about Egypt, we are willing to negotiate peace treaties with each one of the neighboring countries with no discrimination, to negotiate without preconditions. And this is the difference between real negotiations and an attempt to impose dictates against the other side. We all know, after many years of experience, that there will not be a military solution to the Arab-Israeli conflict, and we should do our best to confine all the countries in the area to political means, and this is really the great duty and mission of Henry Kissinger.

All Foreign Ministers who happen to serve their countries in peril, in time of tension, in the absence of peace, must maintain a certain degree of guarded optimism, even when the situation looks desperate. It was a great American President who accomplished great accomplishments in his country—and also probably committed some great mistakes—I am referring to F.D.R., who said very rightly that there are no desperate situations, there are people who get desperate of a situation. As far as we Foreign Ministers of the region—and you can deliver this message to my counterparts across the lines—we must not get desperate, because if we get desperate, who is going to struggle for peace? Pessimists are bound to lose hope. Hope is needed as fuel in order to encourage people to struggle for peace, to work for peace.

Now ladies and gentlemen, let us raise our glasses, for the health of the President of the United States and the ever-great friendship of our two countries. *L'chaim*. [“To life.”]

Mr. Foreign Minister, Mrs. Allon: I nearly said "fellow members of the Cabinet." since I am sure I have seen more of the Israeli Cabinet than of our own. I would like to express my great pleasure at being in a country whose political disputes are relatively tame, which has only one house of Parliament and that is only comprised of less than 150 members.

I know many of you are here for many reasons. The distinguished members of the opposition, to study the depths human depravity can reach. The members of the Israeli negotiating team—the Prime Minister, Foreign Minister, Defense Minister, and the Chief of Staff—take very seriously what the Foreign Minister said, that it is not necessary for Israelis to agree with everything that Americans say; and having read your newspapers—and our Embassy is very careful to send me a selection of all unfavorable articles—I am aware of the fear that the United States may be applying "salami" tactics to Israel. Now, for those of us who have had—I don't know whether "privilege" is the right word—the experience, shall we say, of negotiating with the Israeli negotiating team, the idea that Israelis would be pushed back inadvertently—without noticing it, so to speak, and without obtaining a quid pro quo—is so inconceivable that it requires almost no discussion.

All of us on the American side are well aware of the affection of your Chief of Staff for any point, any territorial point, possessing any elevation whatsoever, and therefore withdrawals involving hills present very special difficulties for American negotiators even to mention.

So I want to assure Israelis present that they should not feel an uncharacteristic lack of confidence in their negotiators, who are keeping us very honest indeed. But, speaking seriously, I came to Israel in an official capacity for the first time on the day that the war ended. Indeed, the war had not yet ended, and I had the pleasure then of meeting men I grew to admire very much after-

ward, the former Chief of Staff, "Dado" [David] Elazar, with whom I had the privilege of working during the disengagement agreement with Egypt and, of course, many other senior leaders. And no one who met Israel's leaders on that day can forget the exhaustion and the relief and to some extent the uncertainty of what would happen now that this unbelievable effort was over, that this terrible shock had been honorably survived.

No one who was in Israel on that day can ever doubt that there is no people in the world that deserves peace more than the people of Israel or could be more dedicated to achieving it. Of course, given the special relationship of friendship and affection that exists between us and Israel, our disagreements, when they occur, are in the nature of family quarrels—loud and noisy—but we always know when they start that they are going to be settled.

And we always know that we are engaged in a common effort—to bring peace to an area and to a people that has suffered throughout its history and that deserves nothing so much as for once to live in recognition of it by its neighbors and in safety for its children. I agree with the Foreign Minister that Israel, which was built on faith, is now asked to undertake another act of faith.

I said once to a group in Washington, and indeed I would say, if I did not want to jeopardize his reputation, that it occurred at the house of your Ambassador, that on the occasion that the Foreign Minister visited Washington, that I will never forget my visit to his kibbutz, where I was taken around in a very matter-of-fact way, and every square yard has been paid for with lives or with some suffering.

And therefore a decade and a half ago, before I ever thought that I would be in any official position, this reality of Israel was very clear to me. And now the process of peace requires another act of faith on the part of all of us, because as we make peace we have to balance the requirements of physical security against the needs of good faith and good will and recognition. And we have to relate the tangible possession of ter-

ritory to the intangible necessities of legitimacy and acceptance and the desire for peace. And that is a very difficult process. And as the Foreign Minister said, in the nature of things no one can possibly know at each stage with certainty where the balance is to be struck.

But one thing we do know for certain: Serious people—as those of us who sit, if I may say so, in comradeship around the negotiating table—serious people can occasionally have different views. Although I regret to tell the assembled press that this did not happen today—I don't know whether now the Israeli Cabinet can survive a confidence vote tomorrow—but they may differ occasionally, and we have, and I am sure we will again.

But one thing cannot happen: We will not knowingly sacrifice Israel to the considerations of great-power politics. Whatever differences have occasionally arisen, or may arise again in the future, arise from the fact that in a complex problem, serious people may sometimes have a different perspective. They cannot arise from the fact that the United States considers the security of Israel expendable or a pawn in some game of great-power politics.

Of course we have to take many factors into account as well, because we all have to survive in the same environment. And in a world in which great powers sacrifice small powers, the integrity of the large powers, and ultimately their security, is jeopardized as well. So we have embarked today in a review of the considerations, the categories, purposes, and the strategies involved not just in another step, but involved in a process toward that state of peace that we both desire.

We share your aspirations for peace. And we hope that we can in the not too distant future look back to that day which I met the Israeli leaders at the end of their difficult war as the day when we began to turn toward a period when mothers in Israel no longer had to fear for the future of their children and where therefore the peace of the whole world became more secure. And it is in this spirit that I would like to pro-

pose a toast to the President of Israel and to the friendship of the United States and Israel.

## **DEPARTURE, BEN GURION AIRPORT, FEBRUARY 12**

Press release 61 dated February 12

### **Secretary Kissinger**

I wanted to thank the Foreign Minister and the Israeli negotiating team—the Prime Minister, all the other friends with whom we discussed here—for what I consider very constructive, very useful talks. We did not attempt to reach any final conclusion on this trip, but rather to explore the basic principles and categories of a possible interim settlement; and I will now go to Egypt, and I will have similar discussions with the Egyptian leaders.

The area needs progress toward peace. All the peoples in the area need it. The United States will do what it can to promote it, and the talks here were a very useful and important step in that direction.

Thank you.

### **Foreign Minister Allon**

Thank you very much, Mr. Secretary, for your kind words. I, too, consider your visit to this country as a very important one and indeed very successful. We didn't expect too much from the first move. Nevertheless, as a preliminary move it was a very constructive one.

I sincerely believe that an interim agreement is badly needed by all the parties concerned—by Israel, by Egypt—and I am happy that this coincides also with the policy of the United States of America. I can understand that there may be different approaches as to how this interim agreement should be achieved and what should be the results of it, but once we start we must stick to the initiative, until we get positive results, with great patience and good will on both sides. I wish you a very successful trip to Egypt, and come back as soon as you can.

REMARKS BY SECRETARY KISSINGER AND  
PRESIDENT SADAT OF EGYPT, FEBRUARY 12<sup>1</sup>

*Q. Is there going to be a statement?*

*President Sadat:* Yes, Dr. Kissinger will tell you.

*Secretary Kissinger:* The President and I reviewed the whole situation. First we met as delegations with Foreign Minister [Ismaïl] Fahmi, Under Secretary [Joseph J.] Sisco, and Ambassador Eilts [Hermann F. Eilts, U.S. Ambassador to Egypt]. Afterward the President and I met alone for a couple of hours for a detailed review of every aspect of the situation. I think we have made progress in clarifying the issues and indicating the directions in which a solution should be found. And we will continue our talks this evening, and I'm hopeful that further progress will be made. In fact I'm confident that further progress will be made.

*Q. Do you expect a change in program and to come back again in the coming few days?*

*Secretary Kissinger:* Not in the coming few days, but in the very near future.

*Q. This will help your mission in Israel, sir?*

*Secretary Kissinger:* I don't have a mission to any particular country. My mission is to help bring peace to the area. And I find that my talks with the President today were very constructive in that direction.

*Q. Are you optimistic now?*

*Secretary Kissinger:* As I indicated, I think we indicated the direction in which progress can be made.

*Q. You mean you are more hopeful than before, Dr. Kissinger?*

*Q. Are you satisfied, Mr. President?*

*President Sadat:* Yes, I am satisfied. We had very fruitful talks and then we shall

be resuming these talks because Minister Fahmi was very kind to invite me for dinner with Dr. Kissinger. [Laughter.]

*Foreign Minister Fahmi:* It is my honor, Mr. President.

*Q. Mr. President, you seem a little bit subdued today, not as happy as you were before after some of these talks.*

*President Sadat:* How can you reach this conclusion?

*Q. Well, we're reduced to that sometimes.*

*President Sadat:* Not at all, not at all. I'm very happy. As I told you, I am optimistic.

*Q. Mr. President, are you optimistic that you will see an early withdrawal of Israel from the Sinai passes and from the oilfields?*

*President Sadat:* Well, as Dr. Kissinger said, we have made a survey for the whole problem, and I think this is quite sufficient for the moment.

*Q. Well, I wondered if your optimism extended from something physical on the ground in the way of withdrawal?*

*President Sadat:* Well, I'm always optimistic when I receive my friend Henry.

*Q. Dr. Kissinger, is your visualization of the next steps already made?*

*Secretary Kissinger:* Well, the basic problem is to bring peace to the entire area and that is the fundamental problem. In reaching that, there will undoubtedly be individual steps, and I personally have some ideas what these steps might be in the context of an overall peace.

*Q. Mr. Secretary, do you mean one country at a time?*

*Secretary Kissinger:* Well, I don't want to speculate on how these various stages might get carried out.

*Q. Mr. President, do you feel that the Israeli and Egyptian positions are reconcilable?*

<sup>1</sup> Made to the press following their meeting at the Barrage Residence, at Cairo on Feb. 12 (text from press release 63 dated Feb. 13).



*President Sadat:* Well, you should ask Dr. Kissinger this.

*Q. Dr. Kissinger?*

*Secretary Kissinger:* I'm here because I think they're reconcilable.

## **DEPARTURE, DAMASCUS AIRPORT, FEBRUARY 13**

Press release 66 dated February 13

First of all I wanted to thank the President and the Foreign Minister for the very warm and courteous reception that we have had here in Damascus. We first of all reviewed the state of bilateral relations between Syria and the United States, which is good and improving. We also reviewed in very great detail all the elements of a just and lasting peace in the Middle East and the indispensable role of Syria in a final solution of the problems of the Middle East.

The talks throughout were very friendly and constructive. We agreed to stay in close contact. The President and the Foreign Minister invited me on the occasion of my next visit to the Middle East in a few weeks' time to visit Damascus, and I accepted with great pleasure.

## **REMARKS AT JERUSALEM, FEBRUARY 13<sup>2</sup>**

### **Secretary Kissinger**

I wanted to report to you that the Israeli negotiating team and my colleagues and I had a very good and constructive session this evening. I reported to the Israeli negotiating team about my visits to Cairo and Damascus. I did not bring as a result of these visits any concrete proposals, plans, or lines but, rather, a continuation of the considerations that were part of my exploratory mission.

I plan to return to the Middle East by the middle of March, and I will meet again with the Israeli negotiating team tomorrow morn-

<sup>2</sup> Made following a working dinner with Prime Minister Rabin (text from press release 68).

ing to prepare this next visit. The talks were conducted in a very friendly atmosphere, and I consider them fruitful and positive.

### **Foreign Minister Allon**

I would like to thank the Secretary of State for the candor and open way in which he reported to us about his impressions from his recent visits to Cairo and Damascus. May I remind you that when I came back from Washington, I expressed my hope that the Secretary of State would be visiting the Middle East around the dates that this trip has been carried out. And I also expressed my hopes that as a result of his exploration in this short visit he will find it necessary and desirable to come again for a further effort in order to achieve political progress.

I am very glad that Dr. Kissinger found it possible to promise another visit to this part of the world. Thank you for that, too.

## **ARRIVAL, AQABA, FEBRUARY 14**

Press release 70 dated February 14

I want to say it is always a special pleasure for me to see our friends in Jordan. I am here to tell the King and Prime Minister Zaid Rifai about my trip through the area, to get their advice about how peace in the Middle East may be promoted, and to discuss how to strengthen the already very good bilateral relations between Jordan and the United States. I look forward very much to seeing His Majesty.

Thank you very much.

## **ARRIVAL, RIYADH, FEBRUARY 15**

Press release 72 dated February 18

### **Petroleum Minister Sheikh Ahmed Zaki Yamani**

It's always a pleasure to welcome Secretary Kissinger to this country and to exchange views with him in order to help achieve peace in this area. We appreciate his efforts and wish him the best of luck.

## Secretary Kissinger

I would like to express my own great pleasure at returning to Riyadh and to see our old friends in Saudi Arabia. I will report fully to His Majesty about the trip I have now taken through the area and the determination of the United States to contribute to rapid progress toward peace in the Middle East. We will also talk about other problems, including the problems of cooperation between consumers and producers and the American attitude of conciliation, cooperation, and traditional friendship.

## DEPARTURE, RIYADH, FEBRUARY 15

Press release 73 dated February 18

### Secretary Kissinger

Really, I can record only that I reviewed with His Majesty and his advisers the state of negotiations toward peace in the Middle East, and I listened with great interest to the advice of His Majesty, that we take, always, extremely seriously. We also reviewed bilateral relations and other matters of common interest. The talks were warm, friendly, and constructive; and my colleagues and I are grateful for the reception we have had.

### Petroleum Minister Yamani

Well, every time we receive our friend Dr. Kissinger, he leaves with us more confidence in his ability, his sincerity, and we wish him good luck. We believe that it is in the interest of the United States to create peace in this area, and we believe that he is doing his best to create that interest and to maintain it.

## ARRIVAL, BONN, FEBRUARY 15

Press release 75 dated February 18

I wanted to say how delighted I am to have this opportunity to meet my friend and colleague the Foreign Minister. I will re-

port to him and to the Chancellor about my trip to the Near East and about the prospect for further steps toward peace as I see them.

Naturally, we will also review German-American relations and world problems in general. I am not aware of any problems that exist in the relationship between the Federal Republic and the United States. So it will be a meeting among friends who will talk about how to make close relationships even closer.

*Q. Did you get the support of King Faisal for your efforts?*

*Secretary Kissinger:* I think Minister Yamani said at the airport that the Government of Saudi Arabia supported the approach that I am following.

## REMARKS AT BONN, FEBRUARY 16<sup>3</sup>

### Foreign Minister Hans-Dietrich Genscher

The visit of the Secretary gave us an opportunity for an exchange of views on Middle East developments. In these discussions it became clear that our evaluations are in agreement. The same applies to the situation in the Mediterranean. It is natural that we talked about the Cyprus situation. Other topics this morning included the status of discussions on CSCE [Conference on Security and Cooperation in Europe] as well as the status of MBFR [mutual and balanced force reduction] negotiations. We were able, which for us is not surprising, to agree fully on all these questions.

### Secretary Kissinger

Both for the benefit of the American press here and for the sake of German-American relations, I will not inflict my German on you, which the Foreign Minister maintains is not German at all, but Franconian [laughter].

I would like to underline the remarks of the Foreign Minister. We reviewed my trip

<sup>3</sup> Made to the press following a meeting at Schloss Gymnich (text from press release 76 dated Feb. 18).

to the Middle East, the European Security Conference, mutual force reductions, and the situation in the Mediterranean with particular emphasis on Cyprus. And on all these matters there was a complete unanimity of view, and the discussions were conducted in the warm and friendly spirit which has characterized our relationship.

Thank you very much.

*Q. Did you discuss the position of the PLO [Palestine Liberation Organization]?*

*Secretary Kissinger:* The American position on the PLO is well known, and I am obliged to repeat it at every press conference. We have nothing to discuss with the PLO until the PLO recognizes the existence of Israel and of the relevant resolutions. At that point we can think about the problem.

*Q. Mr. Secretary, did you discuss the question of German arms shipments to Turkey in view of the American embargo?*

*Secretary Kissinger:* Well, this is a matter for the Federal Republic to decide. We discussed, rather, the political situation in the eastern Mediterranean, and of course the Administration's position on that matter has been made abundantly clear.

#### **INTERVIEW WITH GERMAN TELEVISION (ZDF), FEBRUARY 16**

Press release 77 dated February 18

*Q. Have you made progress in pursuit of your policies in the Near East?*

*Secretary Kissinger:* I think that my trip to the Middle East outlined the main positions with a much greater precision than I had understood them before. It indicated the difficulties, but it also indicated the possibilities, and therefore I shall return to the Middle East within a few weeks with hope that some progress can be made.

*Q. Has your trip placed you in a good position for your talk with Foreign Minister Gromyko in regard to improving relations with the Soviet Union in the Middle East?*

*Secretary Kissinger:* The United States recognizes that a final settlement in the Middle East cannot be achieved without the participation, cooperation, and possible guarantee of the Soviet Union, and I will talk to Foreign Minister Gromyko this evening in that spirit. We have both taken trips to the area, and we will exchange ideas, and we will do so from the attitude, certainly on the American side, that good relations with the Soviet Union are an essential aspect of our policy.

*Q. What role can Europe play in your view in that part of the world?*

*Secretary Kissinger:* As you know, I have always been a very convinced believer in the proposition that the United States and Europe must cooperate closely and coordinate their policies closely. One reason I stopped in Bonn, and will stop in London and Paris, is to inform our European colleagues of the results of my trip. Coordinated policies do not mean it has to be identical, and I think that Europe can with its own influence and with its own relations exercise a rule of moderation and conciliation and at crucial moments can use its influence to help bring about a peaceful solution.

Thank you very much.

#### **ARRIVAL, GENEVA, FEBRUARY 16**

Press release 79 dated February 18

I would like to express my pleasure at being in Geneva to review with Foreign Minister Gromyko the state of U.S.-Soviet relations and also the situation in the Middle East. I agree with Foreign Minister Gromyko that the state of U.S.-Soviet relations is of great importance to the peace of the world, and therefore the United States attaches considerable importance to the relaxation of tensions between the Soviet Union and the United States and will continue to pursue this policy with energy and conviction.

The Soviet Foreign Minister and I will review the whole range of Soviet-American relationships and will of course pay attention

to the Middle East, to which both of us have paid visits in recent weeks, and we will no doubt exchange impressions.

Thank you very much.

## REMARKS AT GENEVA, FEBRUARY 17

Press release 81 dated February 18

### Soviet Foreign Minister Gromyko

Now, we had lunch by the Secretary of State of the United States. Before luncheon we had a discussion. We also had a discussion after lunch. You know that we also met for discussions yesterday night. Many questions were touched upon in the conversations, and I believe that all of these questions are important. There were questions on which our positions are close or coincide. I won't divulge a secret, and I think the Secretary of State will agree, that there were questions on which our positions did not exactly coincide. But we agreed by expressing the opinion of our countries and in general the leadership of our states that it is necessary to work in the direction of narrowing the differences—on questions where these differences exist, to work in the spirit of those relations which have been established between the Soviet Union and the United States. And the United States and the Soviet Union have covered a great distance in a positive direction.

I must firmly say that the Soviet leadership and the Soviet Government firmly pursue the line which has been formed in relations between our countries in recent times. In this connection I would like to underline the great importance of the Vladivostok meeting between the General Secretary of the Central Committee of the Communist Party of the U.S.S.R., Comrade Brezhnev, and the President of the United States, Gerald Ford. Of course, you are aware that the Secretary of State, Mr. Kissinger, actively participated in that meeting and I also had a little bit to do there.

I would like to express my satisfaction that our talks, this is our view, our discus-

sions here yesterday and today were fruitful for the relations between the United States and the Soviet Union; and we are convinced that for other states as well, and from the point of view of the international situation as well.

And in front of you, I would like to say my thanks to Mr. Kissinger, the Secretary of State, for the hospitality showed to us today. I would like to take this opportunity to convey my best wishes to the people, citizens, of this wonderful city of Geneva and to the citizens and to the people of Switzerland and to the administration of the canton and the Swiss Government for their hospitality and the creation of good conditions for our work.

### Secretary Kissinger

I do not profess the oratorical skill of my Soviet colleague. I therefore will confine myself to confirming his evaluation of our meeting. We deepened our understanding on those issues where our views coincide; and on those issues where our views did not coincide exactly, we attempted to bring our views into closer harmony.

The United States proceeds in these meetings, which we consider a regular part of our exchanges, from the assumption that the United States and the Soviet Union have a special obligation to preserve international peace and therefore must be in close contact on all major international issues that can affect the peace of the world.

I also, on behalf of my colleagues, consider these talks to have been fruitful, and I shall report to the President that we are moving within the spirit of the previous agreements.

The United States attaches very great importance to the Vladivostok agreements, on the implementation of which negotiations have started here and which both our governments will endeavor to bring to conclusion during this year.

I would also like to thank the city of Geneva and the canton for having received us here and for having the occasion for this very useful meeting. Thank you very much.

*Q. Mr. Gromyko, Mr. Brezhnev recently complained that certain persons were offering the Arabs a soporific in the form of a partial settlement in the Middle East. Do you have any idea who those certain persons are and why he was complaining?*

*Foreign Minister Gromyko:* He did not mention any particular persons. [Laughter.]

*Secretary Kissinger:* I asked the Foreign Minister the same question. [Laughter.] I offered to share in the condemnation of such efforts. [Laughter.]

*Foreign Minister Gromyko:* So there is no basis for criticizing.

*Q. Mr. Secretary, did you talk about the resuming of the Near East conference here in Geneva and about dates?*

*Secretary Kissinger:* Well, we will issue a communique later today in which these and related questions are addressed.

*Q. This is tonight for the German television?*

*Secretary Kissinger:* Well, you can read it on German television this evening. Thank you.

#### **TEXT OF U.S.-U.S.S.R. JOINT STATEMENT ISSUED AT GENEVA FEBRUARY 17**

Press release 80 dated February 18

As previously agreed, a meeting between Henry A. Kissinger, Secretary of State of the United States of America and Assistant to the President for National Security Affairs, and Andrei A. Gromyko, Member of the Politburo of the Central Committee of the CPSU [Communist Party of the Soviet Union] and Minister of Foreign Affairs of the USSR, took place on February 16 and 17 in Geneva.

They exchanged views on a number of questions of bilateral American-Soviet relations, including the various negotiations currently in progress between them, and on certain international issues of mutual interest. Both sides emphasized their determination to adhere to the course of continu-

ing to improve Soviet-American relations in accordance with existing understandings and agreements of principle, which they firmly believe are in the interest of the peoples of the United States of America and the USSR and of international peace.

Both sides stressed the great significance of the agreement regarding the further limitation of strategic offensive arms reached in the course of the meeting between the President of the United States of America Gerald R. Ford and the General Secretary of the Central Committee of the Communist Party of the Soviet Union, L. I. Brezhnev in November, 1974, in Vladivostok. On the basis of this agreement, both sides intend to continue energetic efforts to work out an appropriate long-term agreement this year.

It was noted that a great deal of progress has been achieved at the Conference on Security and Cooperation in Europe. The two sides stated that they will continue to make active efforts jointly with the other participants to have the Conference successfully concluded at an early date.

They assume that the results achieved permit its conclusion at the highest level.

They also agreed that active efforts should be made to achieve positive results in the mutual reduction of forces and armaments in Central Europe on the basis of the principles referred to in the American-Soviet communique of November 24, 1974.

In the course of the conversations, particular attention was given to the Middle East. The two sides remain concerned over the dangers persisting in the situation there. They reaffirmed their intention to make every effort to promote a solution of the key issues of a just and lasting peace in the area on the basis of UN Resolution 338, taking into account the legitimate interests of all the peoples of the area, including the Palestinian people, and respect for the right to independent existence of all states in the area.

The two sides believe that the Geneva Conference should play an important part in the establishment of a just and lasting peace in the Middle East, and should resume its work at an early date.

They exchanged views on Cyprus. Both sides reaffirmed their firm support for the independence, sovereignty and territorial integrity of Cyprus. They recognize the present Cypriot Government as the legitimate government of Cyprus. Both sides continue to consider that a just settlement of the Cyprus question must be based on the strict implementation of the resolutions adopted by the Security Council and the General Assembly of the United Nations regarding Cyprus.

The talks were held in a business-like and constructive atmosphere and both sides expressed their satisfaction with the results.

## REMARKS AT LONDON, FEBRUARY 18

Press release 82 dated February 18

### Secretary Kissinger

The Foreign Secretary, Prime Minister, and I reviewed the trips that both sides have been taking. We think that the British visit to Moscow was extremely successful—a contribution to the relaxation of tension within the framework of allied friendship and solidarity. I reported to our British friends about my visit to the Middle East and our plans for the future.

We also had an opportunity to review all other international matters in a spirit of friendship, cordiality, and agreement.

Thank you.

### U.K. Foreign Secretary James Callaghan

It's always a great pleasure to have Dr. Kissinger here. He's one of the world's great statesmen, and he's been on a mission of peace. I hope that his efforts meet with the reward that the world needs and that certainly they deserve. We think that as a result of the efforts that are being made by him—and we were able to discuss the Middle East situation in some detail—that there is good prospect for another step being taken. That is certainly our desire and our inten-

tion, and we are working with the United States, and with all others, in order to achieve that.

As far as our visit to the Soviet Union was concerned, I agree with Dr. Kissinger that it has had the impact of strengthening the policy of détente, which is in the interest of all of us. I hope that it has reinforced other efforts that are being made in other directions. And I think as far as 1975 is concerned, that we may well see some progress in further relaxation of tension and in the growing together of people whatever their economic or political systems may be.

*Q. Mr. Callaghan, did you have the impression in Moscow that the Russians would cooperate with a step-by-step approach to these negotiations?*

*Foreign Secretary Callaghan:* Well, I think Dr. Kissinger has talked to Mr. Gromyko since I did. I think he could answer that question better than me.

*Secretary Kissinger:* I hope that the Soviet Union will understand that any step toward peace is in the interest of everybody. We have always asserted that a final settlement will require the cooperation and participation of the Soviet Union, so these measures are not considered incompatible by us.

*Q. Mr. Callaghan, did you talk to the Secretary about energy, in particular the oil price floor that the Secretary has proposed?*

*Foreign Secretary Callaghan:* Yes, we've had a number of conversations about this particular subject in Washington, and this time we haven't carried it very much further, because not much progress has been made beyond our talks in Washington.

*Q. Generally does Britain go along with this concept?*

*Foreign Secretary Callaghan:* Of a price floor? We're going to be very big producers of oil ourselves by 1980, and we think there is a lot to be said for having some stability in the market, especially when there is ex-

pensive oil being produced. So we would want to examine this kind of proposal very sympathetically.

*Secretary Kissinger:* I've got to maintain my friendship with the Foreign Secretary in case he becomes president of OPEC [Organization of Petroleum Exporting Countries]. [Laughter.]

*Q. Could Dr. Kissinger tell us his impressions of Mrs. Thatcher [Margaret Thatcher, leader of the Conservative Party]?*

*Secretary Kissinger:* I have already stated that I was impressed.

#### **NEWS CONFERENCE BY SECRETARY KISSINGER AND THE SHAH OF IRAN, ZURICH, FEBRUARY 18 <sup>4</sup>**

*Q. Is Iran prepared to play a role in the Secretary's step-by-step diplomacy? Specifically, I have in mind supplying oil to Israel, should Israel be compelled to give up the Sinai oilfields.*

*The Shah of Iran:* Well, I think that I have answered this question before by saying that our policy is to sell oil to [remainder of sentence inaudible]. Once the tankers are loaded it doesn't matter where or to whom the oil goes, because it is a strictly commercial transaction for my country.

*Q. So certainly you would be part of no boycott of Israel, which seems to be growing big?*

*The Shah of Iran:* We have never really boycotted anybody. It is not part of our policy. We think that politics and commerce are separate. We have not taken part in the first oil embargo, and we will not take part in any other embargo. No embargo can work anymore, because we have tremendous oil reserves in both Europe and other countries of the world. I believe they have 90 days' reserve, and today's wars cannot last more

than three weeks. So I don't really believe in that. But if it comes, we are not going to put an embargo on oil.

*Q. Your Majesty, you and the Secretary discussed prices surely. What do you see as a future price [inaudible] and Mr. Kissinger's plan for a floor price on oil?*

*The Shah of Iran:* We are going to go to the OPEC meeting in Algiers very soon. Anything I say before that meeting you will hear about. What I want to say is that in my opinion, for good or bad, the price of oil has increased. If we consider inflation and that the Western countries—or the industrialized countries—are selling their goods to us at about 35 percent more, and then, with the devaluation of the dollar, in the matter of fact of purchasing power a barrel of oil corresponds today to about \$7 or \$8, if you want my opinion. So the price of oil has gone up.

*Q. Excuse me, but that brings up indexing. We are familiar with your position. Are you and the Secretary getting together on a view of the value of indexing?*

*The Shah of Iran:* In principle he agrees with me on the indexing of prices. The question is a floor price for oil and also a floor price for other commodities. But the other commodities are 20 or 30, and oil is one. It won't be easy to index it, but it can be done.

*Q. Mr. Secretary, what was the main concern between yourself and His Majesty?*

*Secretary Kissinger:* Well, as you know, the relations between Iran and the United States are extremely close; and I think that His Imperial Majesty and I have agreed that they have probably never been better. Therefore it was natural that as a result of my tour to the Middle East I would inform His Imperial Majesty of what the United States is intending to do and to get the benefit of his advice on those matters. It naturally gave us an opportunity to review other issues such as the general issue of energy and the

<sup>4</sup> Held following a luncheon at the Dolder Grand Hotel (text from press release 84 dated Feb. 19).

bilateral Iranian-American relations. We will have a meeting in Washington of the Iranian-U.S. Commission.

*Q. [Inaudible.]*

*The Shah of Iran:* I am not one of those to believe that the price of oil will go lower—

*Q. Will go up, did you say?*

*The Shah of Iran:* No, go lower. If you force us to raise the prices by your inflation, it might go up. But what will be the purchasing power? I am not interested in raising the price of oil. But if I have to go and buy more expensive goods, what really concerns me is to keep a constant purchasing power.

*Q. Mr. Secretary, in context with His Majesty's remarks about the decline of the dollar, I understand the United States is planning to do something about the dollar now.*

*Secretary Kissinger:* As I understand it, the value of the dollar has stabilized; and we are very interested in maintaining it. We will do our best to do so.

*Q. We have not seen it in Switzerland yet.*

*Secretary Kissinger:* It will come here. Everything comes here sooner or later.

*Q. What, according to your ideas, are the means of getting down inflation? For instance, you buy products from industrialized countries, but at the same time you are paying much more. But what is the way out?*

*The Shah of Iran:* The way out is for you people to check your inflation.

*Q. Mr. Secretary, how can one check this inflation?*

*Secretary Kissinger:* That is an extremely complicated matter; but as you know, the Administration is attempting to deal simultaneously with both inflation and recession, and we agree with the concern of His Imperial Majesty about bringing inflation under control and, above all, to have a fruitful dialogue.

*Q. Your Majesty, I am sorry, but we did not hear your answer about the possibility of selling oil to Israel. Would you please repeat it?*

*The Shah of Iran:* I said that when we sell our oil and fill up the tankers in our terminal ports we do not mind and do not care where it goes.

*Q. Would you be willing to play an active role in promoting step-by-step diplomacy?*

*The Shah of Iran:* I am not one of those who loses his head very easily in believing that he is a big deal, but for the little influence that we could eventually have, is to see every possible way of defusing the present, maybe explosive, situation that will permit more meaningful and constructive talks later.

*Q. Your Majesty, do you believe that after your meeting in Algiers the price of oil will be higher?*

*The Shah of Iran:* I can't say what will be the result of that meeting. This meeting will probably study what to do if the inflation in Europe and elsewhere continues. And if our purchasing power becomes less and less, we will have to defend ourselves somehow.

*Q. You see a direct link between inflation and the price of oil that will be set? If inflation goes higher, the price of oil could go higher?*

*The Shah of Iran:* If inflation goes on the price of everything will get out of control.

*Q. Your Majesty, have you discussed with the Secretary recent reports that Diego Garcia is to be built up as a naval position, in view of your disagreement with big powers moving in the Indian Ocean?*

*The Shah of Iran:* I have spoken about it before, but our principal first-choice policy will be first to see the Persian Gulf and then the Indian Ocean eventually free of outside powers. That means nonriparian states. But as long as some powers are there, we would



not only not object to the presence of the United States but on the contrary we would welcome it.

#### REMARKS AT PARIS, FEBRUARY 18 <sup>5</sup>

##### French Foreign Minister Jean Sauvagnargues

I have had the honor and pleasure of receiving the Secretary of State for a working dinner. Unfortunately I was not able to offer a dinner as sumptuous as the one he gave for me in Washington. But I have told him that I hope to meet him again soon with Madame Kissinger in Paris in order to offer him a reception comparable to the one he arranged for me in Washington.

This evening we had a working dinner that consisted of a detailed exchange of views on a certain number of problems, problems facing the United States, France, and the entire Occidental world—the problem of energy, the problem of the CSCE. There is also the problem of Cyprus, which occupied us for quite some time. And we have of course spoken of other important questions. Throughout, the atmosphere was very cordial, very frank. Mr. Kissinger will continue this exchange tomorrow with the President.

##### Secretary Kissinger

First, I want to apologize that I do not speak to you in French. While I understand it well, I never speak it to civilized people with my accent. I agree with everything that the Foreign Minister has said. The discussions covered a variety of subjects and were carried out with great cordiality in a very friendly atmosphere, and I considered them extremely useful.

*Q. What role is France going to play in the energy crisis? Do you think that the conflict in the Middle East is going to be more important in the future?*

<sup>5</sup> Made to the press following a dinner at the Quai d'Orsay (text from press release 87).

*Secretary Kissinger:* I believe that France has played a useful role in the energy crisis, and we are always exchanging ideas about the Middle East, and we are working for the same objectives.

*Q. In the Middle East conflict has France for the next few years an important role?*

*Secretary Kissinger:* France has pursued an active policy in the Middle East. We have always benefited from the advice that France from time to time was able to give us, and in turn we keep the French Government closely informed about our activities.

#### REMARKS AT PARIS, FEBRUARY 19 <sup>6</sup>

##### Foreign Minister Sauvagnargues

The Secretary of State has had a very thorough conversation with the President of the Republic. Most of the problems were discussed; most of these indeed were those we had already discussed yesterday. The Secretary of State has brought a very detailed report on the trip he has just made through the Middle East and which he will resume during the course of the month of March.

The question of energy was treated, and these discussions were carried on in the spirit of Martinique and conform with decisions taken at Martinique. We have made good progress in the direction which we have agreed to follow together.

##### Secretary Kissinger

I agree with the Foreign Minister that the discussions were very interesting. We covered the whole agenda of Franco-American relations. I reported to the President about my recent trip and the prospects of another step toward peace in the Middle East, and we exchanged views about energy and the preparation of the consumer-producer con-

<sup>6</sup> Made to the press following a breakfast at the Elysee Palace (text from press release 91).

ference which is going ahead satisfactorily, and all the discussions were conducted, as the Foreign Minister pointed out, in the spirit of Martinique; that is, cooperation, frankness, and friendship.

*Q. Is the United States going to participate in the preparatory conference next month?*

*Secretary Kissinger:* I think that good progress has been made in that direction.

## **ARRIVAL, ANDREWS AIR FORCE BASE, FEBRUARY 19**

Press release 93 dated February 19

I will be reporting to the President in about an hour.

The trip that I've just completed was designed to explore the possibilities of another step toward peace in the Middle East; to exchange views with the Soviet leaders, Foreign Minister Gromyko, about U.S.-Soviet relations and the Soviet role in Middle East negotiations; and to stay in close contact with our allies in Europe both about the prospects for peace in the Middle East—which is of such great concern to them—as well as about problems of energy and other international affairs.

I believe we have made some progress toward establishing a framework for negotiation in the Middle East, and I plan to return there in a few weeks to see what can be accomplished concretely. With respect to the Soviet Union, we have always considered our relationship central to the maintenance of peace, and we will continue to stay in touch with the Soviet leadership as we negotiate another step in the Middle East and also in the preparations for a final settlement.

And of course the central element of our foreign policy is close relationship with our allies in Europe and Japan. I believe that my visit to Bonn, London, and Paris has strengthened that relationship. As you know, I also had very fruitful talks with the Shah of Iran.

Now I will report to the President.

## **U.S. Loan To Assist in Financing of Bangladesh Fertilizer Plant**

*Following is an announcement issued by the Agency for International Development on February 13.*

AID press release 75-12 dated February 13

The Agency for International Development is lending \$30 million to Bangladesh under a joint internationally financed project to help that country construct a urea fertilizer plant, which is expected to have a major impact on the agricultural sector.

The total cost of the joint fertilizer project will be an estimated \$249.4 million, including \$142.3 in foreign exchange costs. In addition to the \$30 million AID loan, the balance of the foreign exchange will come from: International Development Association, \$33.4 million; Asian Development Bank, \$30 million; the United Kingdom, \$18 million; Iran, \$12.4 million; Federal Republic of Germany, \$12 million; and Switzerland, \$6.5 million. Bangladesh will provide the required local currency costs for the project.

Increased use of fertilizer is critical to Bangladesh's effort to produce more food to feed its growing population because more than half of the country's gross domestic product and employment for more than 75 percent of the total labor force comes from the agricultural sector. The agricultural sector also is the primary source of foreign exchange.

The plant will have an annual capacity of 528,000 tons of urea and will more than double the country's urea production capacity, raising annual production capacity from the present 450,000 tons to 950,000 tons. The plant will be located in Ashuganj, about 36 miles northeast of Dacca on the bank of the Meghna River, with rail and water transport connections to the country's important agricultural areas. The plant will use natural gas from the nearby Titas gasfield as feedstock and fuel, and will provide jobs for about 1,200 persons, some of whom will receive training in Bangladesh and abroad. Although there are no statutory regulations in Bangla-

desh for industrial pollution, the plant will be designed in accordance with European and U.S. standards in respect to solid, liquid, and gaseous emissions.

Although the loan proceeds will be available to finance purchases in many countries, the proceeds probably will be spent for U.S. goods and services. In addition, based on past experience, AID expects that U.S. suppliers will provide materials and services for the project financed by some of the other lenders.

Besides the \$30 million fertilizer loan, AID made two other agricultural input loans to Bangladesh within the past five months, a \$25 million loan last September and a \$30 million loan in January. The U.S. Government also has donated more than \$500 million in grants for economic assistance to Bangladesh since that country achieved independence in 1971.

The AID loan is to be repaid in dollars in 40 years, with an initial grace period of 10 years, during which no repayment of principal is due. Interest is payable at 2 percent annually during the grace period and 3 percent thereafter.

## **U.S. Loan to Egypt To Finance Development Imports From U.S.**

AID press release 75-11 dated February 13

Secretary of State Henry A. Kissinger and Ismail Fahmi, Egyptian Minister of Foreign Affairs, on February 13 signed an agreement under which the United States will provide \$80 million to the Arab Republic of Egypt to finance essential imports from the United States.

The \$80 million loan is the first major transaction under the \$250 million economic assistance program of the Agency for International Development recently authorized by the U.S. Congress for Egypt. The funds will be used to finance imports of agricultural and industrial equipment, spare parts, and other essential commodities and related services needed to reactivate and expand the productive capacity of the Egyptian economy. The imports will contribute to increased indus-

trial output and to the social and economic development of the Arab Republic of Egypt.

The loan is repayable over 40 years with a 10-year grace period for repayment of the principal and bears an interest rate of 2 percent per annum during the grace period and 3 percent per annum thereafter.

The United States is already assisting Egypt in several areas. AID has financed U.S. participation in clearing the Suez Canal and intends to provide assistance in the reconstruction of cities and towns along the Canal as well as central development activities. In addition, 300,000 metric tons of Food for Peace have already been authorized this fiscal year at a cost of about \$52.5 million.

Representatives of the two governments are meeting to develop a list of the imports to be financed under the loan and the procurement procedures to be followed.

## **U.S. Donates 50,000 Tons of Food to CARE for Drought Areas in India**

AID press release 75-7 dated February 10

The Agency for International Development announced on February 10 that the United States through the Food for Peace program is donating 50,000 metric tons of food grain to the Cooperative for American Relief Everywhere, Inc. (CARE), for distribution in drought areas in India.

The grain, consisting of 25,000 tons of soy-fortified bulgur and 25,000 tons of soy-fortified sorghum grits, will be distributed by CARE to Indians participating in a Food for Work program in areas susceptible to drought. Value of the grain, including ocean freight, is about \$16 million.

The Government of India hopes by providing jobs on public works projects to raise incomes of rural families, as well as to create new employment opportunities, and to increase agricultural production.

Projects to be undertaken in the Food for Work program will include watershed development, pasture improvement, foresta-

tion, and soil conservation. CARE will focus the programs in districts with largest numbers of small marginal farmers and landless laborers.

This Food for Peace donation is part of a continuing U.S. program to provide India with food aid. In fiscal year 1974, the U.S. Government donated 232,000 tons of food to India, valued at \$77.7 million, including ocean freight. In fiscal year 1975, AID expects to provide a total of 265,000 tons of food valued at \$92 million, including the new donation of 50,000 tons.

## **U.S. Makes Grant to Israel for Purchase of U.S. Goods**

AID press release 75-6 dated January 28

John E. Murphy, Acting Administrator of the Agency for International Development, and Simcha Dinitz, Israeli Ambassador to the United States, on January 28 signed an agreement providing \$150 million to Israel for the import of U.S. commodities.

Following the signing of the documents, Acting Administrator Murphy expressed the hope of the American people that "the people of Israel will look on this agreement as further indication of the U.S. continued concern and commitment to a lasting peace in the Middle East."

The grant is part of the \$652 million authorized by Congress to assist the nations of the Middle East "in their efforts to achieve economic progress and political stability, which are the essential foundations for a just and durable peace."

The grant will be made available to Israel in the form of credits for the purchase of chemical products, agricultural products, pharmaceuticals, textiles, metal products, structural steel, agricultural implements, computer hardware, manufacturing machinery, electrical transmission equipment, trucks, medical equipment, and other goods.

## **U.S. and Iran Agree in Principle on Investment in U.S. Airline**

*Following is a joint U.S.-Iranian statement regarding Iranian Government investment in Pan American Airways issued at Washington on February 16.*

In recent weeks the Government of Iran and Pan American World Airways Inc. have sought agreement in regard to the possible investment by the Iranian Government in Pan American. The United States Government has been informed of these developments and has been in consultation with both Pan American and the Government of Iran on this subject.

The United States Government and the Government of Iran recognize that any final agreement reached between Iran and Pan American World Airways Inc. is subject to approval by the United States Civil Aeronautics Board, using its normally applied laws and regulations. It is also understood that there be appropriate provisions in such an agreement which would satisfy various requirements of the United States Department of Defense vis-a-vis Pan American. Both Governments note that in entering into such an arrangement, the Government of Iran has no interest in controlling the management or operations of Pan American. For its part, the United States Government has no objection in principle to the proposed agreement.

Both the United States Government and the Government of Iran regard the fruitful consultations they have had on this issue as an expression of their close cooperation and a further contribution to the strengthening of their relationship.

DEPARTMENT OF STATE  
IMPERIAL EMBASSY OF IRAN  
16 February 1975  
Washington, D.C.

## The Global Economy: The Issues of Energy and Trade

*Address by Deputy Secretary Robert S. Ingersoll<sup>1</sup>*

The President has had long personal experience with the concerns of Michigan and the Detroit economic community. He has asked me to emphasize today that this Administration knows that foreign economic policy cannot be divorced from the domestic economy. Decisions bearing on your economic well-being and on the general prosperity of this nation will not be made without your interests in mind. We—the Department of State and the entire Administration—are determined to blend the creativity and expertise of business into the policymaking process.

We cannot succeed in a foreign policy that dwells increasingly on economics without your support and understanding. We cannot afford a policy that does not succeed.

As a former businessman and still a member of the Chicago Economic Club, I can sympathize with and relate to your concerns. I would like to discuss some of them with you. But first let me turn to some specific economic problems, and opportunities, facing this nation.

With so many aspects of the global economy experiencing severe stress, there are scores of issues to be addressed. But I will restrict my comments today to two issues in the international economy of most immediate concern to Detroit—energy and trade.

In 1974 we paid over \$24 billion to other nations for energy. This is three times what we paid in 1973. The sudden mammoth drain of real national wealth is central to our pres-

ent economic crisis. It contributes to inflation, unemployment, and recession.

There are two essential issues in the energy crisis: price and assured supply. Both are of deep concern to us. But ultimately the supply of energy, our economy's lifeline, is of fundamental importance. It is inconceivable that we might permit the economic and military security of our nation to become more dependent on foreign sources of energy that are vulnerable to interruption at any moment.

Our dependence on imported oil increased from virtually none in 1950 to 35 percent in 1973. If this trend is permitted to continue, we will be dependent on imported oil for fully half our oil needs in the 1980's.

Let us have no illusions about the impact of such growing dependence on imports on the security and prosperity of this nation. An oil embargo lasting less than six months and at its worst reducing our supply of imported oil by only 15 percent created severe economic dislocations in this country. Imagine the consequences if half our total oil supply suddenly were to be denied.

The decision to reverse the trend of growing dependence can only become harder as we become increasingly reliant on foreign sources of energy.

The time for action on conservation has arrived. In the next few weeks we must reach agreement on a comprehensive national energy program. If Congress does not agree with the Administration's program, then it has the responsibility to set forth a workable alternative of its own. We cannot continue to attack one another; let us attack the problem instead of one another.

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<sup>1</sup>Made before the Economic Club of Detroit at Detroit, Mich., on Feb. 18 (text from press release 74).

## International Energy Strategy

While much of the debate over energy has concerned what we should do here at home, we have proceeded internationally to orchestrate and implement a far-reaching strategy. This has been done without much public attention. But it is one of the major foreign policy accomplishments of the postwar era.

Last February at the Washington Energy Conference, Secretary Kissinger defined our overall approach: First to create unity among the major consumers, then to take the measures necessary to strengthen the consumers' position, and finally—from the position of unity and strength—to engage the producers in the search for a long-term solution. We have come a long way toward meeting our objectives.

By November 1974 we had made significant progress toward consumer unity and in limiting our vulnerability to future embargoes. The International Energy Agency (IEA) was established, and consumer nations reached an unprecedented agreement to share oil supplies in future emergencies. Each participating nation is committed to build an emergency stock of oil. In case of an embargo such as we saw in 1973, each nation will cut its consumption by the same percentage, and available oil will be shared. An embargo against one will be an embargo against all.

In his November speech in Chicago Secretary Kissinger set forth a program to reduce consumer weakness in the face of the oil producers' new financial power and to prepare for a dialogue with the producers.

In the past three months we have made concrete progress:

—The International Energy Agency is working to coordinate national conservation programs and launch a massive campaign to develop new sources of energy. The purpose is to reduce our consumption of imported oil and develop alternative sources so that there will be significant downward pressure on cartel fuel prices.

—And so that no single nation will be forced by balance-of-payments problems to attempt to save itself at the expense of

others, we have agreed to establish in the Paris-based Organization for Economic Cooperation and Development (OECD) a \$25 billion financial safety net. This solidarity fund will provide financing to those hardest hit by payments deficits. It will safeguard all the member nations against shifts, withdrawals, or cutoffs of funds by the producers.

These measures give us considerably enhanced security in the present situation. But we must look to the future as well—to the long-term effort to develop an abundant and reliable supply of energy. We must accept the fact that energy from these new sources will cost considerably more than that from the old ones and will never compete in cost of production with Middle Eastern oil.

The United States has proposed a floor price on imported oil or similar mechanisms to encourage and protect the investments required to help us meet our energy needs for the next decade—oil from the continental shelf, coal, and nuclear energy. If the price of OPEC [Organization of Petroleum Exporting Countries] oil drops on the market, these new sources of energy will remain competitive. The floor price, however, might not be high enough to encourage the development of more expensive sources of energy such as oil and gas from coal, tar sands, and shale. We have proposed the establishment of a synthetic fuels consortium with governmental investment or guarantees to develop our energy sources for the eighties—and beyond.

With the increased solidarity and security achieved over the past 18 months, the major consumers are now approaching a crucial dimension of our international energy program: negotiations with the producers. It has long been clear to the Administration that no solution to the energy problem is possible without a cooperative dialogue between producer and consumer countries. It has also been clear that no dialogue could succeed unless the consumers had a position of their own.

We now have an agreed consumer position on a financial safety net and a common approach to conservation. We are working with

our IEA partners to forge a cooperative framework to accelerate the development of alternative energy sources. Hopefully, we can achieve agreement on this element in time to hold a preparatory meeting with the producers late next month.

### **Business-Government Cooperation on Energy**

But the best laid international plans will be of no avail unless we can do what is required of us at home. In no other area is the success of our foreign and domestic policy more closely linked. We cannot ask other major consumers to reduce their consumption of energy unless we are prepared to do so as well. Nor can we expect the oil producers to respect our position in the negotiations ahead unless we launch a serious effort to develop new sources of supply.

There are legitimate differences about tactics, but it is imperative that we get on with a comprehensive program in the weeks ahead.

Achieving our goal of an assured supply of energy at a reasonable cost will require the close cooperation of business and government. You can help assure that our reduced consumption goals are realized by producing more energy-efficient cars. I note that Detroit will be taking a major step toward reducing gasoline consumption by spending \$5 billion over the next four years to make smaller and lighter cars.

You can also make the investment decisions which will channel our enormous research and development resources toward finding new methods of conservation.

And on the political front, business can play a key role in persuading the Congress and the American people of the urgency of the problem we face.

Finally, we seek your participation in a new diplomatic initiative.

During the past year the United States has established Cabinet-level Joint Commissions with Middle Eastern countries. Two of these, Saudi Arabia and Iran, are of obvious political and economic concern to us. The government is a catalytic agent in this Joint Commission undertaking.

A primary purpose of our Joint Commission activities is to broaden with these countries our common interest in political and economic stability. With improved standards of health and education and better living conditions, these governments should become a force for peace and development in the region. We expect they will want to tie their future to the benefits gained by close association with Western societies.

The Joint Commissions obviously cannot succeed without the active interest and participation of the private sector. Government can establish the political and economic framework. It is up to you to seize the opportunity for trade and investment in the area.

### **A More Open World Trading System**

If energy is the number-one challenge posed to this nation by the global economy, trade cannot be far behind. And trade is an issue in which the business community has an indispensable role to play.

Since 1972 our exports have more than doubled, to nearly \$100 billion. Last year alone the value of American exports increased by 38 percent—and this at a time when our total economic output was beginning to slow down. Our new level of exports supports over 3½ million American jobs. Had there not been an increase in the cost of imported oil, we would have shown an unprecedented trade surplus of \$14 billion in 1974. These figures prove that this country is competitive in world markets.

I know that Detroit feels threatened by automotive imports. It is true that in the first 11 months of 1974 we imported \$11 billion worth of automotive vehicles, parts, and engines. But let us not lose sight of the fact that our automotive exports for the same period were over \$7.4 billion, and tractors accounted for an additional \$1.36 billion in exports.

I am confident that with freer trade and the enormous investment you are now making to decrease size and weight and increase efficiency, American automobiles will soon be able to meet the competition head-on anywhere in the world.

This test of trade requires a new approach on the part of both government and business. We must realize that foreign markets are increasingly important to our economic well-being. We must continue to seek export opportunities. And we must fashion an international trading system that will allow American goods to compete worldwide on equal terms.

An important milestone in realizing our objective of a freer and more equitable international trading system will be the multilateral trade negotiations getting underway in earnest this year.

We can now approach those negotiations with confidence. The Trade Act of 1974 passed by the Congress in December gives us the authority to further America's interests and the cause of interdependence by helping to shape a more just and open trading system.

Much of the commentary to date on the Trade Act has centered on controversial issues such as Soviet emigration and preferences for OPEC countries. We should not let these comments obscure the fact that the Trade Act of 1974 is a tremendous step forward in opening up the international trading system. It provides real opportunities for the American business community.

Equally important, that act specifically calls upon the President to obtain the private sector's advice on negotiating objectives and bargaining positions. For example, 26 Industry Advisory Committees have been formed to act as a liaison between the government and key American industries on trade matters. These committees include many prominent members of the Detroit business community.

### **Objectives in Trade Negotiations**

But what about your specific concerns and objectives related to trade? How does this Administration plan to address them?

First, we must work to lower existing tariff barriers to American exports. Most industrialized nations are facing substantial balance-of-payments deficits due in large

part to the rising cost of their oil imports. Unilateral attempts to erase these deficits by raising trade barriers would only lead to a general decline in trade and could prompt an economic collapse on the scale of the 1930's. An international economic crisis of this magnitude would have obvious political repercussions. It could divide the world into fiercely competing blocs—consumer against producer, "have" against "have-not."

Last May the major trading nations of Europe, North America, and Japan joined in the OECD in a formal pledge not to react to the present crisis by raising new barriers to trade.

When you consider the strained state of economic relations among these nations as recently as 1972, and the widespread domestic pressures to respond to economic difficulty with protectionism, this pledge must be considered a foreign policy accomplishment of major proportions.

As we succeed in reducing or eliminating tariffs, nontariff barriers become a tempting instrument for unilateral protective action. The reduction of nontariff impediments to trade is thus the second major objective of our negotiating strategy.

We must assure that nontariff barriers such as export subsidies, product standards, and restrictive government procurement rules do not place American goods at a competitive disadvantage.

Third, the multilateral trade negotiations will also address the issue of an international safeguard mechanism to cushion the impact of freer trade on severely affected domestic industries and labor. We plan to negotiate a new international code for this purpose.

Fourth, we must insure access to the raw materials our economy requires. The United States is dependent on imports for 82 percent of its bauxite, 93 percent of its nickel, 31 percent of its iron ore, and 100 percent of its tin and platinum.

The oil cartel must not become a model for global trade in other raw materials. Restricted production and rigged prices will



only lead to stagnation of the global economy on which all nations depend. The United States, as one of the world's leading exporters and importers of commodities, has a uniquely flexible and vital role to play.

We are beginning to study the problems that arise when commodities are in short supply and how we might best cope with such situations in the future. At the same time we understand and sympathize with the concern of the exporting nations that the boom-bust cycle of commodity prices must be tempered.

In responding to the challenge of the global economy, we have accepted interdependence. We are looking outward. The establishment of floating exchange rates which preclude foreign currencies from being undervalued has proven to the American people that our business and industry are up to the challenge of the world market.

As the potential for international trade develops, business and industry have a responsibility to help us design a coherent trade policy and to get out and compete wholeheartedly for the world market.

### **Role of the Department of State**

Some of you may harbor unflattering impressions of the State Department and may be surprised, or even alarmed, to hear that the State Department is playing a leading role in meeting the new economic challenge to our nation. I know, because when I traveled overseas in the fifties and early sixties I refused to contact our Embassies after learning that they had little interest in business or commercial operations. But I have traveled extensively in the seventies and can attest that this is no longer the case.

The State Department today is actively, effectively, engaged in international economic policy—in meeting the challenge of energy, in formulating a coherent, comprehensive policy on food and critical minerals, in encouraging American exports, and in providing services to American businessmen. We are working to negotiate a freer world trad-

ing system and to build an economic and political environment in which trade can flourish and American industry can compete. As further evidence of our interest in commercial operations, Secretary Kissinger has appointed Charles Robinson, a businessman, as Under Secretary for Economic Affairs.

Economics and politics have become inseparable ingredients of international affairs. Any breakdown in the world economic order would have political consequences, at home and abroad, of deep concern to all of us. The State Department is determined to improve its ability to deal with the global economy, but we do not pretend to have a monopoly on economic wisdom. This Administration and this Secretary of State are acutely aware of the requirement to read the business community into the foreign policy process. I encourage you to join us in the search for improved means to get our ideas across and talk out our problems.

Nowhere is the interaction between international affairs and domestic concerns more evident than in Detroit. With the distinctions between national and international problems becoming increasingly irrelevant, I urge each of you to take a more active role in the nationwide debate and foreign policy discussions which alone can develop a broad consensus on where we are going and how we want to get there.

For many years Detroit was tarred with the image of a city which cared primarily about production lines and sales quotas. Today there can be no doubt that this city is inseparably a part of the world community. There are Detroit organizations concerned with foreign policy—the Chamber of Commerce, the Detroit Committee on Foreign Relations, your local universities—that deserve your support.

As part of our effort to make communication between the government and the private sector more useful, I would like to ask Russell Swaney [president of the Economic Club] to select 10 members of the Detroit Economic Club who will come to Washington in March for a dinner with State Depart-

ment, Commerce, Treasury, and other Administration officials to discuss international economic problems. We want you to decide on the agenda, to come armed with the issues of concern to you, and to give us an opportunity to exchange ideas on how we can best come to grips with them. In an era of shifting trade patterns and the energy crisis, America must adapt to change and learn to manage new realities.

The interdependence of the global economy has rendered obsolete the concept of "fortress America." If reduced to this kind of isolation we would occupy a prison, not a fortress.

Our efforts to curb energy dependency do not imply that the United States can, or should, exist in an economic vacuum. We will have to accept the inevitability of change, adapt to new circumstances, and compete. Our country has the capacity to insure that change becomes change for the better, and we in government know full well that we will not solve our critical economic and trade problems without your counsel and support.

## **Mildred Marcy To Be Coordinator for International Women's Year**

Deputy Secretary Ingersoll announced on February 11 the assignment of Mildred Marcy as Coordinator for International Women's Year within the Department of State. Ms. Marcy is on detail to the Department from the U.S. Information Agency, where she has been Deputy Director of the Office of Equal Employment Opportunity, as well as Women's Activities Adviser and Federal Women's Program Coordinator, since September 1973. (For biographic data, see press release 54 dated February 11.)

In announcing the appointment, Deputy Secretary Ingersoll said: "I am establishing in the Department of State the position of Coordinator for International Women's Year with the primary responsibility of heading the Secretariat that will work with the National Commission for International Women's Year, soon to be appointed. In addition, the

Coordinator will maintain liaison with the United Nations, other governments, and the U.S. Center for International Women's Year, and be responsible for coordinating the U.S. participation in the Mexico City conference."

## **U.S. Makes Contribution to U.N. for Women's Year Conference**

USUN press release 205/corr.1 dated December 30

The United States, acting through the Agency for International Development, on December 30, 1974, made a contribution of \$100,000 to the United Nations to help pay the costs of the International Women's Year Conference.

The United Nations has designated 1975 as International Women's Year. The year will serve to emphasize three themes: equality for women, the role of women in development, and the contribution that women can make to world peace. A focal point of the year will be a major U.N. governmental conference to be held in Mexico City from June 23 to July 4, 1975. Sponsored by the U.S. delegation in cooperation with the delegations of a number of developing countries, the proposal for a conference won overwhelming support at the 25th session of the Commission on the Status of Women in January 1974. The Commission's decision was endorsed at the spring session of the Economic and Social Council.

U.N. funds for the conference are limited, and an appeal has gone out to member governments for voluntary contributions. In response to this appeal and to help insure the success of the conference, Senator Charles H. Percy, a public member of the U.S. delegation to the 29th General Assembly, announced in October that the United States would make a \$100,000 contribution to help pay the costs of the conference.

In a brief ceremony December 30 at U.N. Headquarters Ambassador Barbara M. White, acting on behalf of Ambassador John Scali, U.S. Permanent Representative to the United Nations, signed a letter authorizing

the \$100,000 grant to the United Nations. Ismet Kittani, Executive Assistant to U.N. Secretary General Kurt Waldheim, signed on behalf of the Secretary General.

## President Establishes Commission on International Women's Year

### AN EXECUTIVE ORDER<sup>1</sup>

#### ESTABLISHING A NATIONAL COMMISSION ON THE OBSERVANCE OF INTERNATIONAL WOMEN'S YEAR, 1975

There is increasing recognition of, and interest in, the contributions of women to the national life of this country in all its important aspects—cultural, political, economic, and social. Significant progress continues in advancing the rights and responsibilities of women, in opening new opportunities, and in overcoming political, legal, social, and economic handicaps to which women have long been subject. Americans must now deal with those inequities that still linger as barriers to the full participation of women in our Nation's life. We must also support and strengthen the laws that prohibit discrimination based on sex.

The United Nations General Assembly, by proclaiming 1975 as International Women's Year, has offered us an exceptional opportunity to focus attention throughout the country on the rights and responsibilities of women. Presidential Proclamation No. 4262 of January 30, 1974, called upon the Congress and the people of the United States, interested groups and organizations, officials of the Federal Government and of State and local governments, educational institutions, and all others who can be of help to provide for the national observance of International Women's Year with practical and constructive measures for the advancement of women in the United States. . .

I have now determined that it would be in the public interest to establish a National Commission on the Observance of International Women's Year, 1975.

Now, THEREFORE, by virtue of the authority vested in me as President of the United States, it is ordered:

SECTION 1. *Establishment of a National Commission.* (a) There is hereby established a National Commission on the Observance of International Women's Year, 1975.

<sup>1</sup>No. 11832; 40 *Fed. Reg.* 2415, Jan. 13. For remarks made by President Ford upon signing the Executive order, see Weekly Compilation of Presidential Documents dated Jan. 13, p. 29.

(b) The Commission shall consist of not more than 35 members to be appointed by the President from among citizens in private life. The President shall designate the presiding officer, who may designate from among the members of the Commission as many vice presiding officers as necessary.

(c) The President of the Senate and the Speaker of the House of Representatives are invited to designate two Members of each House to serve on the Commission.

(d) The members of the Commission shall serve without compensation, but shall be entitled to receive travel expenses, including per diem, in lieu of subsistence as authorized by law (5 U.S.C. 5703).

SEC. 2. *Functions of the Commission.* (a) The Commission shall promote the national observance in the United States of International Women's Year. To this end, it will focus attention on the need to encourage appropriate and relevant cooperative activity in the field of women's rights and responsibilities.

(b) The Commission shall take as its action agenda the relevant parts of the resolution adopted by the United Nations General Assembly proclaiming 1975 as International Women's Year:

(1) To promote equality between men and women.

(2) To ensure the full integration of women in the total development effort, especially by emphasizing women's responsibility and important role in economic, social and cultural development at the national, regional and international levels, particularly during the Second United Nations Development Decade.

(3) To recognize the importance of women's increasing contribution to the development of friendly relations and cooperation among States and to the strengthening of world peace.

(c) The Commission shall keep itself informed of activities undertaken or planned by various organizations and groups in the United States in observance of the Year and shall consult with such groups including the United States Center for International Women's Year.

(d) The Commission shall encourage the public and private sectors to set forth objectives to be achieved as part of the program observing International Women's Year, as provided in the Presidential Proclamation.

(e) The Commission shall, through close liaison with appropriate Government agencies and their public advisory committees, keep itself informed about and make known to the public all major programs and special efforts during International Women's Year which are supported by those agencies.

(f) The Commission shall hold meetings at such times and places as the presiding officer shall determine. It may assemble and disseminate information, issue reports and other publications and conduct

such other activities as it may deem appropriate to provide for effective participation of the United States in the domestic observance of International Women's Year.

(g) The Commission may establish, within the limits of available funds, such subcommittees or working groups as may be necessary for the fulfillment of its tasks. The membership may include persons not members of the Commission.

(h) The Commission shall conclude its work by the end of the year 1975 and make a report to the President within thirty days thereafter. The Commission shall then be terminated.

SEC. 3. *Assistance and Cooperation.* (a) The Commission may request any agency of the Executive branch of the Government to furnish it with such information, advice, and services as may be useful for the fulfillment of the Commission's functions under this Order.

(b) The agencies of the Executive branch are authorized, to the extent permitted by law, to provide the Commission with administrative services, information, facilities and funds necessary for its activities.

(c) The Commission may procure, subject to the availability of funds, the temporary professional services of individuals to assist in its work, in accordance with the provisions of Section 3109 of Title 5 of the United States Code.

SEC. 4. *Responsibilities of Government Departments.* Each agency of the Executive branch shall designate at least two persons, preferably a man and a woman, to be responsible for planning and implementation of projects and programs within such departments and agencies for the domestic observance of International Women's Year. Persons so designated shall constitute membership of an interdepartmental task force for International Women's Year. The Department of State shall designate the presiding officer. The task force will coordinate the activities undertaken by the Executive branch of the United States Government as well as those undertaken by the Commission in the domestic observance of International Women's Year.



THE WHITE HOUSE, January 9, 1975.

## United Nations 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. 10017.*

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## The International Energy Program and U.S. Obligations as a Member of the International Energy Agency

*Statement by Thomas O. Enders  
Assistant Secretary for Economic and Business Affairs*<sup>1</sup>

I am pleased to have this opportunity to appear before your committee to provide testimony on that portion of the President's energy proposals related to the International Energy Program and our obligations as a member of the International Energy Agency (IEA).

Over the past year, the central objective of our international energy policy has been the development of a comprehensive framework for consumer country cooperation. These efforts had their formal beginning with the Washington Energy Conference in February 1974 and continued through the work of the Energy Coordinating Group set up at the time of the Washington Conference. This group of 12 nations (the United Kingdom, the Federal Republic of Germany, Italy, the Netherlands, Belgium, Luxembourg, Denmark, Ireland, Norway, Canada, Japan, and the United States) undertook to develop a cooperative international action program to deal with the world energy situation.

The result was the establishment, last November, of the International Energy Agency under OECD [Organization for Economic Cooperation and Development] aus-

pices.<sup>2</sup> The Agency initially had 16 participating countries: Belgium, the Netherlands, Luxembourg, Germany, Italy, Denmark, Ireland, the United Kingdom, Spain, Sweden, Switzerland, Austria, Turkey, Canada, the United States, and Japan. In the period since its formation, New Zealand has also become a member and Norway has become an associate member.

Throughout the negotiations which led to the formation of the IEA, we pressed for a common and comprehensive approach by consumer countries to energy problems. From the outset the United States has believed that only through such an approach can we hope to solve the world energy crisis. Last year's oil embargo and the subsequent sudden massive increase of oil prices clearly demonstrated the high cost of an uncoordinated approach by consumer countries to their growing dependence on imported oil. Evidence of this cost was visible in the scramble for oil at any price, in the serious economic disruption in importing countries, and in the threat to the political, economic, and security cohesion of the industrialized countries. Indeed, the independence of political decision of the industrialized democracies was put under a shadow by the oil embargo. It became clear that if that independence, and the integrity of the political, economic, and

<sup>1</sup> Presented to the Senate Committee on Interior and Insular Affairs on Feb. 13. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

<sup>2</sup> The Agreement on an International Energy Program was signed at Paris on Nov. 18, 1974.

social systems of the West, are to be maintained, the energy crisis and the threat of future oil embargoes had to be dealt with by the cooperative action of the industrialized democracies.

In order to avoid a recurrence of the unacceptable costs of the oil embargo, we and our partners set as our first objective the development of a capability to deal with future supply interruptions in a cooperative framework. The emergency program which has emerged from these negotiations provides us with a safety net which would be in place should a supply emergency develop in the future. We and our partners have also agreed on the need to develop a long-term program to reduce the dependence of the industrialized democracies on imported oil through joint programs and efforts in the fields of conservation and the development of alternative energy supplies.

In addition to these efforts, which are part of the International Energy Program adopted by the International Energy Agency, the major industrial countries have also decided to create a financial safety net in the form of a \$25 billion solidarity fund for mutual support in financial crisis.

Together, the International Energy Program of the IEA and the financial solidarity fund represent the first concrete steps in the development of the cooperative consumer approach to energy crisis issues which the United States has sought from the outset. In an energy picture which is largely grim, these vital initiatives reassuringly stand out. The security and well-being of the people of the United States require that these initiatives be implemented and developed to their full potential.

In view of the focus of today's hearing, I wish to concentrate my statement on the International Energy Program and its implementation. This committee is, of course, informed about the basic elements of the emergency program. However, because this program is central to the energy strategy of the industrialized democracies, I would like to review its main features. Under this program IEA countries have agreed to undertake three interrelated commitments:

—To build common levels of emergency reserves, measured in terms of ability to live without imports of petroleum for specified periods of time;

—To develop pre-positioned demand restraint programs which will enable them in the event of a supply interruption immediately to cut oil consumption by a common rate; and

—To allocate available oil in an emergency, both domestic production and continuing imports, in order to spread the shortfall evenly among the member countries.

### **Emergency Reserves and Demand Restraint**

Emergency reserves are defined under the program in terms of emergency self-sufficiency; i.e., a country's ability to live without imports for a given period of time. The initial self-sufficiency target has been set at 60 days but will be raised to 90 days within three to four years. The targets can be met by stocks, standby production facilities, or by switching in an emergency from oil to other energy sources.

In fixing the self-sufficiency targets, we have sought to strike a reasonable balance between the emergency needs of the members of the IEA and the imposition of an unacceptably high stockholding requirement which would both be expensive and have an undesirable impact on world oil prices. Emergency stocks are defined as total stocks under the OECD stock definition, minus those which would be physically unavailable in even the most severe emergency. Under this definition, present U.S. stocks equal more than 100 days of normal imports. All other IEA countries now have emergency reserves either in excess of or very near the 60-day level. The IEA presently has under review this stock definition to determine whether it offers an adequate degree of protection.

Each member country further agrees to cut its consumption by a common percentage during an emergency. Such reductions would be triggered as supply shortfalls reach specific thresholds. In the event of a 7 percent shortfall to the group as a whole, all countries would cut oil consumption by 7 percent.

Were supplies to fall by as much as 12 percent, consumption would be reduced by 10 percent throughout the group. In the case of a very severe or protracted crisis the group can decide upon further emergency measures, including additional demand restraint measures.

### Allocation of Oil

The program of oil allocation would come into operation in either a general supply emergency affecting the group as a whole or in response to a selective embargo aimed at one or more individual countries. The mechanism would operate in this way: When the supply shortfall reaches a preestablished threshold, all countries will restrain demand by a common rate and draw down emergency supplies and share available oil so they can all live for the same period of time at the common agreed level of consumption. The program responds to both a general supply crisis and a selective embargo against one or more participating countries. The integrated mechanism would operate as follows:

*Selective embargo.* In the case of a selective embargo, when one or more members lose more than 7 percent of their oil consumption but the group as a whole loses less than 7 percent of its total consumption, the embargoed country absorbs its embargo loss up to 7 percent of its consumption (this is the self-risk element under the program) and the other members share the shortfall beyond 7 percent among themselves on the basis of consumption. For the United States and Canada, the 7 percent loss can be applied to our eastern regions since our domestic markets are not completely integrated.

*General crisis.* In the case of a general crisis, as contrasted with a selective embargo:

On the first level: When the group as a whole loses between 7 and 12 percent of its normal consumption:

—Each country restrains demand 7 percent.

—The remaining shortfall is shared among all members on the basis of imports.

—Countries draw upon emergency supplies as necessary to maintain consumption at 90 percent of normal levels.

On the second level: When the group as a whole loses at least 12 percent of its normal consumption:

—Each country restrains demand by 10 percent.

—The remaining shortfall is shared among all on the basis of imports.

—Countries draw down their emergency supplies as necessary to maintain consumption at 90 percent of normal levels.

An important element of the program is its strong presumption of action by the group in facing a supply shortfall. The sequence of activation of the demand restraint and allocation arrangements in the event of a given cutback in supply is highly automatic and can be reversed only by a very strong majority of the participating countries.

### Benefits for Participating Countries

The program contains a positive balance of benefits and costs for the United States as well as for the other participating countries. In summary, all members of the IEA benefit from:

*The program's deterrent effect.* In demonstrating our determination as a group to face a possible supply interruption we lessen its very likelihood, thus lessening the effectiveness of oil as an economic and political weapon.

*Tangible evidence of political solidarity.* By agreeing in advance on our reaction to and behavior in a future supply cutback we greatly reduce the risk of conflict and strain in our relationship should another embargo be imposed.

*A fair sharing of burdens among all the participating countries.* Those countries with domestic production, such as the United States and Canada, undertake to cut oil consumption by a common percentage in the event of an emergency whereas those countries with high import dependence, such as

Japan and much of Europe, bear a proportionally greater share of the emergency stockpiling requirement. Furthermore, the psychological assurance of shared oil provides a strong incentive for them to actually use these reserves.

Finally, all IEA members will benefit by avoiding pressure on price during any future crisis; the provisions for emergency reserves, demand restraint, and sharing of available oil should provide the necessary protection against the chaotic situation and irrational behavior which triggered soaring prices during the last embargo.

In principle, U.S. domestic oil production is available for international allocation under the emergency program. In practice, however, only under the most extreme emergency situation would the United States ever be called upon to share any of its domestic production with the other IEA countries. We would of course be called upon to share imports still flowing to the United States. In the event of a selective embargo against the United States which cut back our available oil by more than 7 percent, we would receive oil from the other member countries of the International Energy Agency.

### **Oil Market Information System**

The IEA member countries have also agreed that the success of the Agency's work requires a mechanism to assure that the participating governments are sufficiently informed regarding the operation of the complex international oil market and the activities of the international oil companies. To this end, the International Energy Program provides for a two-part information system:

—A general section which would include data on the international oil market and the operations of oil companies during noncrisis periods; and

—A special section to provide the additional information required for efficient operation of the emergency program in a period of crisis.

Both elements of the system will be de-

veloped in close consultation with the oil industry, to assure operation in a manner which will guarantee the confidential nature of the information made available and to protect the proprietary nature of information where required. In addition, care has been taken not to reduce competition within the industry and to observe the requirements of U.S. antitrust and other laws. A framework for consultations with individual companies is also envisaged to handle the implementation of the emergency program and other problems that may arise from time to time.

### **International Energy Agreement**

The Agreement on an International Energy Program shall remain in force for a period of 10 years from the date of its entry into force and will remain in force thereafter until such time as the Governing Board [of the IEA], acting by majority, should decide its termination. There is a provision for a general review of the agreement after May 1, 1980. Any participating country may withdraw from the Agency upon 12 months' written notice to the depositary government, but not less than three years after the first day of the provisional application of the agreement.

Why an executive agreement and not a treaty? The choice between the two alternative legal vehicles was influenced by what our partners could do. Some of the original members of the negotiating group informed us that ratification of a treaty would require up to four years—clearly too long in an emergency when there is a high premium on immediate action. With the group opting for what in our practice is termed an executive agreement, it seemed to us inappropriate to present the agreement as a treaty.

More than this, we felt that we were and are on sound constitutional ground in agreeing to conclude an executive agreement rather than a treaty for two reasons: First, much of the Agreement on an International Energy Program is authorized by legislation currently in force; second, we have had and have every intention of seeking the



fullest concurrence of the Congress by the means of the adoption of implementing authority, as we now do in the legislation on whose behalf I am testifying today.

### Legislative Requirements

I would like to refer now to the relationship between title XIII of the Energy Independence Act [S. 594] and the commitments we have undertaken in the Agreement on an International Energy Program. At the present time, the agreement binds us only provisionally; that is, we are obligated to apply it only to the extent that is not inconsistent with existing legislation until we give notice that the United States, having complied with its constitutional procedures, consents to be fully bound. It was our view in negotiating the agreement that implementing legislation would be both necessary and appropriate before the United States could agree to be bound by the full range of commitments embodied in the International Energy Program. Title XIII would, we believe, provide us with the authority we need to confirm, complete, and implement our commitments.

Section 1304, and to some extent 1305, provide the authority we need for the time being to continue to fulfill the commitment to maintain stocks or equivalent means of insuring self-sufficiency in oil consumption for at least 60 days in the event that imports are cut off. As both the definition of stocks and the number of days of self-sufficiency required are reevaluated, title II of the Energy Independence Act, which provides for a national strategic petroleum reserve, is also likely to be particularly relevant to our obligations.

Sections 1306 and 1307 of the bill provide the authority to fulfill our commitment to develop contingent oil demand restraint measures which could be implemented during an emergency to cut consumption by the amount required under the agreement.

Section 1311 provides the authority we need to insure that the allocation among IEA members required by the agreement is carried out by requiring oil companies to

take action which may be necessary. The members are agreed, however, that to the extent possible oil companies should voluntarily make the adjustments required by the agreement in a period of emergency shortage under the close supervision of the IEA. Section 1312 would authorize voluntary agreements, with appropriate limitations and safeguards, to enable oil companies to prepare for and carry out this function in an emergency without risk of liability under the antitrust laws.

Section 1313 is intended to permit persons to comply with mandates issued under authority of title XIII without risking liability, e.g., for violation of antitrust laws or for breach of contract.

I have referred earlier to two other important aspects of the international energy agreement: long-term cooperation in the field of energy and the exchange of information on the oil market. Sections 1312 and 1315 of the bill support these objectives.

Certain elements of the authority provided in the bill introduced by Senator Jackson would undoubtedly be useful in the implementation of U.S. obligations under the international energy agreement. As I understand it, however, this bill does not, and is not intended to, cover all of our commitments under that agreement. Therefore we are strongly of the view that title XIII of S. 594 should be enacted.

Under the agreement, it is contemplated that the participating countries, including the United States, will bring the agreement fully and definitively into force in accordance with their respective constitutional and legal procedures by May 1, 1975. It is of the highest importance that the United States meet this deadline in order to maintain the momentum of international cooperation achieved in the IEA and in order to demonstrate to OPEC [Organization of Petroleum Exporting Countries] that we are serious in our efforts to meet the energy crisis. Accordingly, I wish to express the earnest hope that the Congress will act quickly and decisively to grant the authority that will permit us to move ahead in this critical international endeavor.

## The Role of Financial Mechanisms in the Overall Oil Strategy

*Statement by Thomas O. Enders*

*Assistant Secretary for Economic and Business Affairs<sup>1</sup>*

You have asked me to discuss the \$25 billion financial solidarity fund which Secretaries Kissinger and Simon [Secretary of the Treasury William E. Simon] proposed last November. You also requested information on IMF [International Monetary Fund] facilities to recycle surplus oil revenues.

I will concentrate on the foreign policy dimensions of these financial mechanisms and relate them to our overall strategy on the oil crisis. Assistant Secretary [for International Affairs Charles A.] Cooper of the Treasury, when he testifies next week, will be the best source on technical questions. As you know, he is representing us in Paris at the discussions to draft the agreement establishing the \$25 billion OECD [Organization for Economic Cooperation and Development] facility.

The Arab oil embargo of 1973 and the subsequent quadrupling of oil prices have profoundly altered international economic relations. In fact, they have given the world economy its greatest shock since the Great Depression of the thirties. Higher oil prices have substantially reduced real income in consuming countries, added significantly to inflationary pressures, and presented a long-run balance-of-payments adjustment problem of impressive magnitude.

In response, the industrial nations have shaped an integrated strategy. It has three principal elements:

—To protect against a new embargo, major consuming nations need to stockpile more oil and agree on how to share oil in an emergency. The new International Energy Agency (IEA) now has such arrangements virtually in place.

—For the long run, we have no alternative to reducing severely our dependence on imported oil. This means joint action by oil-consuming nations to conserve energy and develop new energy sources. We are making progress in this direction in the IEA framework.

—For the short and medium term, we must insure that consuming nations have the balance-of-payments financing they need. Such financing is not a permanent solution. What it does is buy time. It tides us over the disequilibrium period before energy conservation and development measures create the necessary conditions for full adjustment in the volume and price of oil imports.

These three elements are interrelated and mutually reinforcing. Success of any one depends in part on implementation of the others. It does no good to agree on a concerted plan to withstand a new oil emergency if at the same time we leave ourselves exposed to sudden, predatory shifts of assets by OPEC [Organization of Petroleum Exporting Countries] members. It does no good to adopt a long-term policy to get the

<sup>1</sup>Presented to the Subcommittee on Multinational Corporations of the Senate Committee on Foreign Relations on Feb. 14. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

oil price down through conservation and development of alternative sources unless industrialized countries can avoid financial crisis while waiting for those programs to take effect. And it does no good to protect the consuming countries from financial crisis through devices such as the financial safety net unless we have a convincing strategy to bring the price of oil down in the future; for only if the price falls can the structure of petrodollar debts now being built up be stabilized and paid off.

Balance-of-payments financing also relates directly to the health of the world economy in terms of output and employment. Growth of real GNP [gross national product] both here and abroad is now in a period of decline, and governments are taking measures to reflate their economies. They will be more successful in their efforts to return to full employment at moderate rates of inflation if they have the assurance that balance-of-payments deficits caused by higher oil prices can be temporarily financed. The success of renewed growth abroad will of course help U.S. exports, and increased export sales will in turn boost the recovery of the U.S. economy.

If we do not find ways to assure financial security, we face these risks:

—Some of our trading partners may be forced to seek immediate adjustment through trade and payments restrictions. This is the beggar-your-neighbor approach which was so destructive in the thirties. It is an illusion. Attempts to shift the distribution of an unavoidable aggregate deficit only invite retaliation. They inevitably leave everyone worse off.

—Some countries may attempt to balance their oil deficits by reducing aggregate economic activity and employment to intolerable levels. The domestic economic pain resulting is obvious. Less obvious but just as important are the political repercussions. Economic unrest often builds the power base of extreme factions on both the right and left, as we saw in the thirties. And recession in one country means slower economic activity in all.

—Some countries may seek to protect their interests in special bilateral trade, providing inducements to attract OPEC funds, or trying to bargain off access to oil for industrial goods. These policies also would be self-defeating; for other consuming countries would follow suit, and we would all end up with less favorable investment and oil terms.

Clearly there is no alternative to common action by consumers. Before turning to what this means for finance, we should be more precise about the nature of the recycling problem.

### **Nature of the Recycling Problem**

One side of the coin is the vast accumulation of funds by key OPEC nations. Their current account surplus last year totaled \$60 billion. Most observers expect the figure for 1975 to be of the same order. Beyond that, the crystal ball gets cloudier.

Recently, there have been a number of optimistic projections regarding the future evolution of OPEC surpluses. Some estimates indicate that the surplus peaked in 1974 and will disappear by 1980. I hope they are right. To the extent that we act wisely they will tend to be. To a certain extent, however, the most optimistic forecasts assume away the problem. They make some very critical assumptions about the price of oil, the distribution of OPEC production, and the growth of OPEC imports. For example, press reports have cited estimates in a Brookings study called "Energy and U.S. Foreign Policy." It assumes that the OPEC governments' take will drop to \$5.50 per barrel by 1976 if we think in 1973 prices. The average price for the 1974-85 period is hypothesized at roughly the same level. Finally, all countries but Saudi Arabia, Kuwait, Libya, and the United Arab Emirates are assumed to spend their entire oil revenues on imports of goods and services, regardless of the capacities of existing ports and internal distribution systems to handle such an enormous increase in trade.

We can hope for such a result. But with

oil at \$11, it would be wrong to base our policy on such hopes. It is doubtful that the oil price will drop by 50 percent within a year. It is thus probable that OPEC as a group will run substantial surpluses on current account throughout this decade, reaching balance-of-payments equilibrium only in the 1980's. In any case, almost all of the projections show substantial accumulations over the next two-three years, which in itself is enough to cause us real problems. The power of the petrodollar weapon is there, whether the accumulation by 1980 is \$300 billion or \$500 billion.

In the aggregate, the OPEC investable surpluses must return as capital flows to oil-consuming nations. There is literally nowhere else for them to go. The distribution of the return flow is, however, far from optimal. There is no coincidence between the most favorable investment markets from the OPEC standpoint and the financing needs of consuming countries. This is the essence of the recycling problem. The investment strategies of key OPEC countries are still very conservative. The excess oil revenues go mostly in liquid form to highly developed capital markets. Forty billion dollars of the \$60 billion accumulated last year flowed to the U.S., U.K., and Eurodollar markets. Precious little went to the nations experiencing the worst balance-of-payments problems as a result of the oil crisis. There is automatic financing neither for developed countries considered less creditworthy nor for those developing nations to which higher oil prices have dealt a crippling blow.

Up until last summer, many thought that the private market could set things right without government intervention. In fact, private financial markets have handled well the major burden of the problem caused by the disparity between OPEC investment flows and oil importers' deficits. But it is not reasonable to test their capacity in the face of continued large surpluses. The banking environment is not conducive to allowing banks to carry the entire recycling task without some backup or safety-net facility of official financing.

In recent years, we have witnessed an ex-

pansion of bank credit which has left the capital-asset ratios of many institutions at low levels. In addition, bad management and excessive foreign exchange speculation have led to several well-publicized bank failures. Under such circumstances, international banks are hard pressed to use volatile short-term deposits as a base for long-term lending. It would also not be prudent for them to develop an excessive exposure in countries not considered creditworthy by traditional banking standards.

By last fall, it was apparent to us that new multilateral approaches to balance-of-payments financing were in order. Our analysis indicated the need for a three-track approach. The first two involve expanded use of the IMF. The third is the \$25 billion OECD facility. Let us turn first to the IMF.

#### **IMF Recycling Facilities**

In the IMF, we supported the establishment last spring of a special oil facility. Its purpose was to provide oil deficit countries access to a special fund based on a formula which took into account incremental oil deficits and international reserve positions. Borrowers must make necessary policy adjustments to lower their financing needs. The oil facility was financed by loans from oil producers with a 7 percent interest rate and seven-year repayment terms. The producers in 1974 agreed to put over \$3½ billion on call. So far, several developed countries, notably Italy, and many underdeveloped ones have made drawings totaling over \$2½ billion. The rest should be used shortly.

We always envisaged expanded IMF lending in 1975 as the first, and most important, of the three financial tracks of our overall oil strategy. For a number of reasons, however, we felt that an enlarged oil facility was not the best way to go about this:

—As time goes on, simple incremental oil deficits take on less and less meaning as indicators of oil-related balance-of-payments problems. This happens because adjustments to higher oil prices takes place in all components of the balance of payments, not just in the oil portion of the trade account. For

example, some countries receive more OPEC investments. Others are better able to expand exports to OPEC nations.

—Also, we felt that the IMF should use its own large resources directly to provide balance-of-payments financing rather than using them, in effect, as collateral for borrowing.

We therefore proposed that the IMF expand its lending through liberalization of its lending in the so-called credit tranche. Most other nations strongly supported, however, an additional expansion of the oil facility. In the end, a compromise was reached. The IMF Interim Committee in mid-January agreed on an enlarged oil facility for 1975. The committee approved a figure of \$6 billion for its level, substantially less than earlier talked about. At the same time, it was agreed that the IMF would make greater use of its normal lending resources in 1975 and consider credit-tranche liberalization for 1976.

The oil facility will be of particular benefit to the better-off of the less developed countries, those who have some access to private capital markets but need further residual financing. We realized, however, that its near-commercial terms were not appropriate for the poorest developing countries. Secretary Kissinger therefore proposed last November a second financing track for these nations. It consisted of a special trust fund to be set up under IMF management to lend to them on highly concessional terms. We envisaged major contributions to the trust fund coming from oil producers, from other countries in a strong reserve position, and from the proceeds of sales of IMF gold.

There is general agreement that some sort of concessional arrangements in the IMF are needed for the hardest hit developing nations. For this purpose the Interim Committee has endorsed for 1975 the idea of a special account of the oil facility which would reduce the interest burdens of borrowings by these countries from the facility. In addition, our trust fund proposal is still being considered in this connection along with a number of similar concepts advanced by others.

## Basic Approach of Financial Solidarity Fund

Contrary to many press reports, we never visualized the financial solidarity fund as a competitor of IMF recycling mechanisms. Rather, it is a complement. We need to do both. We proposed a fund for OECD nations outside the IMF because of the vast magnitude of the sums involved. In addition, we thought it very important to link access to these funds with policies of consumer solidarity designed to improve the supply-and-demand conditions for internationally traded oil. As I see them, the key features of the solidarity fund are the following:

—It is temporary. Its main purpose is to enable and encourage consuming countries to follow responsible policies both on the domestic and the international plane while waiting for basic energy policy decisions to take effect. Borrowing from the facility will be solidly conditioned on the pursuit of such policies.

—It is not a giveaway program or an aid fund. Rather, it is a mutual support facility. Every member has the possibility of receiving support when needed in an amount at least equivalent to its commitment to help others. Lending will be on market-related terms and on the basis of established criteria regarding appropriate economic and energy policies.

—Its purpose is not to create new capital funds, but to reshuffle net flows of already existing funds, which of course include the large collective financial surplus of the oil producers. Thus it is not a call on the real economic resources available to consumers.

—It is not the first line of financing for participating countries. We do not visualize that a nation must be on the verge of bankruptcy before obtaining access to the facility. Borrowing nations must have, however, made a reasonable use of other available sources of financing, including the IMF.

—It is structured so as to distribute risk equitably among participating consuming nations.

—It is subject to approval by Congress and the legislatures of most other participating countries.

In conclusion, I will try to answer the specific questions you have raised about the financial solidarity fund. You will realize, however, that all the details have not yet been worked out, although we expect final agreement shortly in the ad hoc working group of the OECD.

### **Fundraising Methods**

The OECD ad hoc working group, which is now preparing the draft agreement on the facility, is considering the methods whereby participants may finance their creditor obligations. The Group of Ten Ministers suggested in mid-January that the financing methods might include direct contributions and/or joint borrowing in capital markets. They also agreed that, until the full establishment of the new arrangement, there might also be temporary financing through credit arrangements between central banks. How each participating government finances its contribution will hinge on its own legal and political constraints. We feel, however, that direct government loans to the facility are cheaper and more efficient than the use of joint government guarantees. Direct loans also provide more operational flexibility.

### **Eligibility Requirements for Borrowing**

The new mechanism is a financial safety net. It is not the first source of external assistance to which governments should turn. The facility's governing board would be expected to assure itself that a prospective borrowing government had already exhausted readily available sources of financing. The board would of course have to use its judgment in determining what was a reasonable effort along these lines, given existing circumstances and the seriousness of the situation. The board would also expect that the borrowing government was taking reasonable, basic economic policy measures to move toward long-term balance-of-payments equilibrium. We would expect the board in reaching its judgments to look not

just at a borrowing country's oil deficit but at its overall balance-of-payments position. In addition, there would be a proscription that nations putting on new trade and payments restrictions would not be eligible for loans. Finally, and most importantly, borrowing governments would have to show that they are making a strong effort, in conjunction with other IEA members, to conserve energy and develop new energy sources.

When other participants consider a borrower's request for a loan, they will normally decide on the matter by a two-thirds majority. Their decision will encompass whether to grant the loan and, if so, what its terms and conditions will be. The granting of a loan beyond the amount of a country's original quota in the facility will require a very strong majority. A loan beyond 200 percent of a member's quota will require a unanimous decision.

### **U.S. Contribution**

The size of its quota in the facility will determine a participating country's voting power as well as its lending obligations and right to borrow. Quotas will reflect the size of different industrial countries' economies and shares in international trade. In accordance with these criteria, the U.S. share ought to be between 25 and 30 percent. This means the United States could conceivably lend or borrow under the facility an amount on the order of \$7 billion.

Three aspects of the U.S. contribution should be noted. First, the figure for a U.S. share is a maximum which may or may not be laid out depending on the extent to which the facility is used. Ideally, of course, the mere existence of the facility will inspire enough confidence in capital markets so as to minimize the need for recourse to it. Second, funds are only laid out as borrowing countries are able to gain approval for their loan requests. Third, I would anticipate that we would normally finance our direct contribution to loans through borrowing in the

U.S. capital market. Our participation should involve neither more taxes nor a drain on Federal expenditures.

### **Role of Multinational Banks**

The facility is designed to supplement existing channels of international financing, not to replace them. Private institutions will find it easier to operate knowing that the countries with which they deal have the possibility of using the financial safety net. Increased confidence will enhance the private markets' role as a financial intermediary between savers and investors. The solidarity fund will bolster the balance-of-payments position of borrowing countries, reduce exchange risk, and enhance creditworthiness. Private financial intermediaries underwriting deficit countries' loans will have more insurance against possible default. They will be more prepared to provide credits to these countries than would otherwise have been the case. In brief, the solidarity fund should help private markets perform their role more effectively and thus reduce the need for further intergovernmental assistance measures. On the other hand the fund will not finance or bail out private corporations that have invested in the securities of a member country.

Above all, the solidarity fund and our other financial and energy proposals should be viewed together as key parts in an overall strategy on the energy crisis. The interrelationships are explicit and vital. No creditor nation will choose willingly to lend to a borrowing nation which lacks a serious energy policy. Conversely, no mechanism to stabilize the financial impact of petrodollar flows can be effective for long unless all of the major consumer nations have effective energy programs to reduce their oil imports in the short run and to bring down oil prices in the medium term.

Finally, of course, we must recognize the potential threat of petrodollars as a weapon of foreign policy by the oil producers. Should they choose, they may try to do with money

what they are doing with oil. We must be prepared at least on a contingency basis. Short-term central-bank swaps are among the first line of defense against massive short-term destabilizing shifts in oil producer funds. But swaps must be quickly renewed. The OECD financial solidarity fund gives industrial nations the means of defending themselves by reallocating financial flows on terms which they themselves, rather than the oil producers, determine.

Without financial independence for the consuming countries, there can be no solution to the oil crisis.

### **U.S.-Poland Tax Convention Transmitted to the Senate**

*Message From President Ford*<sup>1</sup>

*To the Senate of the United States:*

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of the Polish People's Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Income as well as a related exchange of notes.

I also transmit for the information of the Senate, the report of the Department of State with respect to this Convention.

The Convention was signed on October 8, 1974, during the visit to Washington of Polish First Secretary Edward Gierak and is the first income tax convention between the two countries. The Convention is similar to other income tax conventions recently concluded by this Government and it is expected to encourage and support the growing interest in bilateral trade and investment

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<sup>1</sup> Transmitted on Jan. 23 (text from Weekly Compilation of Presidential Documents dated Jan. 27); also printed as S. Ex. A, 94th Cong., 1st sess., which includes the texts of the agreement, a related exchange of notes, and the report of the Department of State.

between the two countries. It provides rules of tax jurisdiction, reduces or eliminates tax liability in certain cases, ensures nondiscriminatory tax treatment and provides for administrative cooperation.

I recommend that the Senate give this Convention and related exchange of notes early and favorable consideration and give its advice and consent to ratification.

GERALD R. FORD.

THE WHITE HOUSE, *January 23, 1975.*

## Congressional Documents Relating to Foreign Policy

### 93d Congress, 2d Session

**Détente: Prospects for Increased Trade With Warsaw Pact Countries.** Report of a special study mission to the Soviet Union and Eastern Europe August 22 to September 8, 1974. House Committee on Foreign Affairs. October 24, 1974. 52 pp.

**Foreign Assistance Act of 1974.** Report of the Committee on Foreign Affairs together with opposing, separate, supplemental, additional, and minority views. H. Rept. 93-1471. October 25, 1974. 80 pp.

**Congressional Oversight of Executive Agreements.** Report of the Senate Committee on the Judiciary to accompany S. 3830. S. Rept. 93-1286. November 18, 1974. 14 pp.

**An Act to Amend Tariff Schedules of the United States.** Message from the President of the United States vetoing H.R. 6191, an act to amend the tariff schedules of the United States to provide that certain forms of zinc be admitted free of duty, and for other purposes. H. Doc. 93-397. November 26, 1974. 4 pp.

**Emergency Marine Fisheries Protection Act of 1974.** Report, together with minority views, to accompany S. 1988. S. Rept. 93-1300. November 27, 1974. 9 pp.

**The Geneva Protocol of 1925.** Report to accompany Ex. J, 91st Cong., 2d sess. S. Ex. Rept. 93-35. December 13, 1974. 7 pp.

**Convention on the Prohibition of Bacteriological and Toxin Weapons.** Report to accompany Ex. Q, 92d Cong., 2d sess. S. Ex. Rept. 93-36. December 13, 1974. 5 pp.

**Amended Text to Article VII of the 1965 Convention on Facilitation of International Maritime Traffic.** Report to accompany Ex. D., 93-2. S. Ex. Rept. 93-37. December 13, 1974. 8 pp.

**Duty-Free Entry of Telescope and Associated Articles for Canada-France-Hawaii Telescope Project.** Report to accompany H.R. 11796. S. Rept. 93-1355. December 14, 1974. 7 pp.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Astronauts

Agreement on the rescue of astronauts, the return of astronauts, and the return of objects launched into outer space. Opened for signature at Washington, London, and Moscow April 22, 1968. Entered into force December 3, 1968. TIAS 6599. *Ratification deposited:* Canada, February 20, 1975.

##### Judicial Procedure

Convention on the taking of evidence abroad in civil or commercial matters. Done at The Hague March 18, 1970. Entered into force October 7, 1972. TIAS 7444. *Signatures:* Czechoslovakia, Italy, February 6, 1975.

##### Labor

Instrument for the amendment of the constitution of the International Labor Organization. Adopted at Geneva June 22, 1972. *Entered into force:* November 1, 1974.

##### Maritime Matters

Amendment of article VIII of the convention on facilitation of international maritime traffic, 1966 (TIAS 6251). Adopted at London, November 11, 1973.<sup>1</sup> *Accepted by the President:* February 13, 1975.

##### Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972; for the United States October 9, 1973. TIAS 7762. *Accession deposited:* Canada (with a declaration) February 20, 1975.

Convention on registration of objects launched into outer space. Opened for signature at New York January 14, 1975.<sup>1</sup> *Signature:* Canada, February 14, 1975.

##### Telecommunications

International telecommunication convention, with annexes and protocols. Done at Malaga-Torremolinos October 25, 1973. Entered into force January 1, 1975.<sup>2</sup>

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

<sup>2</sup> Not in force for the United States.



Accession deposited: Swaziland (with reservations), January 20, 1975.

## Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

Ratification deposited: Portugal, February 29, 1975.

Accession deposited: Algeria, February 19, 1975.

## BILATERAL

### Malaysia

Agreement amending the air transport agreement of February 2, 1970 (TIAS 6822). Effected by exchange of notes at Kuala Lumpur September 6, 1974, and February 5, 1975. Entered into force February 5, 1975.

### Upper Volta

Agreement on general conditions for the employment of Peace Corps volunteers. Signed at Ouagadougou February 6, 1975. Entered into force provisionally February 6, 1975; enters into force definitively on the date of ratification by Upper Volta.

## DEPARTMENT AND FOREIGN SERVICE

## Confirmations

The Senate on February 19 confirmed the following nominations:

Mark "Evans" Austad to be Ambassador to Finland.

Peter H. Dominick to be Ambassador to Switzerland.

Holsey G. Handyside to be Ambassador to the Islamic Republic of Mauritania.

Arthur W. Hummel, Jr., to be Ambassador to Ethiopia.

Robert J. McCloskey, now Ambassador at Large, to be also an Assistant Secretary of State [for Congressional Relations].

Elliot L. Richardson to be Ambassador to Great Britain.

Wells Stabler to be Ambassador to Spain.

## PUBLICATIONS

### Department Releases 1975 Edition of "Treaties in Force"

Press release 50 dated February 5

The Department of State on February 5 published "Treaties in Force: A List of Treaties and Other International Agreements of the United States in Force on January 1, 1975."

This is a collection reflecting the bilateral relations of the United States with 162 countries or other political entities and the multilateral relations of the United States with other contracting parties to more than 375 treaties and agreements on 89 subjects. The 1975 edition lists some 300 new treaties and agreements including the revision of the universal copyright convention; the agreements with Japan on cooperation in the field of energy research and development and the protection of migratory birds; the agreement with Peru on the settlement of certain claims; the agreement with India on Public Law 480 and other funds; the agreements with Poland on cooperation in agricultural trade and health; and the consular convention with Belgium.

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.

This edition includes citations to volumes 1 through 12 of the new compilation entitled "Treaties and Other International Agreements of the United States of America" 1776-1949 (Bevans).

"Treaties in Force" 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 "Treaties in Force," is published weekly in the Department of State Bulletin.

The 1975 edition of "Treaties in Force" (446 pp.) is Department of State publication 8798 (GPO cat. no. S9.14:975). It is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (\$5.05).

## GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

**Trade in Cotton Textiles.** Agreement with Hong Kong modifying the agreement of December 17, 1970, as amended and extended. TIAS 7896. 2 pp. 25¢. (Cat. No. S9.10:7896).

**Trade in Textiles.** Agreement with Hong Kong. TIAS 7897. 16 pp. 35¢. (Cat. No. S9.10:7897).

**Cooperation in the Field of Housing and Other Construction.** Agreement with the Union of Soviet Socialist Republics. TIAS 7898. 12 pp. 30¢. (Cat. No. S9.10:7898).

**Cooperation in the Field of Energy.** Agreement with the Union of Soviet Socialist Republics. TIAS 7899. 14 pp. 30¢. (Cat. No. S9.10:7899).

**Assistance to the Trust Territory of the Pacific Islands.** Agreement with the United Nations Development Programme. TIAS 7900. 13 pp. 30¢. (Cat. No. S9.10:7900).

**Air Transport Services.** Agreement with Romania. TIAS 7901. 37 pp. 50¢. (Cat. No. S9.10:7901).

**Military Assistance—Payments Under Foreign Assistance Act of 1973.** Agreement with the Khmer Republic. TIAS 7902. 4 pp. 25¢. (Cat. No. S9.10:7902).

**Finance—Contribution to the Multi-Purpose Special Fund.** Agreement with the Asian Development Bank. TIAS 7903. 4 pp. 25¢. (Cat. No. S9.10:7903).

**Finance—Rescheduling of Certain Debts.** Agreement with Sri Lanka. TIAS 7904. 3 pp. 25¢. (Cat. No. S9.10:7904).

**Cooperation in the Field of Energy Research and Development.** Agreement with Japan. TIAS 7905. 15 pp. 40¢. (Cat. No. S9.10:7905).

**Narcotic Drugs—Provision of Helicopters and Related Assistance.** Agreement with Mexico. TIAS 7906. 10 pp. 30¢. (Cat. No. S9.10:7906).

**Narcotic Drugs—Provision of Helicopters and Related Assistance.** Agreement with Mexico. TIAS 7907. 8 pp. 30¢. (Cat. No. S9.10:7907).

**Finance—Consolidation and Rescheduling of Certain Debts.** Agreements with Chile. TIAS 7908. 60 pp. 75¢. (Cat. No. S9.10:7908).

**Agricultural Commodities.** Agreements with the Khmer Republic amending the agreement of July 25, 1973 as amended. TIAS 7909. 9 pp. 30¢. (Cat. No. S9.10:7909).

### Check List of Department of State Press Releases: February 17–23

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

Releases issued prior to February 17 which appear in this issue of the BULLETIN are Nos. 50 of February 5, 54 of February 11, 59–61 of February 12, 63, 66, and 68 of February 13, and 70 of February 14.

No.	Date	Subject
*71	2/18	Kissinger: departure, Aqaba, Feb. 15
72	2/18	Kissinger, Yamani: arrival, Riyadh, Feb. 15.
73	2/18	Kissinger, Yamani: departure, Riyadh, Feb. 15.
74	2/18	Ingersoll: Economic Club of Detroit.
75	2/18	Kissinger: arrival, Bonn, Feb. 15.
76	2/18	Kissinger, Genscher: Schloss Gymnich, Feb. 16.
77	2/18	Kissinger: interview on German television, Bonn, Feb. 16.
*78	2/18	Kissinger: departure, Bonn, Feb. 16.
79	2/18	Kissinger: arrival, Geneva, Feb. 16.
80	2/18	U.S.-U.S.S.R. joint statement, Geneva, Feb. 17.
81	2/18	Kissinger, Gromyko: remarks, Geneva, Feb. 17.
82	2/18	Kissinger, Callaghan: remarks, London.
*83	2/18	Kissinger: arrival, Zurich.
84	2/19	Kissinger, Shah of Iran: news conference, Zurich, Feb. 18.
*85	2/19	Kissinger: arrival, Paris, Feb. 18.
86	2/19	Secretary's Advisory Committee on Private International Law, Mar. 14.
87	2/19	Kissinger, Sauvagnargues: remarks, Paris, Feb. 18.
*88	2/19	Advisory Panel on Music, Mar. 24–25.
*89	2/19	Advisory Panel on Academic Music, Mar. 26.
*90	2/19	Advisory Panel on Folk Music and Jazz, Mar. 27.
91	2/19	Kissinger, Sauvagnargues: remarks, Paris.
92	2/19	Kissinger: departure, Paris, Feb. 19.
93	2/19	Kissinger: arrival, Andrews Air Force Base.
*94	2/20	U.S. and Portugal extend textile agreement, Dec. 30, 1974.
*95	2/20	Northwest Fisheries Advisory Committee, Mar. 13.
*96	2/20	Advisory Committee on International Intellectual Property, Apr. 2.
*97	2/21	McCloskey sworn in as Assistant Secretary for Congressional Relations (biographic data).

\*Not printed.

† Held for a later issue of the BULLETIN.

<b>Bangladesh.</b> U.S. Loan To Assist in Financing of Bangladesh Fertilizer Plant . . . . .	296	tary and foreign leaders; text of U.S.-U.S.S.R. joint statement . . . . .	281
<b>Congress</b>		<b>Poland.</b> U.S.-Poland Tax Convention Transmitted to the Senate (message from President Ford) . . . . .	317
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Congressional Documents Relating to Foreign Policy . . . . .	318	President Establishes Commission on International Women's Year (Executive order) . . . . .	305
The International Energy Program and U.S. Obligations as a Member of the International Energy Agency (Enders) . . . . .	307	U.S.-Poland Tax Convention Transmitted to the Senate. . . . .	317
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# THE DEPARTMENT OF STATE BULLETIN

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# THE DEPARTMENT OF STATE BULLETIN

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*The Department of State BULLETIN, a weekly publication issued by the Office of Media Services, Bureau of Public Affairs, provides the public and interested agencies of the government with information on developments in the field of U.S. foreign relations and on the work of the Department and the Foreign Service.*

*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and 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 on treaties of general international interest.*

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## Secretary Kissinger's News Conference of February 25

Press release 103 dated February 25

*Secretary Kissinger:* We will go straight to the questions. Mr. Davis [Spencer Davis, Associated Press].

*Q. Mr. Secretary, the reports coming from Cambodia and Viet-Nam are becoming very bleak. One of your top aides estimates only two more months of survival for Cambodia if they do not receive supplemental assistance. The question is: What good would further supplemental assistance be when so many billions in past assistance has not helped; and, secondly, what is your appraisal on a new American peace initiative that might stop the fighting?*

*Secretary Kissinger:* Let me first separate the problem in Cambodia from the problem in Viet-Nam. In Cambodia, we have an immediate emergency. We have a situation where, if a supplemental is not voted within the next few weeks, it is certain that Cambodia must fall because it will run out of ammunition. Therefore the decision before us is whether the United States will withhold ammunition from a country which has been associated with us and which, clearly, wishes to defend itself. This is a serious responsibility to take.

With respect to Viet-Nam, we are facing a more long-term situation of the same order. The long-term problem in Viet-Nam is this: Throughout the period of the American involvement in Viet-Nam and during the negotiations that were going on, it was never suggested that Viet-Nam would be able to stand by itself without American assistance; the argument at that time was to withdraw American military forces and to enable Viet-Nam, without assistance, to stand on its own. There are many situations in the world which

have no outcome as long as there are neighbors that continue to pursue aggressive designs.

If you go around the world and ask whether the United States can give support only where there is a clear terminal point, there will be many countries that will be in the most severe jeopardy.

Now, in Cambodia the situation is imminently critical. In Viet-Nam, the situation will be critical over a long period of time if we do not give adequate support. If we do give adequate support, then there is the possibility of Viet-Nam defending itself.

With respect to negotiations, the United States has engaged in, and is supporting now, efforts at negotiations both in Cambodia and Viet-Nam. It has been our experience, however, that negotiations cannot be a substitute for a situation on the ground but that they will reflect a situation on the ground. And therefore we have urged the Congress to look at the problem, recognizing the many pressures to which they are exposed—recognizing that the American people may well be tired of many years of exertions but keeping in mind also that sometimes to give in to the mood of the moment may lead to profound regrets later on.

And I would also like to say that this debate, which is a rather solemn one, should be conducted without reference to motives—which seems to become so much of a staple of the Viet-Nam debate.

### Lifting the Arms Embargo in South Asia

*Q. Mr. Secretary, I'd like to ask you a question which appears to concern not only the relations with the subcontinent of India but the détente between the United States and*

*Russia, if you could put it in that context, and that is the somewhat bitter criticism that India has made at the decision to lift the 10-year-old arms embargo out there and the allegations that this would start an arms race and the implication that you somehow are guilty of bad faith in this whole thing.*

*Secretary Kissinger:* I think there are two types of comments that have been made from India. One is the comments of the Indian Ambassador in Washington; and the second, the statement of the Foreign Minister of India in the Indian Parliament. We believe that the statement of the Foreign Minister is restrained and statesmanlike and continues the basis for the improving relationship that has characterized Indian-American relations in recent months. The statements made yesterday by the Ambassador are unacceptable.

Now, with respect to the relationship between India and the United States, in a speech in New Delhi last October I pointed out that India, because of its size and its position, has a special role in South Asia which the United States recognizes.

I have also pointed out that the United States has no interest and will not support or engage in an arms race in South Asia.

We maintain both of these statements. It seemed to us, however, that to maintain an embargo against a friendly country with which we have an allied relationship, while its neighbor was producing and acquiring nearly a billion dollars' worth of arms a year, was morally, politically, and symbolically improper.

I repeat, the decision to lift the arms embargo does not mean that the United States will engage in a massive supply of arms to Pakistan or that the United States will engage in arms deliveries that can affect the underlying strategic balance. But it seemed to us an anomaly to embargo one country in the area, to be the only country in the world to be embargoing this country, when its neighbor was not exercising a comparable restraint. But, even with this, we will not engage in massive deliveries of arms.

And, secondly, we place great stress on the improving relationship with India. We

maintain all the principles that we have asserted with respect to India, and we believe that with wisdom and statesmanship on both sides, the natural friendship between these two great democracies can not only be maintained but be strengthened. This is certainly our attitude.

*Q. Are you going to ask for the recall of the Ambassador who made the unacceptable remarks?*

*Secretary Kissinger:* No, we will not ask for his recall.

### Consultations With Congress

*Q. Mr. Secretary, in recent months the Administration has been conducting foreign policy in one way, in one manner, and Congress has been conducting foreign policy in another. And wherever there appears to be a conflict, Congress usually wins. How are you adjusting to this reality?*

*Secretary Kissinger:* Well, it is inherent in our system that the Congress, having the power of the purse, can impose its will. I believe that in a conflict between the executive and the legislative neither side wins. I believe, as I pointed out in Los Angeles [on January 24], that it is imperative for a new consensus to develop on American foreign policy because nobody wins these conflicts. The difficulties have arisen for a variety of reasons—the effects of Watergate, the internal changes in the Congress, the legacy of many years in which Congress feels that perhaps the executive had been granted too wide-ranging authority.

We are prepared to work out a new relationship with the Congress to avoid these conflicts. We believe that is essential in the national interest. And we believe that there can only be an American foreign policy, not an executive or a legislative foreign policy.

*Q. I'd like to follow up. Are you prepared to take Congress into your confidence on the initiation of foreign policy from the outset, or will you continue to put—*

*Secretary Kissinger:* Mr. O'Leary [Jere-



miah O'Leary, Washington Star-News], I think there is a misconception about the degree of congressional consultation that has previously taken place. Since I've become Secretary of State, I have met in 17 months—I've testified over 40 times before congressional committees, met over 25 times with congressional groups outside the formal testimony and over 75 times with informal congressional groups.

The difficulties exist, in part, because the nature of congressional leadership has also changed in the recent year so that the traditional relationship between the executive and the legislative, exercised through the organized leadership of the Congress, has to be modified so that there is a more wide-ranging consultation than previously. I'm prepared to undertake this, and I have been in touch with various congressional groups and various senatorial groups asking for their advice—with whom it is possible to consult and in what manner—in order to achieve this partnership.

The question of advance consultation is easy. Of course we will do this.

In the past, my practice has been before every trip to appear before the Senate Foreign Relations Committee and the House Foreign Affairs Committee to tell them about what I was planning to do and to report to them within a week of my return. I recognize that these forums are no longer sufficient and that a wider range must be found.

I have been meeting regularly, for example—I plan to meet regularly; I've met twice—with a group headed by Congressman [Donald M.] Fraser that is particularly interested in the problem of human rights. But it is partly a question of congressional organization as well. And I'm prepared, and the Administration is prepared, to work this out in a cooperative spirit and with the attitude that "Of course we will consult ahead of time." But there are also some matters that must be left to the executive, with full knowledge of the Congress, but the day-to-day tactics are very difficult to handle by congressional decisions.

*Q. Mr. Secretary, if I understood your*

*previous answer correctly, you were saying that as long as North Viet-Nam continues its aggressive policy, the United States should give a billion or a billion and a half dollars a year to South Viet-Nam and Cambodia in aid in an open-ended way. One, is that correct, and, two, what would be the consequences if Cambodia did fall, or if South Viet-Nam did fall?*

*Secretary Kissinger:* As I pointed out, I made a distinction between the situation in Cambodia and the situation in Viet-Nam.

In Cambodia, as I have pointed out, we face an immediately critical situation. What will be the consequences if Viet-Nam and Cambodia did fall? It is a debate which has been going on for a long time. I believe, and the Administration believes, that if Viet-Nam falls as a result of an American decision to cut off its aid that this will have, over a period of time, the most serious consequences for the conduct of our foreign policy. This will not be immediately apparent, but over a period of years it must raise the gravest doubts in the minds of many countries that have been associated with us, or of many countries to which the threat cannot be given a terminal date.

### **Middle East Diplomacy**

*Q. Mr. Secretary, do you believe that the statement in an interview by Syrian President Asad that he would be willing to sign a formal peace treaty is helpful to your step-by-step approach? And if I may just follow that up with one question, do you necessarily exclude an additional step after the one that you are about to leave on, on the Golan Heights between Syria and Israel?*

*Secretary Kissinger:* I think the statement by Syria that it is willing to sign a peace agreement with Israel is a major step forward. I remember the first time I visited Syria in December 1973, the newspapers reported that the Secretary of State arrived from occupied territory, "occupied territory" at that time being Tel Aviv. So I think that this is a hopeful sign.

With respect to negotiations between Syria

and Israel, we have always believed that a peace, to be lasting, must involve all the fronts and must involve a general settlement, and I am certain that Israel shares this view.

### **Cyprus Negotiations**

*Q. Mr. Kissinger, the United States has been involved for some time now in the efforts to achieve a settlement on Cyprus. Can you tell us where you think those efforts are now, and what the possibilities are for reconvening a negotiating session between the two sides?*

*Secretary Kissinger:* Well, it is important to remember that the communal talks only began effectively on January 14, so that there were only three weeks of negotiations before the aid cutoff to Turkey that led to an interruption of these negotiations.

The United States strongly supports these communal talks. The United States has offered all the assistance it can to the parties to bring about a settlement that all parties can live with. We believe that progress is possible. It is our impression, based on very frequent exchanges, that it will be very difficult for the United States to play a useful role in Ankara as long as the aid cutoff continues. And therefore we have urged the Congress to give us the possibility to continue these negotiations by suspending the aid cutoff.

In addition, I have to stress that aid to Turkey and the security of the eastern Mediterranean transcends the Cyprus problem and that the security of the eastern Mediterranean is being jeopardized by the cutoff of aid to Turkey.

But with respect to the Cyprus negotiations, we favor the resumption of these negotiations, with or without the resumption of aid. We strongly support a settlement, but our own influence is being weakened by the aid cutoff.

### **Ethiopian Request for Assistance**

*Q. Mr. Secretary, there have been some reports that the request by the Ethiopian*

*Government for ammunition was on the point of being accepted by the U.S. Government. Can you comment on that?*

*Secretary Kissinger:* Well, I read an article today that said that tomorrow there will be a meeting of the Washington Special Action Group which will make a decision. The Washington Special Action Group doesn't make decisions. It analyzes options and submits them to the President for consideration.

The issue that is presented to us by the Ethiopian request is that we have had a military relationship with Ethiopia since 1953. The Eritrean rebellion or independence movement has been going on since 1962. And the United States takes no position on the merits of the particular conflict.

The problem that we have to decide is whether a country whose military establishment has been based on American arms should be cut off from support at the precise moment that it most needs it. It is a difficult decision for us, and we have not come close to making it. And tomorrow's meeting is not to make a decision. Tomorrow's meeting is to sort out what the issues are.

Mr. Kraft [Joseph Kraft, Field Enterprises syndicated columnist].

### **Proposals To Restrict Petroleum Imports**

*Q. Mr. Secretary, a major issue in the various energy proposals that are being surfaced now is that some of them propose restricting imports by a tariff—imports of petroleum—and others propose restricting imports by a quota. From the foreign policy standpoint, which of those two avenues does the Department favor and why?*

*Secretary Kissinger:* Well, the Department has not been formally asked to take a stand on the difference between a tariff and a quota.

The basic position of the Department from a foreign policy point of view is that conservation of a certain quantity is essential in order to achieve the long-term objective of our energy policy. And within the In-

ternational Energy Agency (IEA), the United States has supported goals to which it must make a major contribution that would achieve those general objectives.

Obviously, as a member of the Cabinet, I support the President's energy plan. I have not personally studied the quota proposal, and therefore I don't feel that I should comment on that. Of the plans that I have seen, at the time that they were being considered, it seemed to me that the fee system seemed the most efficient.

### **U.S.-Soviet Relations**

*Q. Mr. Secretary, two questions on U.S.-Soviet relations. Are U.S.-Soviet relations impaired by the breakdown of the trade agreement? And, secondly, are there new obstacles to a SALT [Strategic Arms Limitation Talks] agreement in the verification negotiations?*

*Secretary Kissinger:* The state of Soviet-American relations is that in the political negotiations that are now going on and in the arms control negotiations that are going on, progress is about what one would have expected.

The SALT negotiations are in a very preliminary phase, and therefore it is too early to tell whether there are any unusual obstacles. My impression is that they are going along in a normal way, but it is a little too early to make a conclusive judgment.

The difficulty that is caused by the interruption of the economic relationship, or by the jeopardizing of the economic relationship, is that the political relations must carry a perhaps undue burden and that therefore the incentives for restraint that might otherwise exist in particular negotiations are being weakened. So, in the long term, I feel that the removal of the economic pillar of our relationship cannot but weaken the long-term trends of détente. In the immediate present, it has not yet visibly happened.

*Q. What are your plans for repairing the damage?*

*Secretary Kissinger:* Well, I have had

preliminary discussions with Members of the Senate and the House to see what the congressional attitude would be. I also had some preliminary discussions with Foreign Minister Gromyko when we met in Geneva. I think we should move carefully and thoughtfully in order to avoid another misunderstanding arising between the two branches of our government and between our government and the Soviet Union.

*Q. Mr. Secretary, there have been a number of reports in recent weeks that you might consider resigning by the end of the year to avoid becoming a focal point of a partisan debate as the '76 campaign gets underway. Are these reports correct?*

*Secretary Kissinger:* I think this is a permanent story that appears every year. I believe that one's service should be tied to the period in which one can be useful, and that is a decision that has to be made largely by the President. And I have not made any such decision as these reports indicate.

*Q. Mr. Secretary, it was reported after your recent meeting with Soviet Foreign Minister Gromyko in Geneva that he raised the possibility at this meeting of an accord to limit arms to the Middle East. Are the Russians prepared to cooperate in restraining the flow of arms to the Middle East? And if so, are we going to talk to them about it?*

*Secretary Kissinger:* Well, I do not believe that this report is exactly accurate. But, in principle, the United States has been willing to discuss the principle of a limitation of the flow of arms into the Middle East. Given the interconnection, however, of the Arab world, one now would have to draw the line rather widely, and one could not confine the limitation of arms imports only to the states neighboring Israel, but one would have to include all the states that could possibly transfer their arms into areas where a confrontation might be possible. But as part of a settlement, we would be prepared to explore this, yes.

*Q. What is the Russian view toward that possibility?*

*Secretary Kissinger:* As I understand the Soviet view, they are prepared to discuss this as part of an overall settlement. They are not prepared to discuss it at the moment.

#### **Southeast Asia and American Commitments**

*Q. Mr. Secretary, of the vast amount of aid we have sent to Southeast Asia and our own involvement, why would any country in the world ever have grave doubts about American commitments?*

*Secretary Kissinger:* Because if the collapse of Southeast Asia is caused by an American decision to withhold aid under conditions in which such a decision can have only one outcome, the conclusion will be inevitable that it was the United States which has the responsibility. There is no possible way that Viet-Nam can acquire the arms that are needed to defend itself until its economy has reached a point where perhaps there is sufficient surplus from oil income or other economic developments. And there are many other countries in the world that find themselves in analogous circumstances.

*Q. Mr. Secretary, is it reasonable to talk about any finite period of time—the three years, for example, that has been suggested by the Administration?*

*Secretary Kissinger:* It is the second-best course. Very often, in these exchanges between the executive and the legislative, one is driven into positions which reflect the best that may be attainable. There is an argument that can be made that if aid is contained for three years at a sufficiently high level that at that period the economy of Viet-Nam could develop to a point where it would have enough surplus revenues to pay for the import of arms by itself.

I have seen these arguments. They seem plausible to me, and I would support them. I must say, quite candidly, that the preferable course is to go the route that I indicated. But, if necessary, we will accept a three-year term with adequate sums.

#### **Question of Guarantees in Middle East**

*Q. Mr. Secretary, when you were in Israel on this last trip you said that Israel couldn't be expected to give up its territory without a quid pro quo. Did you come away from your talks with President Sadat [of Egypt] feeling that he acknowledges this principle?*

*Secretary Kissinger:* The fact that I am returning to the Middle East indicates that I believe there is a chance to implement this principle, yes.

*Q. Mr. Secretary, following up on that, do you think that it will be necessary for there to be American guarantees for the next stage of the disengagement?*

*Secretary Kissinger:* No. The question of an American guarantee can arise only in connection with a final settlement and then not as a substitute for a final settlement but as a backup position to enhance the security of the parties.

*Q. Mr. Secretary, to follow that, if I may briefly, do you have in mind something that would have to be ratified by the Congress, a treaty?*

*Secretary Kissinger:* Well, I have not any specific idea in mind, but it has been axiomatic in all the discussions about peace in the Middle East that a final settlement would have to have some sort of a guarantee. Some people have suggested a Soviet-American guarantee. Others have suggested a Security Council guarantee. Others have suggested a unilateral American guarantee. All that I have suggested is that the United States is studying the problem of what guarantees would be adequate for a final settlement, I repeat, not as a substitute for the sense of security and justice of the parties concerned but as a reinforcement of it once the negotiation has been concluded.

It is inconceivable to me that there could be any American participation in a guarantee that did not have the full support of the Congress of the United States. By what means that is achieved would depend on the nature of the guarantee and on the commit-

ments that it would involve. But there does not yet exist an Administration position either on the nature of the guarantee or on the commitment, nor have we had any discussions with the Israeli Government. All I indicated is that this is a subject we are studying within our government, as we are dutybound to do in the process of moving toward a final peace.

*Q. Mr. Secretary, when you speak of a quid pro quo, would that be expressed at this step or at some future stage? And secondly, would it be something directly given to Israel by Egypt or indirectly? And indeed, if it's indirect, is that a quid pro quo?*

*Secretary Kissinger:* Well, I think that Israel has to be the judge of what it considers an adequate arrangement. And that is not for me to say at this moment. It stands to reason that a settlement is not possible until both sides are satisfied with it. It is also clear that, Israel being a democracy, any agreement that is made must have visible parts that can be presented to the Israeli domestic opinion and to the Israeli Parliament.

What combination of direct and indirect assurances will be given must be left to the process of negotiation. But it goes without saying that any settlement, to have any meaning, must be acceptable to both parties.

*Q. Mr. Secretary, I would like to take you back for a moment to the Viet-Nam problem and the grave doubts that you referred to. You seem to be saying that it is more important for the United States to enjoy credibility abroad than to have credibility at home.*

*Secretary Kissinger:* No. I'm saying that the security of the United States and the security of the many countries in the world that depend on the United States is a matter of the gravest importance to the American people as well. And I therefore believe that, however painful the discussions, however anguished the experiences, that the American people over a period of time will recog-

nize that this distinction cannot be made.

I am as subject to the correspondence as many of the members of the Congress. It is my belief that those who are responsible for national policy are accountable not only for the moment but for how it will look several years from now. And three to five years from now, when the consequences are apparent, I believe that there will be no distinction between credibility at home and credibility abroad.

*Q. Mr. Secretary, in a series of uncomplimentary remarks about you by former associates of President Nixon, how do you account for these comments? Do you think it's a concerted effort? And what's your reaction to what Mr. [William] Safire and Mr. [Charles W.] Colson have been saying about you?*

*Secretary Kissinger:* Well, I think the two individuals you mentioned represent different phenomena. I don't believe it is a concerted effort. And in the case of one of them I don't believe that what is being said today is any different from what was being said when we were colleagues. [Laughter.]

### **European Security Conference**

*Q. Mr. Secretary, when in Geneva you talked with Foreign Minister Gromyko. You talked about the European Conference, too. From here it looks as if the European Security Conference might be wound up this summer, not so much because of the results it will achieve but because many of the participants are impatient now to wind it up. I would like to ask you what your view is of the timetable. Is there any chance of any firm link with progress in the MBFR [mutual and balanced force reduction] talks?*

*Secretary Kissinger:* Well, it is my impression that the overwhelming majority of our European allies is opposed to having any linkage between the European Security Conference and the force reduction talks and therefore this is not an issue that is likely to arise.

As far as the timetable is concerned, the United States favors—as do all the other participants—an expeditious conclusion of the conference. The issues have become so abstruse and esoteric, reaching sometimes such issues as the placement of a comma, that it is hard to explain all of the issues that are now before the conference. And I wouldn't want to speculate in what month there will be a conclusion. The United States will support a rapid conclusion of the conference.

#### **Defense Agreements With Spain and Portugal**

*Q. Mr. Secretary, could you bring us up to date on the U.S. base agreements with Spain and Portugal? Are we being asked to vacate Torrejon? And how do we stand with the U.S. base in the Azores?*

*Secretary Kissinger:* Well, these negotiations are conducted, as you know, by the new Assistant Secretary for congressional liaison [Ambassador at Large Robert J. McCloskey, Assistant Secretary for Congressional Relations]. We have not been asked to vacate any of the Spanish bases. And therefore this report seems to us at least premature. In fact, it seems to us inaccurate. The discussion has concerned mostly what sort of security assurances the United States might give Spain in return for the continuation of its bases in Spain.

With respect to the Azores, we have not been asked to vacate the base in the Azores. The agreement has not yet been renewed, but under the agreement we can maintain our base there until a new agreement has been made or it is clear that no agreement can be made.

#### **Confidence in U.S. Commitments**

*Q. Could I just follow that up? The security arrangements that Spain is asking for, is that the sort of thing that you mean other countries will begin to doubt if an*

*American decision lets Viet-Nam and Cambodia go "down the tube"?*

*Secretary Kissinger:* I was talking about the general ability of other countries to rely on the word of the United States or on the ability of the United States to bring about the security of those countries that rely on it. This has serious consequences. I know it is fashionable to sneer at the word "domino theory." I think this is a very grave matter on which serious people have had a divided opinion. And we've been torn apart by the Viet-Nam war long enough. But I do not believe we can escape this problem by assuming the responsibility of condemning those who have dealt with us to a certain destruction.

The answer to your question is, yes, this is one of the things. But I was talking of a more general problem.

*Q. More specifically, the country that's most often discussed in the context of American security is Israel. Do you think Israel perhaps is exempt from this problem because of support in Congress?*

*Secretary Kissinger:* I do not think it is appropriate for me to go around the world asking which countries would be particularly threatened by this attitude. I would say that the questions that are now being asked can be applied to almost any country as far as terminal date is concerned, as far as the end process is concerned. I do not want to apply it to any particular country. And it is, of course, clear that there has been a special relationship between Israel and the United States that can withstand strains that other relationships might not be able to withstand. But it is not a trivial matter.

*Q. Mr. Secretary, within the spirit of meaningful détente, why haven't you put more pressure on the Russians and the Chinese not to supply Hanoi so abundantly?*

*Secretary Kissinger:* First of all, I am constantly being asked, "Why don't we bring

pressure here, bring pressure there?" as if the word "pressure" had a concrete significance. When you ask about pressure, you have to ask yourself what concretely the United States can do, what is the "or else" that we are threatening?

Secondly, it has been our policy throughout not to turn these issues into public confrontations on the theory that countries can go along more easily if it is not turned into a public confrontation. I believe that the Soviet Union and the People's Republic of China know what our view of this matter is. I think it is also important to point out that the scale of the North Vietnamese offensive in the South is not only related to the amount of arms that the Soviet Union and the People's Republic are supplying, it is also related to the fact that, now that there is no longer any interdiction and that the communications system has been improved so enormously, almost the entire input into North Viet-Nam can be moved rapidly to South Viet-Nam together with all of the stockpiles that existed at the end of the war.

#### **Opposition to Discrimination**

*Q. Mr. Secretary, this morning in New York City the Anti-Defamation League charged that the Army Corps of Engineers is using discriminatory practices by requiring individuals applying for work on projects in Arab countries to state their religion. Would you comment on that and also state what the Administration's policy is and attitudes are on U.S. private investment in Arab countries?*

*Secretary Kissinger:* I do not know about this particular charge. And I do not know about the particular practice of the Army Corps of Engineers, which is a question which should be addressed to the Defense Department. I know, however, that the basic policy of the Administration is totally opposed to discrimination in any form.

As far as the Department of State is concerned, for which I am responsible, I know

that officers are assigned without regard to race or religion and that we don't even know their race or religion in making the assignments.

With respect to the U.S. policy of investment in Arab countries, the United States basically favors it. The United States is strongly opposed to any discriminatory practices by the recipient countries as to the firms that might do business. And we are looking into the legal remedies that may exist, together with whatever moral influence we can bring to bear on the banking and other communities to abolish discrimination, which we consider reprehensible.

*Q. Is the Chase Manhattan Bank one of those corporations that are being looked into?*

*Secretary Kissinger:* We are not looking into particular corporations. We are looking into the general problem that has been brought to our attention of discrimination against particular firms or banking houses. And we have not yet reached a conclusion either as to the remedies that are available to us or whether there are any particular offending firms.

*Q. Mr. Secretary, in your earlier responses on the future of Indochina, you dwelled mostly on South Viet-Nam. Is there anything more hopeful that can be looked to in Cambodia, apart from staving off collapse?*

*Secretary Kissinger:* We would do our utmost in Cambodia, if collapse can be staved off, to promote a negotiation. And it is difficult to know whether such a negotiation is possible. We have over the past year made major efforts to promote a compromise settlement, which it would be wrong to detail now. We would continue these efforts, but I will not make any misleading statements as to what is possible. I am putting the issue—whether the United States wants to take the responsibility of cutting off ammunition at this particular moment.

*Q. Mr. Secretary, I didn't quite understand your answer to Mr. Gwertzman's*

[Bernard Gwertzman, *New York Times*] question. Were you saying that the Congress might now, indeed, take a harder look at providing military aid to Israel?

*Secretary Kissinger:* I do not want to be put into a position in which I am asserting that the lessons of Viet-Nam are going to be applied in any particular area. I see no evidence that the Congress is applying a harder look to aid to Israel now, and I am not bringing these two matters into a relationship.

### International Energy Policy

*Q. Mr. Secretary, will you comment on the foreign policy implications of the tariff versus the quota, with particular reference to the suggestion that one would be indiscriminate and the other might be used selectively?*

*Secretary Kissinger:* I have really not thought this particular issue through, and I will make sure that our spokesman will say something about it during the week.

*Q. Mr. Secretary, a related question: You are reported at continuing cross purposes with the Treasury Department on international oil policy. Is there an "Administration" policy, or is it a "Kissinger" policy? And is there going to be a consumer-producer conference in March?*

*Secretary Kissinger:* First, the speech that I delivered—on I believe it was February 3—was done at the request of the President. It was approved in all its particulars by the President. It was gone over by the White House officials that are responsible for economic policy. It was gone over by the Assistant Secretary of the Treasury—the Secretary of the Treasury being out of the country, in England, on that particular weekend. The speech on February 3 reflected the views of the President and reflected the views of the Administration.

Since then, and I have had occasion to review this whole matter with the President again this morning, there is no question that the United States supports a guaranteed

price for alternative sources of energy.

Whether this price is achieved by subsidy or by tariff or by some other method is a matter for negotiation and is, indeed, a matter which we would leave to the decision of each country. And as far as the Department of State is concerned, we have no particular interest in how this guaranteed price is achieved, as long as it is achieved.

It is our conviction that without such a guaranteed price there will not be a sufficient investment in alternative sources—that without an investment in alternative sources, even if there is a break in prices temporarily, that break in prices will only serve to increase the dependence of the consumers on the producers and make them even more subject to a rapid increase in prices.

So the official policy of the Administration, the President's policy, is to have a guaranteed price. The method by which this price is achieved is to be left to each country and is a matter on which no final decision has been taken in this country. But this is a totally secondary issue.

The primary issue is whether the United States favors a guaranteed price, and I can only repeat: When it was proposed, it was the policy of the President; and when it is reiterated today, it is the policy of the President. And therefore I don't know what conflict you are talking about.

*Q. Thank you, Mr. Secretary.*

*Q. There were two other elements there.*

*Secretary Kissinger:* That's right. Excuse me, I'm sorry, I didn't answer the question.

On the consumer-producer conference, there will be another meeting of the IEA early in March, in which we believe that progress will be made on the alternative sources. Once this progress has been achieved, we believe that the essential prerequisites for a preparatory meeting of consumers and producers may be met, and we therefore think that good progress is being made toward a consumer-producer preparatory meeting, if not in March, shortly afterwards.

*The press: Thank you very much.*



## President Ford Urges Rapid Action on Assistance to Cambodia

*Following is the text of a letter dated February 25 from President Ford to Carl Albert, Speaker of the House of Representatives.*

White House press release dated February 25

FEBRUARY 25, 1975.

DEAR MR. SPEAKER: I wish to convey to the House of Representatives my deep concern over the present critical situation in Cambodia. An independent Cambodia cannot survive unless the Congress acts very soon to provide supplemental military and economic assistance.

Unless such assistance is provided, the Cambodian army will run out of ammunition in less than a month.

The Cambodian people are totally dependent on us for their only means of resistance to aggression. The Communist forces now attacking have a constant, massive outside source of supply from the North as has been demonstrated by their ability to sustain the current heavy offensive.

If additional military assistance is withheld or delayed, the Government forces will be forced, within weeks, to surrender to the insurgents.

The economic situation is almost as difficult. Refugees forced to flee their homes by the Communists' repressive measures and scorched-earth policies have poured into Phnom Penh and other cities. Severe food shortages are already beginning. If the Congress does not provide for continued deliveries of rice and other essential supplies, millions of innocent people will suffer—people who depend on us for their bare survival.

The Government of the Khmer Republic has demonstrated on countless occasions its willingness to negotiate a compromise political settlement to bring peace to its tormented land. It has been proven over the past two years that the progressive cutbacks of American support have only undercut the possibilities of negotiation by encouraging

a ruthless enemy in the hope of obtaining a total victory.

These are the harsh realities which the Congress must bear in mind as it considers the Administration's request for supplemental assistance to Cambodia.

It has been a basic policy of this Government to give material support to friends and allies who are willing and able to carry the burden of their own self-defense. Cambodia is such an ally.

This is a moral question that must be faced squarely. Are we to deliberately abandon a small country in the midst of its life and death struggle? Is the United States, which so far has consistently stood by its friends through the most difficult of times, now to condemn, in effect a small Asian nation totally dependent upon us? We cannot escape this responsibility. Our national security and the integrity of our alliances depend upon our reputation as a reliable partner. Countries around the world who depend on us for support—as well as their foes—will judge our performance. It is in this spirit and with this sense of responsibility, Mr. Speaker, that I urge rapid and favorable action on my request for additional assistance to Cambodia.

Sincerely,

GERALD R. FORD.

Honorable CARL ALBERT  
*Speaker of the House of Representatives*  
*Washington, D.C.*

## U.S. Modifies Policy on Exports of Arms to India and Pakistan

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

The United States has informed the Governments of India and Pakistan that it has ended today [February 24] its embargo on the export of military equipment to those countries and put into effect a policy under

<sup>1</sup>Read to news correspondents on Feb. 24 by Robert Anderson, Special Assistant to the Secretary for Press Relations.

which we will consider requests for arms exports for cash on a case-by-case basis. Our previous policy permitted only the export of nonlethal end-items and spares and ammunition for U.S.-provided equipment. In making this modification, we are bringing U.S. policy into line with that followed by other major Western arms suppliers, such as the British and French.

I should emphasize that this is a cash-only policy; we are not planning to provide any equipment on a grant military assistance basis or on credit. In weighing any individual export requests, we will take into account a number of factors, including the high importance we attach to continued progress toward India-Pakistan normalization, the effect of any particular sale on the outlook for regional peace and stability, the relationship between U.S. sales and those of other external arms suppliers, and of course the relationship of the request to legitimate defense requirements and the level of armaments in the region.

Our overall policy toward South Asia remains exactly as Secretary Kissinger stated on his trip to the region last fall: We have no interest in upsetting the strategic balance in the subcontinent or resuming our pre-1965 role as a major arms supplier to the region. We do not intend to stimulate an arms race. We attach the utmost importance to continued reconciliation between India and Pakistan and will do all we can to encourage that process. We presently enjoy very good relations with both India and Pakistan, and we see no reason why this should not continue to be the case.

## **U.S. To Provide Loan and Grants for Syrian Development**

*AID Announcement, February 28*

AID press release 75-14 dated February 28

The Agency for International Development has agreed to lend Syria \$20 million under an agreement signed February 27. The loan will help Syria increase its agricultural production and accelerate its general economic development. Most of the funds will be used to buy American machinery, equipment, and materials needed for agricultural development, such as plows, harrows, harvesters, irrigation equipment, earthmoving machinery, and insecticides. The loan is to be repaid in dollars in 40 years, with an initial grace period of 10 years; interest is payable at 2 percent annually during the grace period and 3 percent thereafter.

Under an agreement signed the same day, AID has agreed to make a grant of \$4 million to Syria for technical services and feasibility studies in agricultural production, irrigation, processing of agricultural products, mechanization of agriculture, and other fields. AID has also agreed to make a \$1 million grant to finance training in the United States for Syrian graduate students in such fields as agriculture, engineering, medicine, geology, and irrigation management.

Funds for the loan and grants come from a special requirements fund for assistance to the Middle East appropriated by Congress in December 1974.

## President Ford's News Conference at Hollywood, Fla., February 26

*Following are excerpts relating to foreign policy from the transcript of a news conference held by President Ford at Hollywood, Fla., on February 26.<sup>1</sup>*

*President Ford:* Good morning. Will you please sit down. First, let me express my appreciation to the people of Florida for their hospitality. It has been a pleasure being here, and I look forward to the rest of the day.

Before answering questions, I have a short prepared statement that I would like to make at the outset. It reads as follows.

[At this point the President read a statement, the text of which follows.]

"There have been reports in recent weeks of attempts to discriminate on religious or ethnic grounds against certain institutions or individuals in the international banking community.

"I want there to be no doubt about the position of the United States. Such discrimination is totally contrary to the American tradition and repugnant to American principles. It has no place in the free practice of commerce as it has flourished in this country and in the world in the last 30 years.

"Foreign businessmen and investors are welcome in the United States when they are willing to conform to the principles of our society. However, any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States."

Mr. McDermott [John McDermott, Miami Herald].

*Q. Mr. President, what was behind Dr. Kis-*

<sup>1</sup> For the complete transcript, see Weekly Compilation of Presidential Documents dated Mar. 3, 1975.

*singer's recent observation that someday we might have to go in and destroy the oil wells of the Middle East? Do you envision such a possibility ever happening?*

*President Ford:* I do not recollect the precise statement that is attributed to the Secretary. I suspect you are referring to the oft-quoted statement about strangulation.

I have answered that question, as has the Secretary, on a number of occasions. To be repetitive at this point I think might only increase speculation. The facts are that there was an answer to a very hypothetical question of the most extreme circumstances and both the Secretary and I have indicated our views on the subject.

*Q. Thank you, Mr. President.*

*Q. Mr. President, is what you call our moral commitment to arm South Viet-Nam and Cambodia open-ended, and what are you doing specifically to bring the warring parties to the peace table?*

*President Ford:* Well, the commitment that we have to the South Vietnamese and the commitment that we have to some extent in Cambodia is one that we, as the United States, agreed at the Paris peace accords—that we would withdraw our forces and that, hopefully, peace would be established in Indochina.

Part of our commitment was that we would—in the process or as the result of the withdrawal of our own military personnel, we would continue to supply arms on a replacement basis, and that commitment was predicated on the willingness of the South Vietnamese to fight aggression from North Viet-Nam.

The South Vietnamese are fighting, are trying to protect their country, and are seek-

ing to defend their country from invasion. It seems to me that as we look back at our participation in the Paris accords and the promises that were made, as long as they were willing to fight against aggression and invasion, that we had an obligation to help them with military equipment on a replacement basis.

The situation there is one that I am willing to negotiate with the Congress. I indicated that if the Congress would join with me we would make a firm and final decision on a three-year basis to permit South Vietnam to get over the current crisis that they face. I think that would be a reasonable solution. I am told that the South Vietnamese in a three-year period, with our military and economic aid, would be able to handle the situation.

*Q. What about Cambodia?*

*President Ford:* In Cambodia, the problem there is extremely critical. Unless there is additional U.S. military aid as I have recommended, the Cambodians will run out of ammunition in a relatively short period of time. I think that would be most unfortunate because if they are able between now and the end of the dry season to maintain their national integrity—the present government—there is a possibility of negotiations that might end the war in Cambodia.

*Q. Mr. President, your Hispanic adviser, Fernando DeBaca, told the Miami News yesterday that you have never formally reevaluated U.S. foreign policy toward Cuba since you became President. Are you in the process of reevaluating the government's position, and do you foresee any lifting of economic and diplomatic sanctions toward Cuba in the immediate future?*

*President Ford:* Very frequently in my daily meetings with Secretary of State Kissinger we discuss Latin American policy, including our policy toward Cuba. The policy today is the same as it has been, which is that if Cuba will reevaluate and give us some indication of a change of its policy

toward the United States, then we certainly would take another look. But thus far there is no sign of Mr. Castro's change of heart, and so we think it is in our best interest to continue the policies that are in effect at the present time.

*Q. Mr. President, a number of responsible Americans, including Senator Mansfield, have expressed concern that we are selling more arms than ever to more nations. We now sell to Pakistan as well as India, to Arab countries as well as Israel. What is your credo in regard to arms sales? Is it influenced by the state of the economy, and what do you say to those who say that such sales are immoral?*

*President Ford:* First, let me be very specific. The sale of U.S. military equipment to any country is not predicated on trying to help the U.S. economy. We do have a policy of selling arms to other nations if that country feels it has an internal security problem; and number two, if it is necessary for one or any of the countries to maintain their national integrity or security.

We believe that in many areas of the world a proper military balance is essential for internal as well as external security of various countries. And where other nations, such as the Soviet Union, do sell or give arms to one country or another, if another country feels that for its own security it needs additional military equipment and has the cash, then we feel that it is proper to make a sale from the United States to that country.

*Q. Mr. President, your opening statement seemed to imply that the United States was planning some sort of action against the Arab nations that have embargoed Jewish-owned banks. Could you be more specific? What sort of thing might we do in this case, if the embargoes continue?*

*President Ford:* All we have so far are some allegations. I have asked the Departments of Justice, Commerce, and State to investigate any allegations. The actual ac-

tion that would be taken will be forthcoming from recommendations by those departments. They have not been placed on my desk at the present time.

*Q. Mr. President, you have referred to the question of aid to Cambodia as a moral one relating to the credibility of the United States. But is the issue of credibility really at stake when so many of those with whom we would want to maintain it criticized our involvement in that area to begin with and long urged us to get out before we did?*

*President Ford:* Are you referring, sir, to other nations?

*Q. Other nations, yes.*

*President Ford:* I do not think we can conduct American foreign policy on the basis of what other nations think is in our best interest. The United States has to predicate its foreign policy on what it thinks is in America's best interest.

Now, we respect the right of other nations to be critical of what we do; but it is my responsibility and, I think, the responsibility of people in authority in the United States to make decisions that are based on what we think is good for America, and that is the way it will be decided as long as I am President.

*Q. Mr. President, there has been a new crop of reports in recent days about the possibility of Secretary Kissinger leaving office this year to be succeeded by Ambassador Elliot Richardson. Could you comment on these reports, and specifically, do you expect Dr. Kissinger to remain in office at least until November of next year?*

*President Ford:* I happen to feel very strongly that Secretary Henry Kissinger is an outstanding Secretary of State, and he and I have never discussed any change in his responsibilities. I know of no plans of any kind whatsoever on my part, or his part, to change the responsibilities—the very heavy and important responsibilities that he has.

On the other hand, I recently submitted

the name of Elliot Richardson to be Ambassador to Great Britain. I picked him because I think he will do a first-class job there, and he has been recently confirmed. And I am confident when he goes to London he will carry out those responsibilities in that job in a very exemplary way.

*Q. Mr. President, it is estimated by immigration officials here in south Florida that there are up to 90,000 illegal aliens gainfully employed in southeast Florida alone. It is also estimated that our unemployment figure runs close to that amount. What is your office doing to address itself to this particular problem?*

*President Ford:* We have been trying to strengthen the arm of the Immigration and Naturalization Service, the Department of Justice, in order to handle in an appropriate way the illegal alien problem.

Florida has a serious problem. California has an equally serious problem. We are trying to work with the Mexican Government, for example, primarily out in the Western states. We are fully cognizant of the adverse impact that illegal aliens have on employment opportunities of American citizens, but we are trying to stop the flow in. We are seeking to send back illegal aliens as quickly as possible under the laws of the United States.

*Q. Mr. President, in answering an earlier question about Cambodia, you used the phrase "the commitment that we have to some extent to Cambodia," to distinguish it from Viet-Nam. Just what is our commitment to Cambodia when at the time that the American troops went in there in 1970, people were told that there was not going to be any long-term commitment? Could you explain that, sir?*

*President Ford:* Cambodia is in a somewhat different situation from Viet-Nam. Viet-Nam is involved in the Paris accords. Cambodia was not, in an official way. So our obligation, which I think is important, is that they want to maintain their national integ-

city and their security of their country against outside forces.

The policy of this country is to help those nations with military hardware, not U.S. military personnel, where the government and the people of a country want to protect their country from foreign aggression or foreign invasion.

This is, to a substantial degree, in post-World War II the tradition of the United States; and I think if people in a country want to fight for freedom for their country, to the degree that we can I think we ought to expand freedom around the world.

*The press: Thank you, Mr. President.*

## **Joint State-Treasury-FEA Statement on Protecting Energy Prices<sup>1</sup>**

*In response to continuing press inquiries, the Secretary of State, the Secretary of Treasury, and the Federal Energy Administrator have asked that the following statement be made public.*

In the state of the Union message, the President stated that to "provide the critical stability for our domestic energy production in the face of world price uncertainty, I will request legislation to authorize and require tariffs, import quotas, or price floors to protect our energy prices at levels which will achieve energy independence."

Such protection of U.S. domestic energy prices is essential in order to achieve our national energy goal of invulnerability to economic disruption in 1985. Much of the oil we import can be produced at very low prices. Thus, the producers have the power of undercutting U.S. producers of alternative energy sources and disrupting U.S. efforts

<sup>1</sup> Issued on Feb. 26 (text from press release 106).

to become self-reliant in energy. If, for example, the OPEC [Organization of Petroleum Exporting Countries] were to cut the price of oil from present high levels to \$4 a barrel, it is estimated that U.S. import requirements would rise from the present level of 6<sup>1</sup>/<sub>2</sub> million barrels per day to more than 20 million barrels per day in 1985. Domestic production of oil would fall sharply below present levels.

At such levels, a new embargo would deprive this country of many millions of jobs, and possibly several hundred billion dollars in GNP [gross national product].

A determination has not yet been made as to what exact price level should be judged likely to result in an unacceptable level of U.S. dependence on imports, but it is clear that we cannot permit imported oil to compete with domestically produced energy in a disruptive manner. The precise instrument that would be used to implement this policy has yet to be chosen, but the principle is fundamental to our energy goals.

The efforts of this country to develop alternative sources will benefit other consuming countries as well as the United States, because they will help bring down the price of oil from current exorbitant levels. We have the same interest in seeing other consuming countries develop their domestic energy resources rapidly. But it is also true that consuming countries could offset each others' efforts to bring down the price of oil by restimulating consumption when prices begin to fall. For this reason, all consuming countries have an interest in adopting a common policy on the levels at which they will protect prices of their domestic energy. Under this approach, consuming countries would adopt a common floor price or a common tariff. The United States is prepared to adopt either mechanism. The United States is currently seeking such an agreement, which it believes essential to the solution of the energy crisis.

## Under Secretary Sisco Interviewed on "Meet the Press"

*Following is the transcript of an interview with Joseph J. Sisco, Under Secretary for Political Affairs, on the NBC television and radio program "Meet the Press" on February 23. Interviewing Under Secretary Sisco were Bernard Gwertzman, New York Times; Joseph Kraft, Field Enterprises syndicated columnist; Henry L. Trewhitt, Baltimore Sun; Richard Valeriani, NBC News; and Lawrence E. Spivak, "Meet the Press" moderator.*

*Mr. Spivak: Our guest today on "Meet the Press" is the Under Secretary of State for Political Affairs, Joseph J. Sisco. Mr. Sisco has just returned from a trip to the Middle East and Western Europe with Secretary of State Kissinger. We will have the first questions now from Richard Valeriani of NBC News.*

*Mr. Valeriani: Mr. Sisco, is the United States now considering a mutual defense treaty with Israel in order to guarantee Israel's security and survival?*

*Mr. Sisco: No, it is not, Mr. Valeriani. I think there has been a great deal of confusion in the recent press reports. We are focusing, as you know, on trying to achieve an interim next step.*

The question of guarantees has been studied over the years, and any studies that will be given to this matter will be in relation to an overall political settlement.

*Mr. Valeriani: Isn't such a treaty inevitable in the context of an overall settlement?*

*Mr. Sisco: Well, let me say this: There is a great deal of confusion about this word "guarantee." We have always thought that the basic assurance that is essential in the area is the actual agreement between the*

parties. Any study of guarantees, I think, will be in the context not only of an overall political settlement but also as supplementary and complementary to the agreement itself.

We think the obligations that the sides exchange with each other, we think the agreement that is to be achieved based on the November 1967 resolution, including the question of borders, is something that has to be negotiated between the two sides. So that when one talks of guarantees, one has to talk in terms of a supplement and a complement to the actual agreement between the parties.

*Mr. Valeriani: Then you do not rule out an eventual defense treaty with Israel?*

*Mr. Sisco: I am saying that this is something which is quite far down the pike; it is something that obviously we will want to look at in the context of a political settlement.*

*Mr. Gwertzman: Mr. Sisco, when Dr. Kissinger returned from the Middle East he said some progress had been made. What was this progress?*

*Mr. Sisco: I think the essential progress, Mr. Gwertzman, was in defining and developing the framework for negotiations on a possible next step.*

As you know, we explored this possibility with all of the parties principally concerned, and we will soon be returning to the area to resume the process. I am, frankly, guardedly optimistic, because I think we are beginning to see at least the parameters of this problem.

*Mr. Gwertzman: Specifically in Israel, Dr. Kissinger said Israel would not have to give*

up territories without a *quid pro quo*. Did Dr. Kissinger get from Mr. Sadat in Egypt an agreement that Egypt had to give something to get something?

Mr. Sisco: Well, without getting into the specifics of the various elements, I think we came away with the feeling that there are really two elements here. The question of withdrawal, of course, has been emphasized, as well as that there must be progress toward peace, and we think that the desire for withdrawal and the desire for progress toward peace which has been emphasized on one side and the other can be reconciled. And for that reason I think that we can look forward, hopefully, to moving this along.

Mr. Kraft: Mr. Sisco, I'd like to ask a question that is a little bit off the Middle East, though not entirely. Mr. [Vladimir S.] Alkhimov, who is the Deputy Foreign Trade Minister of the Soviet Union, gave a press conference here in Washington the other day in which he said the Administration couldn't be trusted to keep its commitments. Does that seem to you an appropriate thing for a Soviet official to be saying here in Washington?

Mr. Sisco: Well, I saw that report, Mr. Kraft. I would say this: I think if one looks over the history of the commitments of the United States since World War II, I think the history is very clear. I think we have undertaken specific commitments; I think we have carried them out both definitively as well as in good faith, and I obviously would not agree with that statement.

Mr. Kraft: Do you think it was appropriate for him to make it? Are you going to do anything to indicate displeasure, for example?

Mr. Sisco: I think I would just repeat again, I would not agree with that statement.

Mr. Kraft: In the course of your trip, the Secretary saw Mr. Wilson [Prime Minister Harold Wilson of the U.K.] and Mr. Gromyko [Minister of Foreign Affairs Andrei A. Gromyko of the U.S.S.R.]. Did you get any reports on the state of Mr. Brezhnev's

[Leonid I. Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union] political and personal health?

Mr. Sisco: Well, I think the question of health is fairly self-evident. Mr. Brezhnev was very heavily involved in the entire Wilson visit. This was very clear to the entire media, and as far as we know he is operating fully, as was evidenced by that particular high-level exchange.

Mr. Trewhitt: To pursue Mr. Kraft's point about the meeting with Foreign Minister Gromyko, one got the impression that the meeting was somewhat chilly. I wonder what you can say about the general state of détente? Is détente in any way in jeopardy as a result of the intervention of Congress?

Mr. Sisco: Well, I think the bread-and-butter issue between ourselves and the Soviet Union is the question of the strategic balance. The SALT Two [Strategic Arms Limitation Talks] talks are proceeding. My hope is that these will make progress. I think that is the key element in the situation. These were very good talks that we had with the Soviet Union. Obviously the practical issues that were discussed are both delicate and difficult, but I think, myself, that there is a very good chance that we can deepen the relationship, and I think the next few months in particular are important in relationship not only to SALT Two but the whole question of the European Security Conference as well as the question of mutual balanced reduction of forces, and these key areas of the Middle East and Cyprus.

Mr. Trewhitt: How do you assess the Soviet role in its attitude on the Middle East—at what point must they come in, are they unhappy about being dealt out at this point?

Mr. Sisco: Mr. Trewhitt, no peace in the Middle East is possible in the long run without the cooperation of the Soviet Union. The reason why we are undertaking the kind of "middleman" role that we are pursuing at present is that this is the desire of the parties, and we don't preclude the renewal of



the Geneva Conference in appropriate circumstances, and neither are we pursuing a policy of excluding the Soviet Union in the Middle East, because the reality is they are there, they have interests, and we recognize that if you are going to get a durable peace they have got to be part of the process and they have got to agree with it.

*Mr. Spivak: Mr. Secretary, may I ask you this: There have long been many obstacles to peace in the Middle East. What do you now consider the major obstacles? Have they changed any?*

*Mr. Sisco:* Well, I feel that the objective conditions in the area, in the aftermath of the October 1973 war, actually have improved the prospects for progress toward peace in the Middle East. The reason why I say this is this—that I think that both sides in the aftermath of that war concluded that the best alternative is the process of diplomacy and the process of negotiations. The Arabs, for example, did not feel that they needed to go to the conference table with their heads bowed as the result, for example, of the defeat during the 1967 war. I think the aftermath of the 1973 war proves that both sides—regardless of the fact there are gaps to be bridged and there are differences to be bridged—that both sides continue to be committed to the diplomatic process, and I find that is a huge plus in this situation.

*Mr. Spivak: Mr. Secretary, a recent Gallup poll shows that 61 percent of the American people who were polled said they thought a war between Israel and the Arabs is likely this year. Based on your intimate knowledge of the situation, do you think a war is likely this year?*

*Mr. Sisco:* War, of course, can never be—

*Mr. Spivak: I said "likely."*

*Mr. Sisco:* —precluded as a possibility. I do not believe it is likely; and the reason is, I am still hopeful that we can make progress on a step-by-step basis and I do not believe that the processes of diplomacy have been exhausted and, moreover, as I read the area—and I have now spent as many as 4

months of the last 12 in the Middle East—I think both sides are sick and tired of war and I think the diplomatic process that we are seeing is a reflection of the desire of both sides to try to get something done.

*Mr. Spivak: Was there anything new and especially encouraging from this trip that you came away with?*

*Mr. Sisco:* Nothing that one can cite as new or decisive. I find it significant that both sides want the process to continue, and as long as each side wants the process to continue it means each feels there is still an opportunity to achieve something as a result of dialogue.

*Mr. Valeriani: Mr. Sisco, an Egyptian magazine said this past week that another Egyptian-Israeli agreement is already in the bag. Is that report accurate?*

*Mr. Sisco:* No, it is not. I wish it were, Mr. Valeriani. It might shorten this next trip that we intend to take in the month of March.

*Mr. Valeriani: What makes it so difficult?*

*Mr. Sisco:* I think what makes it difficult is that each side needs to try to meet at least the minimal conditions and the minimal terms of the other, and each side, Mr. Valeriani, is operating within what I would consider to be a rather confined political setting.

*Mr. Valeriani: For example? What does that mean?*

*Mr. Sisco:* It means that both the leaders in Israel as well as Egypt have to get the kind of agreement that can be fully justified before their own people. In the case of Israel it has to be the kind of agreement that can get through the parliamentary process. In the case of Egypt, not only must this agreement be supported by the Egyptian people, I think it is important that whatever agreement is achieved have the broad support in the Arab world as well.

*Mr. Gwertzman: Following up on that, how serious is the opposition of Syria to an agreement between Egypt and Israel?*

*Mr. Sisco:* Well, I have read reports of this sort, Mr. Gwertzman, and let me say this: The focus, as is evidenced from the press, is on the Egyptian-Israeli aspect of the problem. However, I would recall to you that we went to every capital, that we feel the question of an overall settlement involves all of the fronts. We would like to make progress wherever progress can be made, but we are not excluding anyone or any aspect of the problem.

*Mr. Gwertzman:* But after the Egyptian-Israeli agreement, presuming it is carried out, do you anticipate there could be an Israeli-Syrian interim accord, or would all sides then go to Geneva immediately?

*Mr. Sisco:* It is very difficult to speculate. What we would do in these circumstances is obviously to consult not only with Israel but with the key Arabs as well, both in terms of the process and where we could go from there.

*Mr. Kraft:* Have the Syrians shown any disposition to make concessions in the event the Israelis moved a few kilometers back from the Golan Heights?

*Mr. Sisco:* We are exploring, of course, all possibilities with both sides. The question of concessions or conciliation or whether it be on the Israeli side or the Syrian side—I think one can't make this kind of a judgment at this juncture. One would have to make this kind of a judgment as the process continues.

*Mr. Kraft:* Would you say, Mr. Secretary, that the Israelis might be missing the boat by not exploring the possibilities for flexibility in this area?

*Mr. Sisco:* Well, the Israelis have said, and the leaders in Israel are on record as saying, that they are prepared to try to explore the possibilities of a peace agreement across the board, so that it can't be said that the Israelis have necessarily excluded any

particular front in terms of a peace agreement.

*Mr. Kraft:* Is there any disposition, Mr. Secretary, to move back at all from the Golan Heights—five miles even?

*Mr. Sisco:* Again I would refer you to what has been said publicly by the Israeli Prime Minister in this regard and that is that they have indicated a willingness to explore what the possibilities are on all fronts as it relates to a peace agreement. Now, let me emphasize "a peace agreement."

*Mr. Trewhitt:* Mr. Secretary, just to clarify a point, I take it you feel that it is quite possible that an interim agreement might call for a partial Israeli withdrawal on the Sinai Peninsula without a corresponding withdrawal on the northern front with Syria.

*Mr. Sisco:* I haven't said that, Mr. Trewhitt. All I have said is that the focus at this particular juncture is on the Egyptian-Israeli aspect of it, but I would underscore again that our discussions are not limited to this; our discussions have included talks with the Syrians as well as the Jordanians.

*Mr. Trewhitt:* And I would like to return to Mr. Valeriani's original question if I might . . . does the United States, in fact, guarantee the continued existence of Israel as a sovereign state?

*Mr. Sisco:* Well, the United States, of course, has no formal treaty relationship with the State of Israel. However, I think our support over the years has been made manifest, both on the basis of an ongoing military assistance relationship as well as the economic support, and I find no basic change in the position of the Administration in this regard. Our support continues.

*Mr. Spivak:* Mr. Secretary, from time to time there has been debate as to whether the United States regards the security of Israel as a vital American interest and therefore could not and would not tolerate its

destruction. Can you tell us whether we do consider it a vital interest to the American people?

*Mr. Sisco:* My answer would be affirmative. We have been long the principal supporter of the existence of the State of Israel and its economic viability. We have played a major role in the creation of the State of Israel, and I think ever since the creation of the State we have been its prime support, and my answer to you would be affirmative.

*Mr. Spivak:* Mr. Secretary, the New York Post indicated that you believe that the United States is moving toward official recognition of the Palestinian Liberation Organization (PLO). Do you think the United States is likely at any time soon to officially recognize the Palestinian Liberation group?

*Mr. Sisco:* I do not believe this, and I have made no such statement, but to answer your question—

*Mr. Spivak:* They said not that you made the statement but that you have indicated this.

*Mr. Sisco:* Neither is true. I will get to your question here, Mr. Spivak. Insofar as the PLO is concerned, we have made clear that we cannot in good conscience recommend any negotiations with the PLO as long as the PLO fails to recognize the existence of the State of Israel, and I see no evidence that the PLO has any intention to do so in the foreseeable future.

*Mr. Spivak:* Where does that put the PLO as far as the Geneva Conference is concerned then?

*Mr. Sisco:* When we convened originally at Geneva, one decision was taken—namely, that the question of any additional participants at that conference would be a determination to be made by the members of that conference. In other words, the question of the PLO would come up if and when any Geneva Conference were reconvened, and it

would be a decision that would have to be made by those present.

*Mr. Valeriani:* Mr. Sisco, you said here that war cannot be precluded in the Middle East, and President Ford and Secretary Kissinger have emphasized repeatedly how explosive the area is, how volatile the situation, and yet the Administration is pouring billions of dollars of new weapons into the area on both sides. Why?

*Mr. Sisco:* Well, let me say, first of all, that insofar as our support on the military side for Israel is concerned, I think it is important that we maintain its strength. Insofar as our arms sales to other parts of the area—let's take first of all the gulf and the Arabian Peninsula. I have heard it said that we are doing this willy-nilly, on an ad hoc basis.

This is not the case. I can recall the kind of studies that we undertook on this whole question of arms in this area in the aftermath of the exodus of Great Britain. What confronted us at that particular time was this: Do we try to fill this kind of a void directly or do we undertake a policy of helping those who really have legitimate security interests and need the arms for self-defense purposes? We concluded the way to proceed in this area was to try to help in regional cooperation. We see Saudi Arabia, Iran, and these countries as elements of stability in the area with legitimate self-defense needs. And it is not a question of whether we provide arms, or no arms going into the area; it is a question of whether we provide them or others in circumstances where they perceive a real danger.

*Mr. Valeriani:* Are you willing to go along with a six months' moratorium on arms shipments to the Persian Gulf as suggested by Senator Kennedy?

*Mr. Sisco:* I have read the press report this morning. Obviously I have not seen the resolution itself, but I would only emphasize that we feel that we are meeting a legitimate

concern of the countries in the area and these are friends of ours—these are friends who are trying to pursue a moderate course in the circumstances.

*Mr. Gwertzman: Speaking of arms, has the Administration decided to lift the embargo against arms shipments to Pakistan?*

*Mr. Sisco:* I expect an announcement on this, Mr. Gwertzman, very soon, and let me say that we have felt that a rather anomalous situation has existed in the area where one side has been getting arms from the Soviets and has its own production capacity, whereas the other side—an ally, I might add, with whom we have a formal relationship—has been denied this insofar as the United States is concerned. The matter has been under active consideration. I expect an announcement very soon.

*Mr. Gwertzman: From what you are saying, I assume the answer is we will lift the embargo. Do you think this will really damage relations with India as the Indian Government says it will?*

*Mr. Sisco:* In my judgment it should not, because I think we have explained this quite thoroughly. We are not trying to balance one side against the other in this situation. We think that it is as much in India's interest to have a relatively secure Pakistan—to pursue the so-called Simla process, to pursue the process of negotiation—as it is in the interests of Pakistan itself.

*Mr. Kraft: Speaking again of arms, the White House keeps saying that the United States has a commitment to South Viet-Nam and on the basis of that commitment is pushing for this \$300 million supplemental. What is that commitment and when was that commitment made—to whom and by whom and when?*

*Mr. Sisco:* Let me just say this about South Viet-Nam, without getting into the legal basis. I think that what is clear is that we directly have gotten out of South

Viet-Nam insofar as our own personnel are concerned. The question before us is: Do we continue to support South Viet-Nam so that it can continue to defend itself in circumstances where it continues to be under threat? Our judgment is that this \$300 million is needed to do this.

*Mr. Trewhitt: Mr. Secretary, we haven't talked about oil at all. I will ask you whether it is possible to settle the Middle East situation politically without a concurrent settlement of the whole question of energy and oil in the area?*

*Mr. Sisco:* I think these are two separate problems, Mr. Trewhitt. I think, obviously, to the degree to which we can make progress on the Arab-Israeli dispute this will help the overall climate. But I think the oil question has to be resolved on its merits. I think it is important that the United States develop its own independence and that it not be vulnerable to outside sources, and we are not interested in a confrontation between the United States and the Arabs. We are interested in a producer-consumer dialogue that resolves the problem.

*Mr. Spivak: Mr. Secretary, you have worked pretty closely with Secretary Kissinger now for some time and have had an opportunity to observe the reaction to the recent attacks on him by Congress and the press. What has been the effect on his power and his influence?*

*Mr. Sisco:* I don't see any diminution either of his power or his influence, Mr. Spivak. For example, I spent the last two weeks with him in the Middle East. I find it very significant that both sides are very anxious to have our Secretary of State continue this process. In fact, I will go further. Both sides see Mr. Kissinger as the indispensable element in these negotiations, and I share this view.

*Mr. Spivak: Thank you, Secretary Sisco, for being with us today on "Meet the Press."*

## **India-U.S. Science and Technology Subcommission Meets at Washington**

### *Joint Communiqué*<sup>1</sup>

The Science and Technology Subcommission of the India-U.S. Joint Commission held its first meeting in Washington, January 27-29, 1975 to review ways and means to expand and strengthen cooperation in these fields between India and America. The discussions noted that joint collaboration in scientific and technological fields could make considerable contributions to a better life for the peoples of both countries.

The meetings were chaired by Dr. B. D. Nag Chaudhuri, Vice Chancellor, Jawaharlal Nehru University, New Delhi, and Dr. Dixy Lee Ray, U.S. Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs. The Economic and Commercial Subcommission met in Washington on January 20 and 21 and the Subcommission on Education and Culture will meet in New Delhi on February 3, 4, and 5, 1975. These meetings are in preparation for the meeting of the Joint Commission, chaired by the Secretary of State, Dr. Henry A. Kissinger, and the Minister for External Affairs, Shri Y. B. Chavan, to be held in Washington on March 13-14, 1975.

In the discussions, the Subcommission stressed the broad range of existing Indo-U.S. scientific cooperation and reservoirs of talent in science and technology in both countries. As areas in which mutual cooperation could produce the most effective results, the Subcommission decided to focus on the broad fields of agriculture, energy, health, electronics and communications, and the environment. The Subcommission decided to place special emphasis: In agriculture, on efficient use of water in arid lands and integrated pest control; in health, on cooperative activities in fertility control and communicable and infectious diseases; and in energy, on better utilization and conservation of energy and on the use of solar energy in rural areas. Cooperative activities in elec-

tronics, communications, and protection of the environment were also agreed upon.

The Subcommission agreed to explore these areas of scientific cooperation through appropriate national agencies and to prepare concrete proposals for projects and related activities before the March 13-14 meeting of the Joint Commission. The Subcommission appointed team leaders in each broad area and charged them to refine the specific proposals for joint action developed in working groups at the Subcommission meeting. These include exchange of information, data and research reports, visits by technical experts, joint or complementary research, exchange of equipment and joint development of prototypes.

The Subcommission also agreed that ongoing programs and cooperation in the fields of exchange of scientists and information systems should be reviewed in light of priorities agreed upon by the Subcommission.

## **India-U.S. Education and Culture Subcommission Meets at New Delhi**

### *Report and Recommendations*<sup>2</sup>

The Indo-U.S. Sub-Commission on Education and Culture, established in pursuance of the Agreement between the United States and India in October 1974, held its first meeting in Vigyan Bhavan, New Delhi, from February 3-5, 1975, under the Co-Chairmanship of Shri G. Parthasarathi and Dr. Robert F. Goheen.

The meeting reviewed the progress and functioning of long-standing programmes and arrangements and explored ways and means by which the Sub-Commission could augment and facilitate the interchange of people, materials and ideas in education and the arts, in order to broaden the areas of mutual appreciation through collaboration

<sup>1</sup> Released to the press at Washington on Jan. 29.

<sup>2</sup> Issued at New Delhi at the conclusion of the meeting.

in the widest perspective. To this end, the Sub-Commission recommended using the resources available to enlarge and develop the existing flow of exchanges by formulating a planned, flexible programme. The Sub-Commission used a broad, general agenda, while at the same time following up the recommendations of the Indo-American Conference on Academic Collaboration held in January, 1974.

The Sub-Commission recognized the importance of approaching its task from the points of view of reciprocity as well as of national needs and requirements, particularly in view of the imbalance in the material resources and the differences in the life styles and systems of the two countries.

The Sub-Commission was conscious of the need to stress international exchanges in a world of interdependence where modern communication helps in fruitful interaction but also sometimes accentuates differences. It explored many new and constructive areas of collaboration.

The Sub-Commission took note of the decisions taken by the Sub-Commission on Science and Technology. It was recognized that there were areas of science and technology, particularly within the university system, which should continue to be the concern of this Sub-Commission.

The Sub-Commission submits the following recommendations to the Joint Commission:

#### 1. *Museums*

i) That a joint committee be set up to examine on a continuing basis different aspects of museum activities, to recommend:

a) specific projects of cooperation such as conservation and other scientific aspects of the preservation of art objects;

b) seminars on such topics as science museums, museums and the community, and museums as educational resources;

c) exchange of art objects on a loan basis, and of museum personnel and experts who could be associated in cataloguing the col-

lections in both public and private museums;

d) exhibitions in each country on specific themes such as pre-industrial agricultural technology, and the history of industrial technology.

ii) That the two Governments take all necessary steps to pass legislation and enact procedures to eliminate illicit traffic in antiquities and art objects.

#### 2. *Exhibitions*

That exchange of large-scale "impact exhibitions" be arranged with a view to enhancing mutual awareness and understanding:

a) through coordinated presentations of Indian culture, and traditional, contemporary and folk art in major centres of the United States preferably in conjunction with a broad programme of related cultural activities (performing arts, film showings, discussions), and

b) through a comparable presentation in India of U.S. culture across a broad range of fine arts, modern design, and folk art.

#### 3. *Performing Arts*

That each side conduct a study of the opportunities for wider exchanges in the performing arts with a view to increasing the range and improving the quality of exchanges, and present their studies to the next meeting of the Sub-Commission. In the meantime the building up of collections of recordings and films through exchanges should be encouraged.

#### 4. *Educational Technology and Mass Communication*

i) That programmes of exchange of educational technology and educational material such as films, audio-visual and T.V. material, video tapes be developed.

ii) That production and exchange of films in areas of mutual interest, such as, educational films for use by medical students, be encouraged.

iii) That the exchange of samples of sound broadcasting and T.V. programmes, on subjects of mutual interest, such as health education, improvement of urban environment and rehabilitation of physically handicapped be encouraged.

iv) That a programme of exchanges of short films of non-commercial nature and documentaries and art films, produced by different agencies in India and the United States be encouraged.

v) That consideration be given to the presentation of a series of high-quality Indian films on American TV and for non-commercial screening.

vi) That the building up, in each country, of a selection of full-length feature films which will present a history of film as art in the other country, be encouraged and that means be explored for the wider showing of such films.

#### 5. *Indo-American Textbook Programme and Exchange of Scientific Journals*

i) That the Indo-American textbook programme be continued and be restored to its former scope.

ii) That negotiations between the Indian Government and American publishers to reduce the royalty charges be continued.

iii) That the two Governments assist in making full runs of leading scientific journals more easily available to Indian libraries and scholars, pending a long-term solution of this problem through UNESCO [United Nations Educational, Scientific and Cultural Organization].

#### 6. *Binational Seminars*

That binational seminars be held covering significant topics of common interest, with the expectation that some of these would lead to collaborative research. The following topics were agreed to with the understanding that at least two seminars will be held each year:

i) Linkages of agriculture and education

- ii) Museums as educational resources
- iii) Educational technology
- iv) Cultural influences on learning and social development
- v) Methods in history, old and new
- vi) Medical pedagogy.

#### 7. *Scholarships and Visitorships*

That existing programmes of grants, scholarships, fellowships and visitorships should continue and even be expanded subject to the availability of resources. Noting that there is a growing need for support of certain fields important to national development and the advancement of mutual understanding, the Sub-Commission recommends consideration of an additional programme, comprising the award of about 50 fellowships and 25 visitorships each year in each direction. Each government would be expected to arrange to meet the costs in its own country.

#### 8. *Brain Drain*

Having regard to the serious problem posed to the manpower resources of India by the loss of highly trained personnel, the Sub-Commission urges that the question be examined at the governmental level and with academic institutions.

#### 9. *Implementation Machinery*

That between meetings of the Sub-Commission, members will continue to explore other areas of collaboration and will function as advisory groups in their respective countries. The Co-Chairmen will co-opt such associates as may be necessary to ensure follow-up action. A secretariat would be established in Washington and in Delhi.

In due time the secretariat in each country will also develop as information centres to provide information about academic facilities and resources in each country and to assist in the exchange of documentation, particularly articles, journals and other source material and to help in the placement of scholars.

## United States Outlines Objectives for New Round of Multilateral Trade Negotiations

*The opening negotiating session of the Trade Negotiations Committee was held at Geneva February 11-13. Following is a statement made in the Committee on February 11 by Harald B. Malmgren, Deputy Special Representative of the President for Trade Negotiations.<sup>1</sup>*

In his state of the Union message to the U.S. Congress a few days ago, President Ford observed that the world trade and monetary structure, which provides markets, energy, food, and vital raw materials for all nations, "is now in jeopardy," and that "economic distress is global."

Some argue that, in these difficult times, a multilateral trade negotiation is inopportune. Rather than liberalization of trade, it is argued, the answer to national problems is to go it alone, with purely national solutions. This tendency toward isolationism in some quarters is a threat to the well-being of all the nations represented in this room today.

The present world economic distress is temporary. But the work of this Trade Negotiations Committee will result in changes in the world's trading system that will last for decades—long after this present state of uncertainty has ended. Indeed, this current economic uncertainty makes it imperative for the nations of the world to work together to solve their problems collectively. The process of negotiation is needed not only to establish a better structure for conducting our trade relations in the future but to help us manage our mutual relations now.

We should not delude ourselves; we are at

<sup>1</sup> Ambassador Malmgren subsequently resigned to return to private life.

a turning point. It is essential that we begin serious negotiations now, move forward on all fronts, and demonstrate both early progress and concrete achievement. The whole world is watching.

In the Tokyo Declaration, Ministers set the objective of achieving the "expansion and ever-greater liberalization of world trade and improvement in the standard of living and welfare of the people of the world."<sup>2</sup> This commitment remains as valid today as it was when we began our effort in Tokyo. My government stands by this commitment and, indeed, by all the elements of the Tokyo Declaration.

When we urged negotiation some time ago, many of you agreed on the need for a new effort, but asked us to obtain a mandate first. Thanks to the Congress, we now have our mandate—the Trade Act of 1974. At our last meeting in July, I said that we expected to have the trade bill "in hand" by October. Admittedly, I never told you which hand; and I also admit that the concept of "in hand," whether in the left hand or the right, does not translate well into French. Be that as it may, the final deliberations eluded our grasp for a while, but you will recognize that the United States now has it in both hands. We are ready for these negotiations.

Our Trade Act, of course, is only a structure of authorities and objectives, a structure that makes actions possible. So that these actions will be effective, the executive and the Congress have developed a new set

<sup>2</sup> For text of the declaration, approved at Tokyo on Sept. 14, 1973, by a ministerial meeting of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT), see BULLETIN of Oct. 8, 1973, p. 450.



of working arrangements that will insure that the Congress participates fully in our efforts here. As evidence of this new team effort, I have alongside me today members of both our Senate and our House of Representatives, including Senator [William V.] Roth from the Committee on Finance; Mr. [Al] Ullman, the new chairman of the House Ways and Means Committee; Mr. [William J.] Green, the new chairman of the subcommittee on international trade of the Ways and Means Committee; and Mr. [Barber B.] Conable, the ranking minority member of that trade subcommittee. We believe this new alliance of Congress and the executive will provide sound and stable American trade policy.

### **Broad Purposes of U.S. Trade Act**

In the broadest sense, the purpose of our Trade Act is to strengthen economic relations among all countries by building an open and nondiscriminatory world trading system—a system that fosters economic growth and full employment in all countries, including the United States. I hope that the countries represented here today share our view that we should solve our problems through mutual efforts and through trade liberalization, rather than through the imposition of new restrictions or the retention of old ones.

The Trade Act of 1974 provides the U.S. delegation to the multilateral trade negotiations the ability to participate in the most far-reaching round of trade negotiations so far undertaken. We have unprecedented tariff authority. More significant, for the first time a U.S. delegation comes to international trade negotiations with a mandate to attack the problem of nontariff barriers. Our Trade Act states that “the President is urged to take all appropriate and feasible steps within his power” to harmonize, reduce, or eliminate nontariff barriers and other distortions of international trade.

I want to call to your attention the fact that this law reflects the feeling of many of you about the problems of global development. A fundamental element in our law is a concern for using trade to promote the

economic growth of developing countries and to expand mutual market opportunities between the United States and developing countries. The Tokyo Declaration underscores the importance of these negotiations to the economic progress of the developing nations. Our continued commitment to that declaration’s statement of intent can now be put into practice.

The Trade Act stipulates that one of its purposes is “to provide fair and reasonable access to products of less developed countries in the United States market.” This objective takes concrete form, for example, in the provision for the United States to join other developed countries in granting generalized tariff preferences. The United States is moving quickly to implement its preference scheme. This will be done in the broadest possible manner to increase market access in the United States for products of less developed countries, beyond the very substantial market which these products already have.

Some of the provisions contained in the final text of the Trade Act relating to our generalized system of preferences (GSP) have been criticized. As President Ford noted with regret when signing the act, some of its provisions are rigid. He also declared his intention to work out with the Congress any necessary accommodations in a spirit of compromise. On balance, we believe that our preference system will be of major near-term benefit to a great number of developing countries. It will encourage these countries not only to expand exports but to diversify as well.

For every beneficiary developing country we intend to reduce to zero the tariff on all products that will be covered in our system. Included in this product coverage will be a broad range of manufactured and semi-manufactured products, as well as selected primary and agricultural products. Competitive-need ceilings will protect the ability of new industries in these countries to participate in our market on a preferential basis and will especially help the least developed countries. Thus, our preference system should prove to be significant in assisting

the development efforts of many of the governments represented in this room today.

Even more important to the developing countries, however, is the authority contained in the act for the United States to enter into the current round of multilateral trade negotiations. While GSP concessions are voluntary and may be withdrawn at any time, it is in these negotiations that lasting reductions in tariff levels and other trade restrictions can be obtained. If our negotiations are successful, these reductions will provide both the developed and the developing world with the framework for increased market access on a liberalized basis.

One of the most important directives in our law is to seek the harmonization, reduction, and elimination of agricultural trade barriers and distortions in conjunction with the harmonization, reduction, or elimination of industrial trade barriers and distortions. While we have flexibility in how we obtain this objective, it is a requirement for the United States that agricultural trade be liberalized if we are going to liberalize industrial trade. Neither industry nor agriculture can be negotiated in isolation if we are to achieve significant progress.

One of the principal objectives of reducing tariffs and attacking nontariff barriers in the negotiations should be to obtain a more open and orderly trading system for agricultural products. The negotiation of such a system requires more than the traditional emphasis on export expansion. It requires giving full weight to the mutual benefits of economic interdependence in terms of economic efficiency and growth, consumer welfare, and good international relations.

In the past, given the extreme political sensitivity of policies affecting farm income and food prices, governments have generally been unwilling to consider substantive trade liberalization for fear that this would significantly reduce their ability to achieve such domestic objectives as the stabilization of farm incomes and food prices. Recent events throughout the world, however, have demonstrated that no government can, over a long period of time, isolate its internal markets from world forces. Today no one questions

the need to develop multilateral understandings on the use of trade measures during periods of excess or inadequate food production throughout the world.

As in the case of our legislation for the Kennedy Round, the Trade Act of 1974 gives a grant of five years of negotiating authority. This should not be taken, however, as an indication that the United States desires the Tokyo Round to last until exactly January 3, 1980. I feel that we have begun a process of continuous negotiation on a broad front and that the negotiating process should not be confined to one large burst of energy, such as in each of the prior six tariff-negotiating rounds. We should start now to negotiate and work seriously, consolidating what we can, when we can. We should aim to start concluding trade agreements on specific subjects as soon as they are ready. Our effort should be an intensive one that yields concrete results, to prove to the world that this work is not only real but timely.

The challenges we face are great. The consequences of failure are even greater. I urge the adoption of a work program that brings early and significant results for all countries participating in these negotiations, developed and developing countries alike.

### **Reduction of Tariffs**

The tariff-cutting authority in our mandate is the largest, in percentage terms, that has ever been delegated to U.S. negotiators. I am pleased to announce to you that the President has just submitted the entire U.S. tariff schedule, with only a few technical exceptions, to the International Trade Commission.<sup>3</sup> The Commission, under law, must give its advice on the economic effect of possible U.S. concessions on any tariffs. When this domestic process is completed we will be in a position to participate with others in a very substantial reduction of the high duties remaining in countries' tariff structures, as well as in significant reductions of moderate tariffs and in the elimination of

<sup>3</sup> Section 171 of the Trade Act of 1974 renamed the United States Tariff Commission as the United States International Trade Commission.

many low duties. Reductions of 60 percent can be made in duties over 5 percent. Lower duties can be eliminated entirely.

Under the Tokyo Declaration, we all agreed that negotiations on tariffs should be conducted on the basis of "appropriate formulae of as general application as possible." Over the next few months we should work toward early agreement on such a general formula for tariff reduction. We are prepared to consider a broad range of negotiating proposals. In the near future we intend to table possible negotiating formulae.

If we are to fulfill the objectives of the Tokyo Declaration, a general tariff formula should result in a substantial reduction of tariffs on the part of all participants. In our view it is not necessary to agree at the outset on a target for the average overall reduction of tariffs. Averages can be very misleading. Consequently, it might be better to begin considering various negotiating formulae with a view to agreeing on an acceptable one. Such formulae, however, should result in significant overall tariff reductions. Surely, we should not aim at less than the Kennedy Round; any lesser objective would be regarded as a step backward, as indeed it would be.

Let me also say that we favor, in principle, a substantial linear reduction as the simplest, fairest formula. If we were to contemplate a deviation from this principle to provide for deeper cuts at higher tariff levels, this would create a need for additional elements of reciprocity from our trading partners. However, our law does not preclude such an approach.

Agreement on a tariff-negotiating formula, which would generally cover all products, should not be difficult. We should move ahead now to resolve the relevant issues: Which countries will apply the general formula? If the formula relates to existing tariffs, what base rates and base dates will apply to reductions? How will tariff cuts be staged? How will exceptions be handled? What tariff reductions will be made by countries not applying the general formula? What procedures will apply to the participation of developing countries?

Work on tariffs will require careful joint

analysis and discussions before a negotiating plan can be agreed. We propose that such a tariff-negotiating plan be prepared by July 1.

Whatever plan may be adopted, the United States intends to make maximum possible use of its tariff-negotiating authority to grant concessions on products of special interest to the developing countries. In this respect it would be helpful to continue identifying such products, drawing upon work already begun in the preparatory stage of the negotiations.

### **Dealing With Nontariff Barriers**

In all areas of trade, nontariff barriers have become relatively much more important as tariffs have been reduced over recent decades. Consequently it is absolutely essential to deal with these restrictions and other distortions to trade if we are to successfully liberalize trade and make the trading system work more effectively.

Because of their heterogeneous nature, it is not possible to devise a general solution to nontariff barriers. Each category of restrictions must be dealt with separately. It is also not possible to attack all of these restrictions simultaneously.

We believe that, as a beginning, we should select a few nontariff barriers for concentrated attention. The initial selections should be comparatively important issues, of multilateral interest, and of widespread application, so that mutually advantageous agreements might be negotiated without the necessity for offsetting concessions in other areas. Fortunately, the preparatory work has already produced candidates that easily meet these criteria—standards, subsidies, and government procurement practices.

Product standards and certification have increasing importance for world trade. The use of international, as opposed to regional or national, standards can facilitate trade. Certification requirements can also facilitate trade provided they do not create unnecessary obstacles for foreign products.

After more than a year of concentrated attention a working group of the Committee on Trade in Industrial Products developed a

draft Code of Conduct for Preventing Technical Barriers to Trade, which has become better known as the GATT Standards Code. It contains a few important disagreements, which need to be resolved. It also must be determined whether problems of packaging and labeling can adequately be handled under its provisions. In addition, a review of its applicability to agricultural products is needed.

We propose that the draft GATT Standards Code be taken off the shelf and that work be resumed at the earliest possible date. We would hope that negotiations on this code could be completed very shortly. If countries were satisfied that this agreement is mutually advantageous, we see every reason to implement it prior to the conclusion of the overall negotiations.

We believe the problems in this field will grow rapidly. Our peoples demand new health, safety, and quality standards every day. We must quickly find means of coordination and cooperation in trade policy, or many countries will face new, insurmountable difficulties. The time for action is now, before the trouble grows.

Another candidate for early attention is subsidies—export subsidies, domestic subsidies that stimulate exports, and domestic subsidies that result in import substitution. Subsidy measures are increasingly used and are not now subject to effective international rules.

The 1960 GATT declaration dealing with export subsidies is deficient in several respects. It does not define what measures constitute a subsidy; it applies only when subsidies result in dual pricing; it relates only to industrial products; and it is adhered to by only 17 countries.

Export subsidies may create difficult problems, not only in the markets of the country importing subsidized goods but in export markets where competitive subsidization in such markets is a frequent occurrence. Countervailing duties can be used to offset subsidies on imported goods, but they are no solution to the problem of competitive export subsidization in third-country markets.

We continue to believe that, if effective

rules were developed prohibiting the use of subsidies, any problems that countries might have with respect to countervailing duties would largely disappear. Nevertheless we are willing to work on these related issues together with a view to finding a satisfactory solution and new rules of the road.

Restrictive government procurement practices are as important and as widespread as the problems of standards and subsidies. In fact, this is perhaps the nontariff barrier most frequently cited by American industry. This issue does not appear to be quite ripe for early focus in the multilateral trade negotiations. Nevertheless we continue to believe strongly that it should be dealt with in the time frame of these negotiations and that we should soon decide on the appropriate means to achieve major results in this field.

There are additional areas that should receive early attention. We would hope, however, that we do not embark on too many of them simultaneously so that the chances of early success in any of them will be jeopardized.

### **Multilateral Safeguard System**

An essential element of the new negotiations will be the development of an effective multilateral safeguard system to ease the impact of adjustment to import competition. The provisions and procedures of GATT article XIX, which were intended to serve that purpose, have not proven satisfactory. Virtually every country has taken restrictive action, both governmental and private at some time to protect domestic producers. Only a few countries, however, have done so under article XIX. We will want to examine experience with these present procedures in order to identify problems and weaknesses and explore ways of correcting them.

While article XIX is a logical focal point for the examination, other provisions of the General Agreement under which countries take restrictive safeguard actions are clearly relevant. We will want to explore the relationship of these other provisions and measures to the safeguard issue and, in particular, to the central objective of facilitating

adjustment to import competition. Also clearly relevant are the many actions taken unilaterally or bilaterally outside the GATT framework. The existence of these measures indicates a weakness in the present system that should be corrected. What is needed is a more comprehensive system that will restore multilateral discipline in this area.

The groundwork has been laid for a systematic examination of these issues. The GATT Secretariat is conducting a survey of measures countries take to protect against injurious import competition and procedures, international and domestic, under which such actions are taken. The Secretariat is also exploring the feasibility of providing information on experience under GATT safeguard provisions other than those of article XIX and has prepared a very useful list of issues that merit further consideration. We look forward to participating in this examination and are confident that it will lead to the development of a more effective system.

The critical need for early establishment of such a system is obvious. As we prepare for a further substantial liberalization of world trade, participating countries must be assured that a means is available to moderate imports temporarily when this is necessary to prevent injury to domestic producers. They must also be assured, however, that the system will be strict enough to prevent unnecessary restrictive action by their trading partners that would vitiate benefits achieved in the negotiations.

#### **Problems of Various Product Sectors**

We believe that careful attention should be given to the relationship of general negotiating rules on tariffs, nontariff barriers and safeguards to the particular problems of various product sectors. This relationship is of special significance in view of our legislative mandate to obtain, to the maximum extent feasible, competitive opportunities for U.S. exports equivalent to opportunities in U.S. markets for appropriate product sectors. This does not necessarily mean that negotiations must be conducted on a sectoral basis. It does mean, however, that all trade

barriers and other trade distortions affecting particular sectors must be taken into account in the negotiations.

We propose that an examination of particular product sectors be conducted as we progress on the development of general rules for tariffs, nontariff barriers, and other elements of the negotiations. The purpose of such an examination or review would be to determine whether the application of these general rules would resolve the problems peculiar to these sectors. An initial review might be conducted in the summer and continued in the fall.

The preparatory work carried out on tropical products has significantly advanced our understanding of this sector. We feel strongly that tropical products should be given the special and priority attention by developed countries called for in the Tokyo Declaration. We anticipate that early and steady progress can be made, building upon the preparatory work already completed. We would now welcome proposals from the developing countries on how the special and priority attention to tropical products to which we have all committed ourselves at Tokyo might be given more concrete form.

#### **Supply Access**

All countries engaged in trade have an interest in minimizing disputes over export controls and other restrictions on access to foreign supplies. If such disputes are not resolved in an orderly manner, they lead to retaliation, further restrictions, and the shrinkage of world trade. However, while most nations have a strong understanding of the issues surrounding market access, there is far less understanding of the issues surrounding supply access and its relationship to market access. Indeed, it is a relatively new concern for many of us and even the term "supply access" has different meanings for different users of the phrase.

Trade liberalization means a greater dependence on imports. If a country liberalizes and becomes more import dependent, how can it know that supplies will be available in time of need, when supplying countries may

be preoccupied with problems of their own? In a similar vein, supplying countries cannot turn the production of agricultural commodities and industrial raw materials on and off in response to stop-go measures of consumer countries and they cannot undertake commitments of full production without steady and secure access to markets.

At the recent World Food Conference, a resolution was adopted calling for implementation of FAO [Food and Agriculture Organization] Director Boerma's undertaking on world food security, which calls for international agreement on guidelines for national stock policies on grains. Discussions are at this moment underway to establish a basis for negotiations among the major importers and exporters as a means to implement this undertaking. There are tough trade-related questions that must be addressed. For example, when should reserves be built up and when should they be drawn down? Either action has a market effect, an effect on food prices, as well as on earnings of farmers. And who should hold reserves, and where? Questions of supply and market access will also need to be considered in this context.

It would seem clear that the first order of business in examining the whole question of supply access would be to begin an organized discussion of the topic whereby the dimensions of the problem might be determined. One possible approach might be to collect an inventory of concerns that different nations have with respect to this issue, along with any suggested proposals to deal with the problem. It might also be useful at some point to examine work being done in other international organizations. In order that these discussions be drawn together in some meaningful manner, we might call upon the GATT Secretariat to offer its good services.

### **Reform of the Trading System**

Our Trade Act recognizes that after six rounds of multilateral negotiations we have come to the point where it is imperative that the reduction and elimination of specific bar-

riers be coupled with reform of the trading rules. An expressed purpose of the act is to bring about the reform of the trading system as a whole, including the General Agreement on Tariffs and Trade. There are, in this connection, a number of specific objectives outlined in our law. These include:

1. *The revision of the GATT decisionmaking procedures to more nearly reflect the balance of economic interests.* This is a complicated question, and we have no preconceived notions. All of us share, I believe, the sense of need for improving the provisions for regular consultation among countries on questions of mutual interest in international trade and on improving the procedures for the adjudication of disputes.

2. *The revision of some of the existing rules in the GATT.* I have already mentioned the necessity of devising a new international safeguard system that takes into account all forms of import restraints that countries use in response to injurious competition. Old and difficult questions such as the treatment of border adjustments for internal taxes should be reexamined. The GATT rules on balance-of-payments measures should be revised to reflect actual practice. The principles of reciprocity and nondiscrimination must be strengthened and expanded.

3. *The extension of GATT rules to areas not now adequately covered.* In this connection, issues of supply access immediately come to mind. As a large supplier and consumer, the United States is in a unique position and is prepared to take a balanced view of this question.

### **Multilateral Solutions**

When these negotiations were opened in Tokyo, it was agreed that they should involve as many countries as possible. We took pains in the drafting of the Tokyo Declaration to make it clear that this negotiation is composed of all those governments that are willing to participate actively. There are many countries represented here that are not members of GATT. It is therefore not a GATT negotiation, although we have asked

the GATT Secretariat to assist us in our work.

We believe that the door should remain open—open to newcomers who may wish to involve themselves in some or all of these negotiations. We favor the widest possible participation, with flexibility in our perspective of what roles newcomers could play, from whatever part of the world they might come.

As most of you know, the Trade Act requires a number of domestic procedures on our part. I have already referred to the advice of the International Trade Commission. We must also receive the views of advisory groups for industry, agriculture, and labor. My own office must hold public hearings for the purpose of obtaining views on particular U.S. negotiating objectives. We have already begun this complex process of consultation, and it is moving expeditiously. This means that the United States will be in a position to go beyond general tariff formulae and table specific tariff offers in the fall.

Work should begin immediately on devising and agreeing to a tariff-negotiating formula. We should also begin at once to conduct negotiations on selected nontariff barriers—standards, for example. Preliminary discussions on safeguards should also be started now, so as to begin serious work in this area on the basis of the recent Secretariat questionnaire and countries' replies.

Consistent with the Tokyo Declaration, priority attention should be given to tropical products.

In the summer, or perhaps in the fall, we anticipate the need for a number of reviews of both industrial and agricultural products to consider negotiating objectives in various product areas and what modifications might have to be made in the general rules being developed on tariffs and nontariff barriers so as to achieve these objectives.

To monitor this broad effort, we believe there should be a major review in July and another major review, of all facets of our work, toward the end of this year, perhaps in late November.

The program that I have outlined is ambitious. However, with a will we can move forward on all these fronts and show the world that, despite these difficult economic times, we can find acceptable multilateral solutions to the world's trading problems. The United States has the requisite will. We hope and trust that the rest of the nations gathered here do also.

We must move forward now, in this year of stress. If we do not have forward momentum, we shall very likely slide backward, to the collective damage of this trading system that has served us so well in the past. As I said earlier, the world is watching. Let us not only begin; let us quickly demonstrate some results.

## Department Stresses Urgency of Assistance to Cambodia

*Following is a statement by Philip C. Habib, Assistant Secretary for East Asian and Pacific Affairs, made before the Subcommittee on Foreign Assistance and Economic Policy of the Senate Committee on Foreign Relations on February 24.<sup>1</sup>*

I am very appreciative of this opportunity to appear before this subcommittee in order to discuss the situation in Cambodia and the Administration's request for aid necessary to assist the Khmer Government.

I would like to begin my brief statement with a review of the situation in Phnom Penh as it is today, in order that you may have a clear picture of the gravity of the situation necessitating the urgency and size of the military and economic aid requests. Militarily, the situation is more serious than it has ever been since fighting began in 1970. On January 1, the Khmer Communists began their yearly dry-season offensive. Whereas last year their attack on Phnom Penh was the primary target and failed, this year they have chosen the Mekong River corridor from Phnom Penh to the South Viet-Nam border as their primary objective. They have succeeded in seizing large sections of the riverbanks and, for the first time, have begun using mines. The Cambodian Government is determined to reopen this vital line of communication, and we believe that it is capable of doing so. It will, however, require time and, meanwhile, ammunition supplies are being used up once again at a considerably

higher rate per day than during the rainy season.

While the Mekong has been the major Khmer Communist objective, fighting has raged all around Phnom Penh and particularly to its northwest. Our Embassy has informed us that casualties since January 1 have averaged about 1,000 per day for both sides. Furthermore, attacks have continued throughout Cambodia, where opposing forces are in constant contact. Also, the insurgents have this year launched more rockets at Phnom Penh than ever before—over 500 during January alone. The latter attacks are of course indiscriminate, and the majority of the victims are women and children.

To make the situation yet grimmer, the economic plight of Cambodia is becoming desperate. The entire economy has been completely disrupted by the war. This once rice-exporting nation is now almost entirely dependent on U.S. imports, and much of its productive agricultural population is huddling in government areas for protection. In the last few months, our Embassy has noted the beginnings of deterioration in the health of the population, particularly in Phnom Penh. As is clear from daily news reports, this has now become a serious problem, with malnutrition spreading and, in some cases, starvation. There is at this time sufficient food in Phnom Penh; but rice is too costly for the poor to buy and, to some extent, there is a maldistribution of supplies. The Khmer Government, together with U.S. and international voluntary agencies and our Embassy, has made ever-increasing efforts on behalf of not only refugees but the entire needy population; but more is needed.

In the Administration's budget requests for fiscal year 1975, we requested \$390 million for the Military Assistance Program

<sup>1</sup> The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.



(MAP), \$100 million for economic assistance, including a contribution to the Cambodia Exchange Support Fund and the Commodity Import Program, plus \$77 million for Public Law 480. Congress authorized a total of \$377 million for all kinds of assistance. It divided this sum into \$200 million for MAP, \$100 million for economic assistance, and \$77 million left for Public Law 480. In addition, the President was authorized to draw down \$75 million of military stocks if he deemed it essential. As of now, all of this authority has been used. If no additional authority is provided, ammunition will begin to run out in about a month and food by June—perhaps earlier if we run out of funds for transportation, which has now become very expensive because of necessary airlifts.

On January 28, the President requested legislative release from the statutory ceilings imposed under section 39 of the Foreign Assistance Act of 1974 and requested a supplemental of \$222 million for MAP. Ninety percent of the sum requested for MAP would be spent on ammunition. This estimate, in turn, is based on the high level of fighting during the present dry season and assumes a lessening of fighting beginning in May and June. No extra funds have been requested for economic assistance. Lifting of the overall ceiling of \$377 million for Cambodia would permit the additional flow of P.L. 480 food to Cambodia. It is estimated that at least \$73 million more of P.L. 480 will be needed for the remainder of this fiscal year.

We fully realize and appreciate the natural questions which arise in your minds and those of the American people regarding the need for such assistance to Cambodia at a time of economic difficulty in the United States itself. However, Cambodia cannot be viewed as an isolated spot of small import to the United States. Rather, it must be viewed in the larger context of Indochina, which in turn affects Southeast Asia and Asia as a whole, which, again, affects the rest of the world. It is not to exaggerate to say that the eyes of the world are on the

U.S. response to the needs of embattled countries.

Our objective in Cambodia is to see an early compromise settlement of the conflict. The United States has been providing assistance to Cambodia in the tradition of willingness to help those who are willing to defend themselves. Never have the Khmer requested troops or advisers; only the wherewithal to defend themselves. This we have given for almost five years, and I do not believe that we should consider providing inadequate resources to a country that has depended on us so heavily for so long in its own struggle for survival.

The Cambodian Government since the time of the Paris accords on Viet-Nam, which called for the removal of all foreign troops and noninterference in Cambodian affairs, has again and again offered to enter into discussions with its opponents without any preconditions. The last such offer was made immediately following last year's U.N. General Assembly resolution calling for negotiations. The government in Phnom Penh welcomed this resolution, which we also strongly supported, and invited Secretary General Waldheim to visit Phnom Penh. To date, all efforts by the Government of Cambodia to achieve negotiated settlement have been rebuffed. The United States has supported these peace efforts publicly and in bilateral efforts, also to no avail. We would hope, however, that the opponents of the present government will be brought to negotiate once they realize that they are unable to win a military victory. This realization, however, will not come if the Cambodian Government lacks adequate U.S. military and economic assistance. As Prince Sihanouk himself has stated, why should he negotiate if the U.S. Congress is not going to give sufficient aid to the Cambodian Government? I note this remark of Prince Sihanouk's not to irritate you, but as an illustration of the effect of U.S. aid, or lack thereof, on the prospects for peace through negotiation and compromise in Cambodia and elsewhere.

In conclusion, I wish to stress once again the extreme urgency of Cambodia's needs for sufficient military and economic assistance. Only through this can that nation survive, can the Khmer Communists be convinced that military victory is impossible, and can a compromise solution through negotiation be reached.

## Department Discusses Food Aid and World Food Security

*Following is a statement by Thomas O. Enders, Assistant Secretary for Economic and Business Affairs, submitted to the Senate Committee on Agriculture and Forestry on February 18.<sup>1</sup>*

It is apparent that the task of achieving world food security in the last quarter of the century will be both more complex and more compelling than heretofore.

Up until two years ago the world had substantial food reserves, nearly all of it held in North America. Now we are down to pipeline levels, having adjusted to two successive annual shortfalls in availabilities first by drawing down stocks, then by significant cutbacks in consumption in this country (through livestock liquidation) and in a few developing countries. At present there is no more scope for adjustment without severe hardship.

Current projections suggest that a small statistical surplus in world grain supply and demand is probable this year. But even if realized, the resulting increase in stocks would leave the world vulnerable to a new grain shortfall.

Projected requirements for the medium and long term are disquieting. To meet demand generated by growing population and economic growth, the World Food Confer-

ence estimated, total food production will have to continue to grow over the next 25 years at an average annual rate of 2½ percent. While physically possible, sustained production growth at this level will require an extraordinary effort in every country to improve yields and bring new land into cultivation. It will require a particular achievement in developing countries, in which food production is projected—even at the current historically high annual rate of increase of 2½ percent—to lag well behind demand, which will increase at 3½ percent, widening the gap in LDC [less developed countries] food requirements from 25 million tons at present to as much as 85 million tons in 1985. Such a gap is far more than the developing countries could conceivably purchase commercially and far more than donors could conceivably provide in food aid.

There has been much discussion about the meaning of these projections, with some arguing that the world is heading for a Malthusian disaster, others that we can now as in the past rely upon technological changes, the stimulus to agricultural change of higher relative prices for food, and efforts to dampen population growth. I do not think we can know now which of these competing forecasts is closer to the truth, for the outcome depends essentially on the actions which this country and others now take. But this much is clear: The penalty for calculating wrong and doing too little to accelerate world agricultural production will be devastatingly harsh, far harsher than the cost of doing too much.

At Rome in November, Secretary Kissinger laid out a three-point strategy for food security, which, in its essentials, the World Food Conference adopted. This strategy calls for:

*First, accelerated production in both developed and developing countries.* In the short and medium term, the major producing countries like the United States can and should expand output to meet shortfalls in the developing world. But over time they

<sup>1</sup> The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

should not be expected to cover the projected gap in LDC needs; to do so would require enormous investment, the preemptive use of scarce land and water, and multibillion-dollar financing of food transfers. Rather, the focus must be on raising production within the LDC's themselves. In many cases this will require a revolution in farm policy so that agriculture can have priority access to scarce resources and so that farmers have adequate incentives to produce. It will also require large-scale agricultural assistance—for research, for infrastructure, for the improvement of credit and distribution systems, for such direct inputs as fertilizer and machinery.

Action to meet these requirements is underway. AID [Agency for International Development] fiscal year 1975 agricultural assistance programs will total \$676 million, up \$391 million from the previous year. For fiscal year 1976 we will propose \$680 million. At our proposal the IBRD, FAO, and UNDP [International Bank for Reconstruction and Development; Food and Agriculture Organization; U.N. Development Program] have created a new Consultative Group on Food Production and Investment with the purpose of laying out a detailed strategy for LDC agricultural development. The Consultative Group will evolve a process of country examinations so that needed farm policy changes can be discussed in relation to agricultural assistance inputs. In order to be sure that the necessary supplies of the key input of fertilizer are available over the next 25 years, we will shortly propose a far-ranging world fertilizer policy. And we are concerting with other major producing countries to make sure that our productive capacity is used to the fullest.

*Second, development of an international system of nationally held reserves.* President Ford in his speech before the U.N. General Assembly last fall, two months before the World Food Conference, committed the United States to join in a worldwide effort to negotiate, establish, and maintain such a

system. Secretary Kissinger spelled out its basic elements at Rome.

An international grains reserve system would insure all participants, developed countries as well as developing, against an interruption in the physical supply of grain, against the financial burden of procurement in times of shortage, and against the need to make sharp adjustments in consumption, as the United States did this past year. It would also assure that the physical quantities of food required for food aid are actually in place and available at reasonable prices. In this sense a reserves agreement might give priority claim to withdrawals for food aid or emergency relief.

The United States has taken the initiative in carrying out the effort to bring together major importers and exporters to examine this problem. I have in fact just returned from a meeting held in London last week in which the first step was taken toward reaching a consensus on the framework for negotiating on reserves and on its relationship to the multilateral trade negotiations. Much work lies ahead, but the effort is now underway.

*Third, expanded food aid.* For much of this decade, while efforts to accelerate LDC agricultural production get underway, food aid will continue to be an essential element in covering the gap in developing country food needs. This is the meaning of the World Food Conference resolution calling for an annual commitment of 10 million tons of food aid for three years. Present international commitments are about 5 million tons annually, including obligations under the Food Aid Convention of the International Wheat Agreement and to the World Food Program. We support the World Food Conference target.

It is clear that achievement of this target is the responsibility not just of the major food-producing countries but of all countries with a high standard of living or substantial liquid funds.

As for the United States, it is our inten-

tion to sustain food aid at a high level. In the last two years, the fact that P.L. 480 is, under the terms of the act, a residual [after domestic requirements, adequate carryover stocks, and anticipated commercial exports] has led to major distortions. In fiscal year 1974 the overall total was low, and the country distributions thus skewed to reflect the urgent requirements of a few nations at war. This year the same residuality calculus led to delays, although the final totals more closely approximate an optimum program.

In looking to the future of P.L. 480 we have to find some way to moderate this basic problem of the past two years—that food aid is most needed but least available when world grain supplies are tight and prices high.

The amendment to section 401 proposed by the Administration and Senator Humphrey would make food aid less of a residual than is now the case. The Secretary of Agriculture could determine that some part of exportable supply (including that needed to meet commercial demands) should be used to carry out the objectives of the P.L. 480 act.

Critics of this proposal say that its adoption would expose us to a higher risk of export controls in a short supply situation, with P.L. 480 no longer there as an adjustable balancing item. But that risk should not be exaggerated, nor should it be absolutely determining. We cannot be serious about feeding hungry and needy people if we are ready to abandon or cut back our program when demand is high.

Amendment of section 401 is the most important change required to adapt P.L. 480 to the needs of this decade. But P.L. 480 will not serve its purpose unless it is funded at a consistently high level so as to provide a substantial, sustained commodity flow, at least in the coming years. That is the intention of this Administration.

Mr. Chairman, let me add a word about the controversy between “political” and “humanitarian” uses of food aid.

Few would argue that our programs are designed to achieve both ends. All the coun-

tries we assist with P.L. 480 are developing. All are relatively poor; all have deficient dietary standards; many are threatened with disaster, either natural or through war; all have major food needs.

The question, then, is not whether to choose between Korea and Pakistan, between Viet-Nam and Cambodia, between Chile and India. The question is how to find a basis on which our national interests can be served in each country. As we have seen this year that requires a larger program, and President Ford has budgeted at \$1.47 billion commodity costs.

However, food aid, Mr. Chairman, is only part of food security; in the long run it is the less important part. In creating a regime of food security in the developing world—through accelerated production, creation of reserves, as well as food aid—our political and humanitarian interests converge. Food security must be one of the fundamental objectives of both foreign and domestic policy in this decade.

## Congressional Documents Relating to Foreign Policy

### 93d Congress, 2d Session

- Détente. Hearings before the Subcommittee on Europe of the House Committee on Foreign Affairs. May 8–July 31, 1974. 615 pp.
- Briefing on Counterforce Attacks. Hearing before the Subcommittee on Arms Control, International Law and Organization of the Senate Committee on Foreign Relations. Secret hearing held on September 11, 1974. Sanitized and made public on January 10, 1975. 56 pp.
- United States Contributions to International Organizations. Communication from Acting Secretary of State transmitting the annual report of United States contributions to international organizations for fiscal year 1973. November 29, 1974. H. Doc. 93-405. 102 pp.
- Consular Convention With Bulgaria. Report to accompany Ex. H. 93-2. S. Ex. Rept. 93-38. December 13, 1974. 7 pp.
- U.N. Peacekeeping in the Middle East. Report to accompany H.R. 16982. S. Rept. 93-1361. December 17, 1974. 3 pp.
- Conference Report on Foreign Assistance Act of 1974. H. Rept. 93-1610. December 17, 1974. 53 pp.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the United States December 29, 1970. TIAS 6997.

*Accession deposited:* German Democratic Republic, February 20, 1975.

##### Aviation

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

*Accession deposited:* Egypt (with reservation), February 28, 1975.

Protocol relating to an amendment to the convention on international civil aviation, as amended (TIAS 1591, 3756, 5170, 7616). Done at Vienna July 7, 1971. Entered into force December 19, 1974.

*Ratification deposited:* Bolivia, December 30, 1974.

##### Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.<sup>1</sup>

*Signature:* Sweden, February 27, 1975.

##### Coffee

Protocol for the continuation in force of the international coffee agreement 1968, as amended and extended (TIAS 6584, 7809), with annex. Approved by the International Coffee Council at London September 26, 1974. Open for signature November 1, 1974, through March 31, 1975.<sup>1</sup>

*Signatures:* Denmark, December 18, 1974; United States, January 15, 1975.

*Acceptance deposited:* Denmark, December 18, 1974.

##### Conservation

Agreement on the conservation of polar bears. Done at Oslo November 15, 1973.<sup>1</sup>

*Ratification deposited:* Norway, January 23, 1975.

##### Narcotic Drugs

Convention on psychotropic substances. Done at Vienna February 21, 1971.<sup>1</sup>

*Accession deposited:* Mexico, February 20, 1975.

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.<sup>1</sup>

*Ratification deposited:* Federal Republic of Germany, February 20, 1975.

##### Nuclear Weapons—Nonproliferation

Treaty on the nonproliferation of nuclear weapons. Done at Washington, London, and Moscow July 1, 1968. Entered into force March 5, 1970. TIAS 6839.

*Accession deposited:* Sierra Leone, February 26, 1975.

##### Oil Pollution

International convention relating to intervention on the high seas in cases of oil pollution casualties, with annex. Done at Brussels November 29, 1969.

*Ratification deposited:* Dominican Republic, February 5, 1975.

*Enters into force:* May 6, 1975.

##### Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.<sup>2</sup>

*Ratification deposited:* Mexico, February 20, 1975.

##### Tonnage Measurement

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969.<sup>1</sup>

*Accession deposited:* Saudi Arabia, January 20, 1975.

##### Telecommunications

International telecommunication convention, with annexes and protocols. Done at Malaga-Torre-molinos October 25, 1973. Entered into force January 1, 1975.<sup>2</sup>

*Accession deposited:* Malta (with a reservation), January 30, 1975.

##### Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

*Ratification deposited:* Iraq, February 26, 1975.

#### BILATERAL

##### Jamaica

Agreement amending and extending the agreement of September 29, 1967, as amended and extended (TIAS 6357, 6915, 7720), relating to trade in cotton textiles. Effected by exchange of notes at Washington February 20, 1975. Entered into force February 20, 1975.

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

<sup>2</sup> Not in force for the United States.

## Nicaragua

Agreement terminating the agreement of September 5, 1972, as amended (TIAS 7433, 7782), relating to trade in cotton textiles. Effected by exchange of notes at Managua December 26, 1974 and January 3, 1975. Entered into force January 3, 1975.

## Portugal

Agreement extending the agreement of November 17, 1970, as amended (TIAS 6980, 7336, 7805), concerning trade in cotton textiles. Effected by exchange of notes at Lisbon December 30, 1974. Entered into force December 30, 1974.

## Saudi Arabia

Agreement on guaranteed private investment. Signed at Washington February 27, 1975. Enters into force on the date of the note by which Saudi Arabia confirms to the United States that the agreement has been approved in conformity with the applicable laws and procedures of Saudi Arabia.

## Union of Soviet Socialist Republics

Agreement extending the agreements of February 21, 1973, as extended (TIAS 7572, 7573, 7571, 7981), relating to fishing operations in the north-eastern Pacific Ocean, certain fisheries problems in the northeastern part of the Pacific Ocean off the coast of the United States, and fishing for king and tanner crab. Effected by exchange of notes at Washington February 26, 1975. Entered into force February 26, 1975.

Agreement amending the agreement of February 21, 1973, as amended (TIAS 7575, 7663), relating

to the consideration of claims resulting from damage to fishing vessels or gear and measures to prevent fishing conflicts. Effected by exchange of notes at Washington February 26, 1975. Enters into force April 1, 1975.

Agreement on certain fishery problems on the high seas in the western areas of the middle Atlantic Ocean, with related letters. Signed at Washington February 26, 1975. Entered into force February 26, 1975, except that paragraphs 4 and 5 shall enter into force April 1, 1975.

Agreement on certain fishery problems on the high seas in the western areas of the middle Atlantic Ocean, as extended (TIAS 7981). Signed at Copenhagen June 21, 1973. Entered into force July 1, 1973. TIAS 7664.

*Terminated:* February 26, 1975, except for paragraph 3, which remains in force until April 1, 1975.

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## Editor's Note

The Schedule of International Conferences, which is published quarterly by the Office of International Conferences, will no longer appear in the BULLETIN. Interested individuals and organizations may arrange to receive the list on a regular basis. Requests should be addressed to: Director, Office of International Conferences, Department of State, Washington, D.C. 20520.

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†98	2/24	Kissinger: letter to OAU Secretary General.
*99	2/25	U.S. and Jamaica extend textile agreement.
*100	2/25	U.S. and Egypt extend textile agreement.
*101	2/25	Richardson sworn in as Ambassador to Great Britain (biographic data).
*102	2/25	Hummel sworn in as Ambassador to Ethiopia (biographic data).
103	2/25	Kissinger: news conference.
†104	2/26	U.S.-U.S.S.R. fisheries discussions.
*105	2/27	Austad sworn in as Ambassador to Finland (biographic data).
106	2/26	State, Treasury, FEA joint statement on energy prices.
*107	2/27	Frankel named Lincoln Lecturer.
†108	3/1	Kissinger: combined service club luncheon, Houston, Tex.

\* Not printed.

† Held for a later issue of the BULLETIN.

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# THE DEPARTMENT OF STATE BULLETIN

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*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses, and news conferences of the President and 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 on treaties of general international interest.*

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# The United States and Latin America: The New Opportunity

*Address by Secretary Kissinger<sup>1</sup>*

The foreign policy of the United States has one overriding goal: to help shape a new structure of international relations which promotes cooperation rather than force; negotiation rather than confrontation; and the positive aspirations of peoples rather than the accumulation of arms by nations.

Our relations with the Western Hemisphere are central to this enterprise. The United States and Latin America were born out of the struggle against tyranny. Our peoples are bound not only by geography but by the common heritage of Western civilization. We share a history of mutual support in times of trouble and the promise of a new world of justice, peace, freedom, and prosperity. With courage and imagination we now have the opportunity to make inter-American cooperation a pillar of the global community which our era demands.

The discovery of America, more than any other single event, ended the Middle Ages and revolutionized the thought of mankind. It drew man beyond what had come to seem unchangeable to a new beginning, an escape from the burdens of the past and from history itself.

A Brazilian epic poem of the 17th century described the lure that beckoned the Americas onward:

To open new paths never trod, never known

To push on despite obstacles through every zone

With the shield of one ocean at our backs  
and the dream of another one before us,

<sup>1</sup>Made at Houston, Tex., on Mar. 1 before a luncheon sponsored by service clubs and civic organizations (text from press release 108).

hope was always just a little farther along the river, over the mountains, across the plains and jungles. In the Old World a frontier was a limit; in the New World it was an opportunity.

Today's frontiers are not geographical, but frontiers of human need and creativity. To conquer them is even more important than the adventures that shaped our past.

At the heart of our contemporary challenge is a new interdependence, both hemispheric and global. Until recently, Western Hemisphere economic relationships were largely based on the exchange of raw materials from Latin America for finished goods from the United States. Today's interdependence reflects a different balance. The internationalization of production combines technology, labor, and capital across national boundaries.

As a result, the Latin American countries now need access to the U.S. market to sell their manufactured goods as well as their traditional exports. And Latin America's markets are becoming as important to our own continued growth as its raw materials—as indicated by our trade surplus last year of \$1.2 billion.

As interdependence has grown within the hemisphere, so have the hemisphere's links to other parts of the world. Latin America has developed important trading relationships with other industrial nations and has come to share certain political perspectives with the Third World. The United States prizes its traditional alliances with the industrialized democracies and maintains important political and economic relationships with many less developed nations around the

world. Our generation has had to learn that peace is indivisible; that our national well-being is intimately tied to the well-being of the rest of the globe.

The awareness of past achievement and faith in common purposes led the United States in 1973 to begin a new dialogue with Latin America. We had three objectives:

—To promote with our friends a new spirit of communication tempered by realism, elevated by hope, and free of distrust, despair, or resentment;

—To find new ways to combine our efforts in the political, economic, and social development of the hemisphere; and

—To recognize that the global dialogue between the developed and less developed nations requires answers that will be difficult to find anywhere if we do not find them in the Western Hemisphere.

For this hemisphere to which men fled to escape from injustice has a special obligation to demonstrate that progress can go hand in hand with respect for human dignity, that cooperation among nations is consistent with respect for national sovereignty, that the most powerful political force on earth is the voluntary collaboration of free peoples.

Any relationship as long and complex as ours inevitably is haunted by the bitterness and suspicions of old disputes. We must put these legacies of our past behind us, for a dialogue dominated by the endless refrain of old grievances cannot prosper.

Despite temporary interruptions, the United States is prepared to continue the dialogue in a spirit of friendship and conciliation. Next month I will make my first visit to South America as Secretary of State. Next week Assistant Secretary [for Inter-American Affairs William D.] Rogers will visit six countries in the region for preliminary talks.

Let me now outline some of the issues that will face us in these discussions. They include, first, what the United States is

prepared to contribute to Western Hemisphere cooperation; second, what we ask of Latin America; and finally, what we can do together.

### What We Must Ask of Ourselves

President Ford has asked me to reaffirm our commitment to a new relationship between the United States and Latin America based on the principles of nonintervention, the sovereign equality of nations, and mutual respect among partners. Success will require a similar desire and attitude on the part of the other countries of the hemisphere.

These principles will guide the U.S. approach to major issues that have risen between us—the status of the Panama Canal; the place of Cuba in the hemisphere; and the various strands of our economic relations.

*The Panama Canal.* Since its opening, the peoples of the world have looked on the Panama Canal as an important lifeline of commerce and international security. It is essential that the canal remain open to the ships of all nations on fair terms.

In acquiring the rights to build the canal, the United States was granted exclusive control—the rights which it would possess and exercise “if it were the sovereign”—over a 10-mile-wide strip of Panamanian territory from the Atlantic to the Pacific. In the Canal Zone, we enforce U.S. laws, operate commercial enterprises, and control most of the deepwater port facilities that serve Panama.

Over time, the nature of the U.S. presence has come to be viewed by the people of Panama—and, indeed, by most of the rest of the hemisphere—as an infringement upon their national sovereignty and their principal resource: their country’s strategic location.

Clearly, both Panama and the United States have vital interests in the canal. The challenge is to reconcile the security needs of the United States with Panama’s national honor and sovereignty. Negotiations on this

problem have gone on intermittently for 11 years; in the last year and a half they have moved forward rapidly. We now believe that an agreement on terms fair to all is possible.

We have made progress because each side has recognized the essential needs and constraints of the other. The United States understands that a treaty negotiated in 1903 does not meet the requirements of 1975. We are ready to acknowledge that it is reasonable for Panama to exercise jurisdiction over its territory and to participate in the operation and defense of the canal. We are prepared to modify arrangements which conflict with Panamanian dignity and self-respect.

In turn we will expect Panama to understand our perspective—that the efficient, fair, and secure operation of the canal is a vital economic and security interest of the United States, that a new treaty must provide for the operation and defense of the canal by the United States for an extended period of time, and that a new treaty must protect the legitimate interests of our citizens and property in Panama.

A new treaty based on these principles will make the United States and Panama partners in the operation of the canal, protect the essential national interests of both, and provide a secure arrangement for the long term.

Serious problems remain to be resolved in the negotiation. But we are confident that they will be overcome if both parties continue to display the seriousness and mutual understanding they have shown so far.

The Administration has been consulting with the Congress as our negotiations have proceeded. We will intensify these consultations and discuss in detail the arrangements which we envisage. A new treaty which reflects the advice and consent of the Senate and the full support of the American people will be a concrete and significant demonstration that with good will on both sides cooperative solutions to the problems of the Western Hemisphere are possible.

*Cuba.* In January 1962 the Organization of American States determined that Cuba had excluded itself from participation in the inter-American community by its military ties to the Soviet Union and its export of revolution in the hemisphere. A year later the United States imposed its own sanctions. In 1964 the member nations of the OAS agreed collectively under the Rio Treaty of Reciprocal Assistance to sever diplomatic and trade relations with Cuba.

More than a decade has passed. The countries of Latin America have successfully resisted pressure and subversion; nations that in the early sixties felt most threatened by Cuban revolutionary violence no longer feel the menace so acutely. This situation has generated a reconsideration of the OAS sanctions and raised questions about the future of our own bilateral relations with Cuba.

Last September several Latin American countries proposed a meeting to consider lifting the collective sanctions. We agreed that a consideration of the Cuban issue at a meeting in Quito of the Foreign Ministers of the Americas was appropriate. We determined to remain completely neutral in the debate and abstained in the vote. Our guiding principle then, as now, was to prevent the Cuba issue from dividing us from our hemispheric neighbors.

A majority voted to lift the collective sanctions. But the Rio Treaty requires a two-thirds vote, and the sanctions thus remain formally in force. The United States considers itself bound by the collective will as a matter of international law, and so there can be no change in our bilateral relations with Cuba as long as the OAS mandate remains in force.

Since the Quito meeting, however, several Latin American countries have announced that they are prepared to resume trade with Cuba. Also since the meeting at Quito, all the OAS nations have tentatively agreed that the Rio Treaty should be amended to permit the lifting of sanctions by a majority

vote. Several of my Latin American colleagues have suggested that this agreement in principle might be applied to the existing Cuba sanctions. I will be consulting with them with respect to this initiative during my trip to South America with the attitude of finding a generally acceptable solution.

If the OAS sanctions are eventually repealed, the United States will consider changes in its bilateral relations with Cuba and in its regulations. Our decision will be based on what we consider to be in our own best interests and will be heavily influenced by the external policies of the Cuban Government.

We see no virtue in perpetual antagonism between the United States and Cuba. Our concerns relate above all to Cuba's external policies and military relationships with countries outside the hemisphere. We have taken some symbolic steps to indicate that we are prepared to move in a new direction if Cuba will. Fundamental change cannot come, however, unless Cuba demonstrates a readiness to assume the mutuality of obligation and regard upon which a new relationship must be founded.

*Economic Relations.* Old political disputes must not distract us from the long-term challenge of the hemisphere—the common effort to improve the lives of our peoples.

The expansion of trade and the establishment of a new trading equilibrium are vital to economic progress and development in the hemisphere. As Latin American economies grow, so will opportunities for mutual trade. As our own economy grows, we will be able to buy more semiprocessed and manufactured goods from Latin America.

In the next few days the President will take the first step to implement the preference system established by the 1974 Trade Act. We will announce the list of products on which the Administration proposes to eliminate all import tariffs for developing countries for 10 years. Latin America, as the most advanced developing region and the one nearest the U.S. market, will be in the best position to take advantage of these preferences. The list will benefit nearly \$1

billion worth of Latin American exports.

Among the economic issues affecting Western Hemisphere relations none looms larger than the transnational corporation. The transnational corporation has a demonstrated record of achievement as an efficient—and indeed indispensable—source of technology, management skill, and capital for development. At the same time, the transnational character of these corporations raises complex problems of governmental regulation and has aroused concern in Latin America over the relation of their activities to domestic political and economic priorities.

Most Latin American nations take the position that the laws of the host country are conclusive and that a foreign investor cannot appeal to his own government for protection. The United States, on the other hand, has insisted on espousing the cause of U.S. investors when they are treated in a way which violates international legal standards. And the Congress has reflected this view in such acts as the Hickenlooper and Gonzalez amendments which cut off aid in the event of nationalization without adequate and timely compensation.

The two legal positions are not easily reconciled. But the United States is prepared to make a serious effort to find a mutually acceptable solution which does not prejudice the principles of either side. A year ago in Mexico City, at our initiative an inter-American working group was set up to examine the problem.

The United States is prepared in the context of this endeavor:

—To work out a new declaration of principles to govern the treatment of transnational enterprises and the transfer of technology;

—To develop intergovernmental mechanisms to prevent and resolve investment disputes and the problems between governments that arise from them;

—To fashion new modes of cooperation to deal with conflicts of laws and jurisdiction relating to transnational corporations; and

—To encourage private enterprise to make

its vital contributions to Latin America in forms congenial to the economic and political needs of the host countries.

We have in the past made significant progress in these areas on a pragmatic case-by-case basis. We should now seek more general agreement as part of the new dialogue. The working group, which was interrupted by the postponement of the Buenos Aires meeting, should resume its important work. A mutually acceptable solution would go a long way toward removing trade and investment conflicts from U.S. decisions respecting aid relationships with the host countries.

This is important because Latin American sensitivity to the exercise of economic leverage has been finely honed by history. Experience has also demonstrated that automatic sanctions—including the 1974 Trade Act's denial of preferences to such OPEC [Organization of Petroleum Exporting Countries] countries as Ecuador and Venezuela, which did not join the oil embargo—are almost always harmful. Automatic sanctions allow no tactical flexibility. They present other governments with a public ultimatum; by seeming to challenge the recipient's sovereignty, they harden positions, encumber diplomacy, and poison the entire relationship.

The Administration supports the purpose of the various bills which have been introduced into the Congress, including one by your own Senator [Lloyd M.] Bentsen, to modify the provisions of the Trade Act which involve Venezuela and Ecuador. And it is prepared to seek the modification of legislation requiring the automatic cutoff of aid. But as a matter of political reality, a great deal will depend on our ability to work with the nations of Latin America on new approaches which give practical assurance of fair treatment. They must recognize that congressional sanctions stem from perceived injuries to legitimate interests.

As part of the new dialogue, the Administration is prepared to develop new principles and practices which may commend themselves to Congress as a better remedy than automatic sanctions.

## What Latin America Can Do

What do we have a right to expect from Latin America?

In the past decade, progress in science, industry, agriculture, and education has done much to transform the continent. Economic growth has been steady and sometimes spectacular. Political institutions have adapted to new social conditions and national traditions. A new sense of Latin American unity has promoted an awareness of common problems and opportunities.

We welcome the strength and self-confidence that this evolution implies. We have seen new leadership in Latin America and new Latin American leadership in the international arena. Panamanian and Peruvian soldiers serve with the U.N. peacekeeping forces in the Middle East. Last December the Andean countries, following a Peruvian initiative, pledged themselves to limit the acquisition of offensive weapons—an initiative we support and encourage. Venezuela has taken the lead in stimulating regional cooperation by offering oil revenues to the Inter-American Development Bank (IDB) and the Central American Bank for Economic Integration. Working with Bolivia, Paraguay, and Uruguay, Argentina and Brazil are pooling their technology and resources to harness the vast potential of the River Plate Basin.

However, with these welcome initiatives have come other less hopeful trends. The United States is concerned by the growing tendency of some Latin American countries to participate in tactics of confrontation between the developing and developed worlds. We accept nonalignment as a necessary, largely positive force. We believe that the developed nations—and particularly the United States as the most powerful industrial country—have a special obligation to be sensitive both to the legacy of history and to the imperatives of change.

It is therefore ironic that some nations seek to exact by confrontation what can only be gained through cooperation and that countries which once chose nonalignment to

protect themselves from blocs are now tending to form a rigid bloc of their own. In doing so they obstruct the association with the industrialized nations on which their own economic and social progress ultimately depends. Such tactics are particularly inappropriate for the Western Hemisphere where they threaten to repudiate a long tradition of cooperative relations with the United States at the very moment when the United States has dedicated itself to common progress.

As the most developed part of the Third World, Latin American nations will increasingly play roles in both the industrialized and developing sectors of the globe. They have a unique opportunity to foster the mutual accommodation of these groups globally.

To do so there is no better guidepost than the declaration signed by all Western Hemisphere nations in Mexico City last year:<sup>2</sup>

... peace and progress, in order to be solid and enduring, must always be based on respect for the rights of others, and the recognition of reciprocal responsibilities and obligations among developed and developing countries.

The temptation to blame disappointments on the intrigues and excesses of foreigners is as old as nations themselves. Latin America is perennially tempted to define its independence and unity through opposition to the United States.

The Latin American postponement of the Buenos Aires meeting of Foreign Ministers, ostensibly in reaction to the recent U.S. Trade Act, is a case in point. Some Latin American nations chose to read into this legislation a coercive intent which did not exist and asked for immediate remedies beyond the capacity of our constitutional processes to provide. As a result, the next step in the new dialogue was delayed just when it was most needed. The nations of America face too many challenges to permit their energies to be expended in such fruitless and artificial confrontations.

<sup>2</sup> For a statement by Secretary Kissinger made at the Conference of Tlatelolco at Mexico City on Feb. 21, 1974, and text of the Declaration of Tlatelolco issued on Feb. 24, 1974, see BULLETIN of Mar. 18, 1974, p. 257.

We do not expect agreement with all our views but neither can we accept a new version of paternalism in which those with obligations have no rights and those who claim rights accept no obligations. The choice for the United States is not between domination and indifference. The choice for Latin America is not between submission and confrontation.

Instead, we should steer between those extremes toward a new equilibrium. After decades of oscillating between moods of euphoria and disillusionment, between charges of hegemony and neglect, it is time for the United States and Latin America to learn to work together, calmly and without confrontation, on the challenges to our common civilization.

The United States does not seek precise reciprocity. We recognize our special obligations as the richest and most powerful nation in the hemisphere. But experience teaches that international problems cannot be resolved by any one country acting alone, or by any group of nations acting as an exclusive bloc.

### What We Must Do Together

With a new attitude, the nations of the Western Hemisphere can dedicate themselves to an agenda for the future. In the coming months, the United States will make proposals for such an agenda and present it to its partners in various forums including the meeting of the OAS General Assembly this spring.

Today I shall confine myself to two critical areas: hemispheric development and food.

*Hemispheric Development.* In the past decade, Latin America's overall growth rate has exceeded the economic targets of the Alliance for Progress. The region has also made greater progress than any other developing area toward economic integration. The Central American Common Market, the Caribbean Common Market, the Andean Pact, and the Latin American Free Trade Association have begun to translate abstract hopes into realities. Nevertheless, Latin America's relative share of global trade has fallen. And



economic progress has been unevenly distributed, both within and among countries.

Some Latin American countries have only recently begun the process of development. As with poor countries everywhere, they require large amounts of concessional assistance. The United States will continue to contribute its share.

The Administration will ask Congress to replenish the U.S. contribution to the Inter-American Development Bank, both concessional funds and ordinary capital. Assuming other nations in the hemisphere are willing to do their share, we will seek a U.S. contribution as large as the last replenishment, or \$1.8 billion.

The proposal will be considered by the House of Representatives subcommittee whose chairman is the distinguished Henry B. Gonzalez from San Antonio. Coupled with the contribution of \$755 million from 12 new members—European countries, Japan, and Israel—and a \$500 million trust fund established by Venezuela, these fresh resources to the IDB will give a major new impetus to Western Hemisphere development.

But because the poorest countries must have first priority, concessional assistance is available only in limited quantities to a new and growing group of Latin American countries that have reached an intermediate stage of development. They have a diversified industrial sector, a significant consumer class, and an increasing capacity to compete in world markets. Their need for foreign exchange is growing.

Therefore they require greater access to the markets of the developed countries; for exports are the chief source of their external funds. To this end, the Trade Act and the multilateral trade negotiations in Geneva are of great significance. As we have pledged in our new dialogue, we will, in these negotiations, work in close collaboration with the countries of the Western Hemisphere.

But these countries also need investment capital. Significant amounts of capital continue to flow to the intermediate countries from the U.S. private sector through investment and from commercial bank lending.

But these countries could also benefit substantially from improved access to capital markets.

While the U.S. long-term bond capital market is the world's largest, few developing countries have been able to borrow successfully in it. To ease this problem, the United States has taken the initiative for a study by the IMF [International Monetary Fund] and World Bank Development Committee of ways to promote the increased use of capital markets by developing countries. These will be neither aid programs nor recycling devices but will facilitate independent access to such markets. The United States is prepared to explore ways in which it can be helpful to those Latin American countries with higher levels of income and credit standing to move toward self-reliance.

The countries of Latin America, regardless of their stage of development, are vulnerable to violent swings in the prices of their exports of raw materials. There is no more critical issue of economic relations in the hemisphere today than commodities policy.

This issue has been extremely divisive in the hemisphere, partly because our attitude has been ambiguous. So let there be no doubt about our views any longer. We strongly favor a world trading system which meets the economic needs of both consumers and producers. Unilateral producer or unilateral consumer actions must not determine the equilibrium. A dialogue between them on commodity issues is therefore essential. A range of rich possibilities exists that can make our new interdependence a vehicle for more rapid and more equitable global development.

The time has come for the countries of the Western Hemisphere to consider together how commodity issues should be resolved. The United States pledges a serious effort to find a constructive solution which does justice to the concerns of all parties.

*Food.* Let me turn now to a subject which must command our cooperative efforts—food, man's most basic need.

Latin America matches the United States as a potential food-surplus region. Yet over

the past 15 years, Latin American agricultural production has barely kept pace with population. In an area rich in productive land, malnutrition is rife. Most Latin American countries are net food importers. We believe that with a concerted new effort, agricultural production can exceed population growth, adequate nutrition for all can be achieved in this century, and Latin America can become a major food exporter.

The immediate need is to improve food production. The United States proposes the establishment of a hemisphere agricultural consultative group under the Inter-American Development Bank. Its goal should be to generate annual production increases in the range of 3½ to 4 percent, to be achieved through:

—New investment in regional and national agricultural programs;

—Integration of agricultural research efforts throughout the hemisphere; and

—Adoption of improved national food and nutrition programs.

The consultative group should also recommend urgent steps to reduce the waste and spoilage now consuming between 20 and 40 percent of total Latin American food output.

Agricultural research is a central element in attaining adequate nutrition for all. But too often research is unrelated to local needs and efforts elsewhere.

To make research more adequately serve local needs, we will assist the international research centers in Mexico, Colombia, and Peru to extend their projects and programs to other countries in the hemisphere through closer collaboration with national research institutions.

To foster better exchange of agricultural research information, we propose that a new center be established for Latin America under the auspices of the hemisphere consultative group and linked to the science information exchange center of the Smithsonian Institution in the United States.

The United States is prepared to join with other countries and institutions to finance the local extension efforts of the interna-

tional research centers and the information exchange center.

Finally, we propose that the United States and Latin America jointly establish and finance research centers in nutrition and food technology; that a new generation of Latin American agriculturalists be trained through internships and research in these centers as well as in government and private laboratories and institutions in both continents.

### The Human Dimension

Our immediate economic, political, and technological imperatives must not lead us to neglect the human foundations of our common progress, including the free exchange of ideas and the priceless cultural heritage we share.

The discovery of America rekindled a belief in mankind's perfectibility. Our struggles for independence were among the first modern assertions of the fundamental rights of man. No part of the globe has shown a greater commitment to democratic principles. The free flow of ideas is one of the most powerful forces for both liberty and progress. Drawing on this resource, can we now fashion a common vision of the future? What will life in the Americas be like in the next century? The scientists, scholars, and professionals of our countries should be exchanging ideas on the implications of current trends in such areas as education, health, and social change. Our governments should stimulate the OAS to mobilize the best minds and institutions of the hemisphere in new programs to define our common future.

Last year in Mexico City, I described our objectives in this hemisphere as follows:

Our common impulse . . . is to fulfill the promise of America as the continent which beckoned men to fulfill what was best in them. Our common reality is the recognition of our diversity. . . . Our common task is to forge our historical and geographical links into shared purpose and endeavor.

The United States continues to seek a genuine dialogue with its neighbors on all

levels—multilaterally and bilaterally, within or outside the OAS, with subregional groups or individual states.

The dream of hope that has lifted the Americas for almost five centuries must be revitalized by our generation. We are entering another new world as strange and challenging as that found by the first settlers on America's shores. With imagination, we can build in this hemisphere the model of that larger world community which must be our ultimate goal.

As Victor Hugo once wrote, "The main highway lies open. May America travel it, and the world will follow."

## **U.S.-Saudi Arabian Joint Economic Commission Meets at Washington**

### *Joint Communique*<sup>1</sup>

The U.S.-Saudi Arabian Joint Commission on Economic Cooperation, established in accordance with the Joint Statement issued by Secretary of State Kissinger and Prince Fahd on June 8, 1974, concluded its first session. The Joint Commission meetings, held in Washington February 26-27, 1975, were chaired by Secretary of the Treasury William E. Simon, Chairman of the U.S. side of the Commission. The Saudi Arabian Delegation was led by Minister Muhammad Ibn Ali Aba al-Khail, Minister of State for Financial Affairs and National Economy.

High-level officials from the U.S. Departments of Treasury, State, Agriculture, Commerce, Health, Education and Welfare, Interior, and Labor, and from the National Science Foundation also participated in the talks. Members of the visiting Saudi Arabian Delegation participating in the discussion included officials from the Ministries of Foreign Affairs, Commerce and Industry, Labor and Social Affairs, Agriculture and Water, and the Central Planning Organization, as well as high-level Saudi representatives from

<sup>1</sup> Issued at Washington Feb. 27.

the Supreme Council of Higher Education, the Faculty of Sciences, and the Institute of Public Administration.

The members of the Commission exchanged views on the development of U.S.-Saudi Arabian economic cooperation since the visit of Secretary Simon last July to Saudi Arabia for preliminary discussions on economic cooperation. At that time, the Commission initiated the activities of its four working groups on Manpower and Education, Science and Technology, Agriculture, and Industrialization. Each of the joint working groups has met several times to define areas of potential economic cooperation and a number of U.S. technical experts and advisors have visited Saudi Arabia and submitted reports to the Saudi Arabian side of the Commission. The Joint Commission discussed further means of facilitating such continued cooperation through the Joint Commission framework.

In this regard the Commission was pleased to note the signing on February 13, 1975, of a Technical Cooperation Agreement (TCA) which establishes procedures for the furnishing of mutually-agreed technical and advisory services from the United States to Saudi Arabia on a reimbursable basis. The TCA should contribute significantly to the efficient channeling of American technical know-how to the Saudi Arabian national economy.

The Commission expressed its intention to expand the Joint Commission Office in Riyadh. This office serves as the principal point of coordination in Saudi Arabia for the development and implementation of mutually-agreed projects under the U.S.-Saudi Arabian Technical Cooperation Agreement. The U.S. component of this office, to be known as the United States Representation to the Joint Economic Cooperation Commission Office, plans to begin operating by the middle of May 1975. The Saudi delegation announced that it would also be adding to the staff of its component of the Riyadh Joint Commission Office in the near future. Arrangements for accommodating these two staffs are to be discussed in Riyadh in the coming weeks.

The Commission noted with satisfaction the signing by the Co-Chairmen of an OPIC [Overseas Private Investment Corporation] Investment Guaranty Agreement between the two governments. The Agreement should increase and broaden the interest of U.S. private enterprise in participating in Saudi Arabian economic development.

#### INDUSTRIALIZATION AND TRADE

The Saudi delegation reaffirmed its interest in acquiring U.S. technology through U.S. business participation for the development of major industrial projects in both the hydrocarbon and non-hydrocarbon areas.

The Commission agreed on the desirability of a broadly-based business council designed to increase business cooperation between the two countries and enhance the contribution of U.S. business to Saudi Arabia's industrial development. In view of the important role of government in Saudi Arabia's development, concerned Saudi Arabian Government elements would join with private sector interests in Saudi Arabia and the United States as members of the Council. The Council would identify for study projects which appear feasible for joint ventures, note and make recommendations on financial, fiscal, or legal considerations bearing on cooperative efforts, arrange business symposia and visits in both countries, and be a center for disseminating information on business opportunities in both countries.

The Saudi Arabian Government will consider the possibility of organizing a group of Saudi businessmen to visit the United States within the next two months to meet with United States business firms and groups. The general purpose would be to increase the communications between the two private sectors. More specifically, the group would discuss various industrial proposals and projects.

The Commission noted with interest that trade relations between the Kingdom of Saudi Arabia and the United States have been developing at an accelerated rate. U.S. exports to Saudi Arabia nearly doubled in 1971, increased by 40% in 1973, and nearly doubled again in 1974, to \$835 million. Ex-

pectations are that U.S. exports will continue to grow progressively. It is anticipated that U.S. exporters will play a significant role in supplying equipment, machinery, technology and services.

The Governments of the United States and Saudi Arabia agreed that participation in productive ventures in each other's economies should be mutually beneficial. They recognize that activities of this type in both countries would require close consultation to assure consistency with their national policies and objectives. Consequently, they agreed that each government would consult with the other regarding significant undertakings of this type.

The Commission agreed on the desirability of United States Government technical assistance in developing a statistical base for development in Saudi Arabia. The American side stated its readiness to send out teams of experts in a number of principal statistical disciplines to assist the Saudi Arabian Government in developing an effective statistical capability.

The Commission heard reports and exchanged views on the current status of a number of technical cooperation projects in the fields of vocational training, higher education, agriculture, water utilization and land use, science and technology and statistics. A summary of these follows:

#### VOCATIONAL TRAINING

The Commission noted the series of recommendations by the American vocational training team which visited Saudi Arabia last fall. These recommendations, in support of the implementation of Saudi Arabia's five-year plan vocational training goals, include United States Government advisory services in various fields of manpower development.

#### HIGHER EDUCATION

It was agreed at the Commission meeting to send an American team to evaluate the academic and administrative structures of the Saudi Arabian University system, as well as the relationship of universities to high-level professional and technical education.

A second action area to be explored will involve U.S.-Saudi Arabian cooperation in the following areas: broadened student and faculty exchanges between the two countries; joint research projects, joint degree programs; the establishment of junior colleges in Saudi Arabia; and the training of academic, administrative, and technical personnel in Saudi universities.

#### AGRICULTURE, WATER RESOURCES AND LAND USE

The Commission discussed United States Government technical services for joint agricultural, water and land projects. Priority was given to feasibility studies of major agricultural areas in Saudi Arabia, a study of the Central Research Laboratory and Agriculture Training Center of the Ministry of Agriculture and Water, and the establishment of a desalination center and laboratory.

It was agreed that a four-man U.S. Government team would go to Saudi Arabia for a two-month period to discuss and reach agreement with Saudi Arabian counterparts on a detailed program for implementing a feasibility study for large agricultural areas, such as Wadi Dawasir.

The Commission also approved the immediate departure to Saudi Arabia of a research management team to plan a research program and determine organizational and management requirements for the Central Research Laboratory and Agricultural Training Center.

A U.S. Government proposal for the establishment of the desalination center will be sent to the Saudi Arabian Government in response to their request.

Projects in the areas of land management, water utilization and a national data bank would be implemented under the Technical Cooperation Agreement. Further discussions will be held immediately to decide on the implementation of these proposals.

#### SCIENCE AND TECHNOLOGY

It was agreed that a Saudi Arabian National Center for Science and Technology would be established to coordinate the

growth of science and technology in Saudi Arabia and to support and fund mutually-agreed upon program areas of interest to Saudi Arabia. It was further agreed that an initial United States Government team would be sent to Saudi Arabia as soon as possible to advise on the objectives and functions of the Saudi National Center. Additional U.S. expert teams to follow will work with Saudi Arabian experts to define the precise programs for the other agreed project areas.

#### OTHER AREAS

The Saudi delegation requested technical assistance over a limited period of time to its Government's Department of Public Works.

The U.S. agreed to review the requirements of the Saudi Arabian Public Works Department to determine the nature and extent of technical services desired.

#### OVERALL ASSESSMENT

The Commission expressed satisfaction with the progress to date and considered the discussions at its first meeting a major step forward in the constructive development of mutually advantageous economic relations. With a view to keeping close track of the Commission's efforts, the U.S. side decided to establish an Action Group. The U.S. coordinator will be Gerald L. Parsky, Assistant Secretary of the Treasury, the Department which is the U.S. coordinating agency for the work of the Commission. The Saudi side will consider a similar arrangement.

The action group and its Saudi counterpart will be charged with monitoring progress being made on a regular basis so as to insure that program goals are being met and to review and implement new proposals that may be agreed upon. The Action Group on the U.S. side will consist of representatives from the Departments of Treasury and State, and the following U.S. action agencies: Agriculture, Commerce, Health, Education and Welfare, Interior, Labor and the National Science Foundation and other U.S. Government agencies as may become appropriate. Both sides agreed to consider holding the next Joint Commission meeting in Riyadh, Saudi Arabia, in October 1975.

## Humanism and Pragmatism in Refugee Problems Today

*Address by Frank L. Kellogg*

*Special Assistant to the Secretary of State for Refugee and Migration Affairs*<sup>1</sup>

The tragedy is that positions like mine have to exist at all. We've gone in this century from "pax Britannica" through a war to save the world for democracy, the League of Nations, a second world war and its Atlantic Charter, establishment of the United Nations, adoption of the Universal Declaration of Human Rights. We ought to be seeing the spread of just and humane societies. What we have is oppression, or at least denial of freedom, in the totalitarian countries of right and left, conflict in Asia, tribal violence in Africa, Israelis and Arabs in long dispute in the Middle East, and—just to come full circle—Catholics and Protestants hard at it in Ireland, and Turks and Greeks once again contentious in the Mediterranean.

Our J. William Fulbright—a Rhodes Scholar by the way—has just retired after 30 years of statesmanship in the U.S. Senate. He has described the situation as well as I've heard it—incidentally, at Westminster College in Missouri, where Winston Churchill made his famous Iron Curtain speech:

It is one of the perversities of human nature (Bill Fulbright said) that people have a far greater capacity for enduring disasters than for preventing them, even when the danger is plain and imminent.

Our perversities, then, have created in our time what some already have begun to call the century of the refugee—not a 20th century of human rights but the century of the homeless and the persecuted. I've been in my present post more than four years now, and

during that period—despite large resettlement programs—we've never counted around the world fewer than 5 to 6 million refugees at any one time; it has gone all the way up to 18 million. My colleagues who have given their full careers to this work, and my reading, tell me it has been the same since World War II and before.

Dr. Kissinger, in his first speech as Secretary of State, identified as the ultimate goal of American foreign policy a world which will protect the right of every man to freedom and dignity. Philosophers have begun to talk about not four but five basic human rights—life, justice, political freedom, religious freedom, and now the right to food. One wonders whether there may not soon be a sixth, the right to fossil fuel or at least to energy. The point is that as life on our planet becomes more complicated and our resources less plentiful, instead of allowing old animosities to continue to erupt and new ones to flare, we are going to have either to set the course of history again toward the cause of human rights or ultimately we are going to face the inevitability of really catastrophic wars.

Even when mankind turns in this right direction, it will be a long road. For the foreseeable future and beyond, as I view it, we are going to have masses of refugees in any case.

Considering the state of the world, one of the most unrealistic assessments at the United Nations is that refugee problems are temporary and that the mandate of the U.N. High Commissioner for Refugees (UNHCR) need be extended only five years at a time.

<sup>1</sup> Made at Sidney Sussex College, Cambridge University, Cambridge, England, on Feb. 25.

Positions like mine, institutions like the UNHCR and the Intergovernmental Committee for European Migration (ICEM), in my opinion are going to have to be continued in one form or another for years to come; they are going to require more, not less, support from such agencies as the World Health Organization (WHO), the World Food Program (WFP), the U.N. Children's Fund (UNICEF), the U.N. Development Program (UNDP), the International Committee of the Red Cross (ICRC), and the others. And if their programs are to succeed, they are going to demand continued support not only from countries like yours and mine with humanitarian traditions but from those of the new-rich nations not hitherto noted for compassionate interest in the dispossessed in foreign lands. There is a work of persuasion to be accomplished here.

### **Tradition of Humanitarianism**

We are having our economic problems in the United States as are you over here. Some in my country are beginning to ask questions about admission of refugees in a time of unemployment and about the amounts of expenditures overseas. Let me say at the outset I am entirely confident that, come what may, we Americans are going to continue to contribute our share in commodities and money, to defend the right of freedom of movement, to exert our share of leadership in international humanitarian affairs. From what I know of my country, majority public opinion will have it no other way.

Let me talk about this for a minute—at the risk of seeming to belabor the obvious. We have been a nation of refugees from the beginning. When the British took New Amsterdam from the Dutch in our early colonial times, they found refugees there speaking 14 different languages. Not long after establishment of this college, when religious persecution on this side of the Atlantic brought our first settlers to New England—the fact that they promptly began to persecute each other is incidental—they established a legend which is taught to every American child: that the refugee Pilgrims

and the Puritans crossed the ocean in search of the freedom they could find only in America.

Consider our Revolution. I have heard the suggestion that, what with all the trouble-makers you British got rid of, you might well celebrate our July 4 Independence Day on this island as your Thanksgiving Day. Those renegades of yours—our Founding Fathers—had practical reasons for cutting the umbilical cord to King George's England, but they were fired also by ideology, the ideas which found expression in our Declaration of Independence of 199 years ago and our Bill of Rights. Their ideology had its roots, of course, in the history of this island and the philosophies of enlightened thinkers of that era over here, especially in England, France, Germany. So they were in great part your doing, these American notions of man's right to life, liberty, and the pursuit of happiness. From the beginning we have insisted on them not just as the rights of Americans but of all men. Presidents have made this point repeatedly, from Jefferson through Lincoln, Wilson, Franklin Roosevelt, and John Kennedy, into the present. Our churches teach it, most of them. Humanitarian leaders espouse the cause. Members of the American Congress continue to insist on it, sometimes, as you may note currently, to the jeopardy of our diplomatic objectives and concepts of national security—a broad problem to which President Ford is giving serious attention.

There are other factors in this public opinion equation which should not be overlooked. There are our immigrants—nearly 50 million refugees and others over the years—who, with their children and grandchildren, form ethnic blocs alive to American tradition and very prompt and forceful to remind the government of its humanitarian duty. There is among us, I sometimes feel, a little of a sense of guilt at our affluence in the face of human suffering abroad. There seems to be in our ethos a special compassion for the overseas dispossessed, to the point that some Americans complain we do not apply it equally to our underprivileged at home.

Whatever the motivation of the individual, Americans do open their purses when the voluntary organizations make their appeals for refugee assistance funds, and they do exert pressure for government intervention, financial or diplomatic, when refugee situations arise. A measure of magnitude of the result is that our Congress, during the four years of my own service alone, has provided well over \$1.2 billion for refugee programs—programs which have helped support, repatriate, or resettle about 4 million persons a year, plus nearly 10 million Bengalis in the great subcontinent crisis of 1971–72.

I hope I do not give the impression I overlook the materialism or other faults of our modern society nor that I claim for my country any monopoly of virtue in humanitarian matters. I am well aware that the fires burn as bright or brighter elsewhere. I recognize there are compassionate people, especially in Western and Northern Europe, who with their governments are regularly more generous than we to refugees, in terms of population and resources. During conferences at Geneva and elsewhere, I am privileged to meet international leaders in humanitarian affairs, and I note they come from diverse societies in many parts of the world.

If I dwell on my country's role it is because of my conviction that the national tradition I have discussed is of overriding strength and, combined with our wealth, size, and power, will keep thrusting us into the forefront in humanitarian affairs. I dwell on this also because, as I construe your invitation, it is what you want me to talk about.

### **Policies and Concepts in Refugee Affairs**

What, then, of U.S. policies and concepts in refugee affairs—what of today's problems?

Given a more perfect world order, the United States would prefer to leave refugee assistance to the multinational organizations and the voluntary organizations, paying our fair share of the cost along the way and providing leadership as opportunity occurs. But

realism compels me to predict you will continue to see, for the foreseeable future, a mix of U.S. support for UNHCR, ICEM, and ICRC with unilateral operations such as our U.S. Refugee Program, established in 1952 to assist escapees from Eastern Europe.

As I see it today, it would be politically impossible for us to phase out the U.S. Refugee Program. We are watching with interest signs of modification of travel restrictions in that area, notably in Poland, Romania, Czechoslovakia. But until there is recognition in the Communist countries of something at least approaching the full right of freedom of movement, I doubt U.S. domestic public opinion will stand for withdrawal of our support of their refugees. Nor will the aims of our foreign policy permit it; for as Secretary Kissinger has made clear, in seeking détente we have no intention of abandoning our dedication to the cause of human rights. The U.S. Refugee Program annually is helping support 7,000 to 8,000 persons in countries of first asylum and assisting their resettlement in third countries; it is also involved in the Soviet Jewish program I'll be discussing in a minute. It has been with us for 23 years and will be with us, I expect, for quite a long time to come.

Those of you familiar with the American political scene recognize that we are in the midst of a mini-revolution in our national legislature and in relations between the legislative and executive branches of our government. This isn't exactly new to me, for it has been nearly three years since the Congress took the bit in its teeth and instructed the Department of State—specifically my office—to undertake a program to assist Israel in its resettlement of Jews from the Soviet Union. This was a political act reflecting public opinion, expressing a defense of the right of freedom of movement but, more basically, humanitarian support for Israel itself. We've spent more than \$85 million since 1973 helping Israel develop its infrastructure for reception of Soviet immigrants—absorption centers, housing, medical training facilities—and in assistance, scholar-



ships, vocational training, care and maintenance, and the like for individual immigrants. And I expect we'll be spending many millions more as time passes.

It is a program which has seen an interesting development presenting a challenge to the full international humanitarian community. Some Soviet Jews have sought emigration to countries other than Israel, notably my own, and some, having reached Israel, have decided to move from there to the West. This has resulted in concentrations of these migrants in Rome, Brussels, Paris, West Berlin. It has provoked efforts of the receiving countries to restrict the flow. There are humanitarian problems here, problems of principle as well as the logistics of assistance, which have us and others deeply concerned and which are going to have to be solved.

A cardinal conviction of U.S. refugee policy supports the thesis that although assistance to refugees is necessary in emergency situations, these dole-type programs are in fact secondary. It is central in these situations, beyond shelter and simple sustenance, to secure the civil rights of refugees and, above all, to work toward their rapid repatriation or resettlement. Prince Sadruddin Aga Khan, the U.N. High Commissioner for Refugees, has stressed these points on many occasions. They are not especially new. Whether instinctively or not, the Western nations recognized them in the wake of World War II. Had it not been for the successful large-scale efforts in those years to repatriate or resettle literally millions of displaced persons, we would today have irredentist problems all over the place, in Asia as well as in Europe. The lesson has been applied repeatedly since then—Hungary, Algeria, Czechoslovakia, the Sudan. India only three years ago wisely insisted there could be no thought of a permanent relief program for her flood of refugees from what had been East Pakistan; we witnessed their dramatic return to Bangladesh.

Contrast this with what has happened elsewhere. Where you have longstanding institutionalized welfare programs without re-

patriation or resettlement, what you get is a spinoff from the camps of hijacking and terror—perpetuation of an intolerable threat to peace.

It is a matter of great concern to us that something of the kind may today be developing in Cyprus. For I repeat, it is basic that continuing refugee situations, if allowed to fester, put peace in jeopardy. Unless diplomacy, unless world opinion, can be brought to focus on the proposition that humanitarianism and human rights should be central in politics, that no matter how deeply their plight is involved in the particular strife, dispossessed masses of refugees must not be allowed to become pawns in disputes—unless we can bring this about, we are not going to be able to turn the course of history around.

To accomplish it will be uphill work. It is a matter of attitudes of nations and peoples, of the marshaling of world public opinion. It may take another cataclysm or two to set us firmly on the track. Meanwhile men of good will can chip away at the challenge.

#### **Accession to Refugee Convention**

Let me conclude by discussing briefly an American initiative in this area, an effort to bring about wider acceptance of an important human rights treaty—the Convention and Protocol on the Status of Refugees.

The sad fact is that 24 years after the convention was adopted at Geneva, eight years after its 1967 protocol was opened for signature, there still are more than 70 member states of the United Nations which have not acceded. This is a subject I had the opportunity to bring to the attention of jurists and lawyers from 128 countries at the World Peace Through Law Conference held at Abidjan, Ivory Coast, in August of 1973. The matter has been one of great concern to the High Commissioner for Refugees; Prince Sadruddin last summer appealed directly to 73 nonsignatory countries to start moving toward accession.

In Washington, as a beginning, we have begun to approach these countries through their Chiefs of Mission, urging them to bring the matter to the attention of their governments. I have talked thus far with the Ambassadors of Japan, Iran, Venezuela, Spain, India, Sri Lanka, Nicaragua, Guatemala, and the Dominican Republic and will be talking with others; Mexico, Indonesia, Panama, are on my initial list with more to come. It is not a shotgun plan. We are concentrating first on nations we believe will be most receptive and on Asia and Central America because accessions are spottiest in these areas.

The private sector World Peace Through Law movement, which is centered in Washington and has influential members in most of the nonsignatory nations, is working along similar lines, not only to urge governments to accede to the treaty but also to devise even greater legal protection of refugees and their rights. For example, World Peace Through Law has established a select joint committee with the International Law Association, headquartered in London; the committee is in the course of a two-year study of what needs to be done.

We thus have three separate but cooperative efforts directed toward the common objective—our own, that of the UNHCR in the multilateral context, and the jurist and lawyer approach on the local scene. We look to governments and public opinion in those nations which have long since acceded—including the United Kingdom and all of Western Europe—to support this effort as opportunities arise.

The convention, with its protocol, establishes the legal rights of refugees which are necessary to them if they are to cease being refugees. It defines their protection, provides for their asylum in the signatory countries. It has been called the Refugee Magna Carta. Extending its authority will take time. But the strategy of the effort, considering all factors, has to be long range. The goal, stated in simplest terms, is to work toward entrenchment of civil liberties in interna-

tional law as deeply as they are entrenched in the laws of our countries, yours and mine. It is to gain such wide adherence and enforcement of the treaty that the hard-core nations which do not accept concepts of freedom and dignity, or pay them only lipservice, will be isolated and thus exposed to the pressures of world public opinion until they, too, begin to mend their ways, to the advancement of the rights of man and the cause of peace.

## **Secretary Regrets OAU Resolution on Nominee for African Affairs Post**

*Following is the text of a letter dated February 23 from Secretary Kissinger to William A. Eteki Mboumoua, Secretary General of the Organization of African Unity (OAU).*

Press release 98 dated February 24

FEBRUARY 23, 1975.

DEAR MR. SECRETARY GENERAL: The text of the "Consensus Resolution" of the OAU Council of Ministers commenting upon the nomination by the President of the United States of Nathaniel Davis to the important position of Assistant Secretary of State for African Affairs has been brought to my attention by press accounts.

The selection of senior officials for posts in the United States Government is a function of American sovereignty. Unlike the established procedures for accrediting Ambassadors for whom agrément is sought, the selection of Assistant Secretaries of State remains a purely internal, domestic concern. The United States Government would never comment publicly upon the choices of other sovereign governments in filling any of their public offices. Under commonly accepted principles of international decency it has the right to expect the same of other governments, particularly of those whom it has regarded as friends. You will understand, Mr. Secretary General, the depth of my dismay in learning from the press of

this unprecedented and harmful act of the Council.

Ambassador Davis, as you know, is a brilliant career officer in our Foreign Service. President Ford and I repose particular trust and confidence in him. Indeed, he has served with great distinction in high posts in our public service under Presidents Kennedy, Johnson and Nixon as Deputy Associate Director of the Peace Corps, Minister to Bulgaria, Ambassador to Guatemala, Ambassador to Chile and as Director General of the Foreign Service. He is not yet fifty years old. The post to which he has been nominated by the President is one to which we attach very great importance. Mr. Davis was selected in order to give new impetus and inspiration to our African policy. I have full confidence in his ability to fill this vital position with distinction. I am certain that the African statesmen with whom he will be dealing will learn to respect him as I do.

I cannot believe, Mr. Secretary General, that the members of the Council were aware that Ambassador Davis, while serving in the Peace Corps under President Kennedy, traveled widely in Africa, that he was a marshal in the great 1963 Civil Rights March in Washington led by Dr. Martin Luther King, that he has served for periods totaling five years as an Assistant Professor at Washington's leading black institution, Howard University, and that he has devoted many years of his spare time as a volunteer worker among the disadvantaged black citizens of Washington. I am truly saddened to learn of the manner in which the Council has besmirched the reputation of this outstanding man who was selected precisely because we believed that he possessed the breadth of view and the compassionate understanding for a new approach to this vital position. To suggest that such a man has a mission to "destabilize" Africa, a continent

with which we have enjoyed excellent relations and in whose development it is our policy to assist is unacceptable and offensive. (I might also add that the word "destabilize" is one coined by a newspaper reporter, not one ever used by any U.S. official to describe our activities in any country.)

I would ask you to communicate to the African heads of State at the earliest possible moment the text of this message in order that the regret felt in the United States over this unfortunate and unfair action is well understood.

## **Secretary Deplores Terrorist Murder of Consular Agent John Egan**

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

It is with the utmost regret that we have learned of the murder of Consular Agent John Patrick Egan at Cordoba in Argentina. Mr. Egan met violent death at the hands of a group of terrorists, a senseless and despicable crime which shocks the sensibilities of all civilized men. We are sure those responsible will be found and brought to justice.

Mr. Egan was a loyal, dedicated citizen who served his country quietly and effectively. He joins the ranks of loyal Americans who have laid down their lives in the line of duty. This murder should again signal to the community of civilized nations the necessity of concerted and firm action to combat the continuing menace of terrorism.

On behalf of my colleagues in the Department of State and the Foreign Service, Mrs. Kissinger and I extend deepest sympathy to Mrs. Egan and other members of the family on this loss to them and to ourselves.

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<sup>1</sup> Issued on Feb. 28.

## Department Discusses Foreign Policy Aspects of Foreign Investment Act of 1975

*Statement by Charles W. Robinson  
Under Secretary for Economic Affairs<sup>1</sup>*

I welcome this opportunity to testify before you on S. 425, the Foreign Investment Act of 1975, which provides for notification by foreign investors of purchases of equity shares in U.S. firms and gives the President authority to screen and, at his discretion, block investments which would result in a foreigner acquiring beneficial ownership of more than 5 percent of the equity securities of a U.S. company.

Since other witnesses, including representatives of Treasury, Commerce, and SEC [Securities and Exchange Commission], are speaking to the technical aspects of the bill and its implications for financial markets, I will confine my remarks principally to the foreign policy issues which it raises.

The traditional policy of the United States has been to minimize the barriers to investment as well as to trade flows. Our own actions have reflected this, and we have taken a leadership role in seeking broad acceptance of the benefits of the relatively unrestrained movement internationally of goods and capital. We were, for example, instrumental in the development of the Code of

Liberalization of Capital Movements by the members of the Organization for Economic Cooperation and Development (OECD). The United States is currently working to formulate within the OECD agreements to consult regarding departures from national treatment of foreign investors or the institution of incentives or disincentives for foreign investment. Further, our commitment to generally nonrestrictive treatment of foreign investment is embodied in an extensive network of friendship, commerce, and navigation (FCN) treaties.

Our policy of encouraging generally unrestricted capital flows is soundly based in economic theory and has in fact served us and the world well. As a former Treasury official expressed it, foreign capital "instead of being viewed as a rival . . . ought to be considered as a most valuable auxiliary, conducing to put in motion a greater quantity of productive labor and a greater portion of useful enterprise than could exist without it." That is as true now as when Alexander Hamilton said it in 1791.

The Congress and we in the Administration are, however, quite properly concerned regarding whether our information-gathering capability and safeguards against abuses are adequate in view of the potential that has been created for greatly increased investment in U.S. industry in the years im-

<sup>1</sup> Made before the Subcommittee on Securities of the Senate Committee on Banking, Housing, and Urban Affairs on Mar. 4. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

mediately ahead. We are indeed faced with a new situation created by the accumulation of massive investable reserves in the hands of a relatively few oil-producing countries. To what extent and in what way those governments invest those reserves in the United States is clearly a matter of urgent concern both to the Congress and to the executive branch.

We have, then, a need to move quickly and decisively in three areas: (1) develop an improved system for monitoring, on a current basis, foreign investment flows into U.S. industry; (2) design a system of oversight which gives the executive branch the capability to assure that existing authority to deal with abuses by particular foreign investors is vigorously enforced and that any gaps in such authority are promptly recognized and steps taken to close them; and (3) reach agreements with those foreign governments that are capable of making very substantial investments in U.S. industry that they will consult with us before making major investments in U.S. firms. The recently completed Administration review of inward-investment policy calls for effective action in each of these areas.

Our policy review concluded that there already exists extensive authority to require reporting and to deal with abuses but that it is scattered in various departments and agencies and is not being efficiently used as a base for a cohesive inward-investment policy. We now intend to establish a new centralized office and an interagency investment board to assure the effective, coordinated use of existing authority and, in the course of providing continuous oversight, to determine when and if new laws or regulations are needed and initiate appropriate action. (A benchmark survey of foreign investment in the United States is currently being undertaken by the Treasury and Commerce Departments under the authority of the Foreign Investment Review Act of 1974, which the Administration strongly supported; and that study will provide a necessary and valuable updating of our informa-

tion on existing foreign investment.)

An essential feature of our proposed policy is to seek agreement promptly from the governments of major oil-exporting countries that they will undertake to consult with us in advance of any major investments in the United States. We already have had clear indications that those countries recognize our legitimate concerns regarding the potential for investments of a controlling nature in U.S. firms by countries that are accumulating large investable reserves. In certain instances, such as the recent Iranian negotiations with Pan Am, they have already informally sought advance concurrence of the U.S. Government.

Once it is in place, the interagency investment board would be an appropriate vehicle for developing the U.S. Government position with regard to proposed investments on which we had entered into prior consultations with foreign governments. The agreement to consult would be reached bilaterally between the United States and each of the foreign governments concerned. While this could be accomplished in various ways, the Joint Commissions which have been formed with a number of the oil-producing countries would be one suitable forum for reaching such agreements. The Joint Commissions could then be used as a channel for information regarding particular major investments which are being contemplated.

I am confident that the steps that the Administration now intends to take will adequately safeguard the United States from investments of an undesirable nature, while at the same time not denying us the very real and substantial benefits of relatively unrestricted investment flows.

The Department of State is opposed to S. 425 on the basis that it goes beyond what is necessary to safeguard our national interests from any undesirable foreign investments and might well have the effect of discouraging investments which we would find desirable. Moreover, it would call into question our longstanding commitment to an international system which provides for a high degree of freedom in the movement of

trade and investment flows and would tend to undermine our world leadership in this area.

It must also be pointed out that the "screening" provisions of this bill—that is, those provisions which permit the President to prohibit the acquisition by foreigners or by U.S. companies controlled by foreigners of more than 5 percent of most American companies—violate approximately 15 of our treaties of friendship, commerce, and navigation.

These FCN treaties are designed to establish an agreed framework within which mutually beneficial economic relations between two countries can take place. The executive branch has long regarded these treaties as an important element in promoting our national interest and building a strong world economy, and the Senate, by ratification of our FCN treaties, has supported this view.

To our benefit, the treaties establish a comprehensive basis for the protection of American commerce and citizens and their business and other interests abroad, including the right to prompt, adequate, and effective compensation in the event of nationalization. However, the FCN treaties are not one-sided. Rights assured to Americans in foreign countries are also assured in equivalent measure to foreigners in this country.

From the viewpoint of foreign economic policy, the incentive for the FCN's was the desire to establish agreed legal conditions favorable to private investment. The heart of "modern" (i.e., post-World War II) FCN treaties—and those with our OECD partners are generally of this type—is the provision relating to the establishment and operation of companies.

This provision may be divided into two parts: (1) the right to establish and acquire majority interests in enterprises in the territory of the other party is governed by the national-treatment standard, (2) the foreign-controlled domestic company, once established, is assured national treatment, and discrimination against it in any way by reason of its control by nationals of the foreign cosignatory to the FCN treaty is not per-

missible. ("National treatment" means the same treatment a country gives its own citizens in like circumstances.) It is these two aspects of many of the treaties which are infringed upon by the bill before us.

It is important to note that the FCN treaties do exempt certain areas from the national-treatment standard in order to conform with laws and policies in existence when the treaties were negotiated and in order not to infringe upon other treaty obligations of the United States or our national security interests. Thus, specific exclusions from national treatment, while varying somewhat from treaty to treaty, include communications, air and water transport, banking, and exploitation of natural resources. Also, the modern FCN provides that its terms do not preclude the application of measures to fissionable materials, regulating the production of or traffic in implements of war or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment, or measures necessary to protect essential security interests. The provisions of S. 425, however, go far beyond the necessary exceptions already permitted to national treatment.

In summary, we are sympathetic with the purposes of S. 425 and agree that safeguards are needed to assure that the potential for large-scale foreign investment, particularly from the major oil-exporting countries, does not pose a threat to U.S. national interests. We are convinced, however, that many of the safeguards already exist and that the steps the executive branch is now planning to take are a means of dealing effectively with this issue while at the same time maintaining our longstanding commitment to generally unrestrained investment flows. We are confident that we can obtain agreement from those governments accumulating massive investable reserves to consult prior to undertaking major investments in the United States, and we see no need for a general screening requirement on foreign investment. Thus, we oppose such a screening system, which would mark a turn toward restriction in U.S. investment policy.

## Department Reiterates Need To Cut Dependence on Imported Oil

*Following is a statement by Thomas O. Enders, Assistant Secretary for Economic and Business Affairs, submitted to the House Committee on Ways and Means on March 3.<sup>1</sup>*

Press release 109 dated March 3

You asked me to discuss the international aspects of the President's energy program.

It is now more than 16 months since the October embargo demonstrated that our excessive dependence on imported oil carried with it unacceptable vulnerability to manipulation of our oil supply and oil prices.

Our international energy effort since the Washington Conference of last February has concentrated on the creation of a framework of close consumer country cooperation. Through this effort we seek to reduce and eventually eliminate our vulnerability and to establish a basis from which we can proceed to a productive dialogue with the oil-producing countries.

Our first objective was to obtain an immediate reduction in our vulnerability to supply interruptions. We have done this through negotiation of the International Energy Program, which commits the 18 countries in the new International Energy Agency (IEA) to build up emergency stocks and to take coordinated demand restraint and oil-sharing measures in the event of a new embargo. This agreement provides for participants to assist countries singled out for a selective embargo, as we were in 1973; it provides special protection for our east coast, which is particularly dependent on imports and thus vulnerable to an embargo.

We have also agreed in principle with the main industrial countries on a financial safety net to protect us against the eventual exercise of the new power OPEC [Organiza-

tion of Petroleum Exporting Countries] is acquiring over us—the power to make massive, destabilizing withdrawals of petrodollars. This safety net—the \$25 billion solidarity fund in which the Administration will shortly seek congressional authorization to participate—is not an aid fund, but a lender of last resort.

These efforts are, however, essentially short-term insurance policies. The only long-term solution to our problem of vulnerability is to reduce, both individually and in cooperation with the other major industrialized countries, our dependence on imported oil. In this second phase of our effort, we seek to reduce our consumption of imported oil and to accelerate the development of alternative sources, shifting the world supply-demand balance for oil in our favor and thereby bringing the price of oil down.

In February, the Governing Board of the International Energy Agency reached agreement on an IEA target of a reduction in oil imports for the group as a whole of 2 million barrels a day by the end of this year. On the basis of the President's energy program, the United States committed to save a million barrels a day. This corresponds to our share in group oil consumption, which is almost exactly one-half. We have also agreed to fix similar conservation objectives for 1976-77, 1980, and 1985.

There has been a great deal of question in this country, Mr. Chairman, as to whether we shouldn't give priority to getting our economies going and look to conservation only later.

It is true that a badly conceived program of conservation could hurt employment. For example, last year's embargo fell almost entirely on the auto industry and its suppliers; and this concentration, combined with the lack of offsetting expenditures in other fields, caused up to half a million people to lose their jobs. But a well-designed conservation program spreading the burden over the range of our oil and gas consumption and rebating the taxes raised need not have such employment effects. Indeed, some of the conservation measures that we can take, such

<sup>1</sup>The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

as house retrofits to improve heating efficiency and oil-to-coal conversion of utility plants, will have a stimulative effect.

But the important thing to realize is that we really have no choice. We must get the economy going and launch conservation at the same time. Consider what happens if we don't. We are now importing 6½ million barrels a day of petroleum and products—not really down from before the embargo—in spite of high prices, the recession, and two warm winters in a row. With our stagnant oil production and falling natural gas production, the demand for imports will increase as the economy gets moving again, and with a more normal or even a hard winter, that increase will accelerate. We could be importing as much as 9 million barrels a day by the end of 1977. A new embargo then could cost us 2 million jobs and some \$40–\$80 billion in GNP.

It probably will take us until late 1977 to get unemployment down from the current 8 million to 6 million. With our increasing dependency on imported oil, Arab oil producers will have the power to move us back to 8 again in a few weeks' time. I do not believe that Congress or the American people will wish to see such power remain in the hands of the oil producers.

The second main task in the IEA is the development of a coordinated system of cooperation in the accelerated development of alternative energy supplies.

Why is it important to bring on alternative sources, and why must we coordinate with other consuming countries? In the case of the United States, it will be impossible to achieve our goal of substantial self-sufficiency without a major development of alternative supplies. In the first instance, this means that we must remove the constraints which now make their development uneconomic or impossible. That means that we must start leasing the outer continental shelf, change the status of Naval Petroleum Reserve No. 4 in Alaska, improve the rate structure of utilities so that new nuclear plants again become economic, provide greater incentives for gas and oil production, deregulate oil and gas prices.

But we must also be concerned about future price risks. All of the sources to be developed in the United States will come in at costs far above the 25 cents a barrel at which oil can be produced in the Persian Gulf. Investors can thus be exposed to the risk of predatory pricing by OPEC. If, for example, the price were to fall to \$4 a barrel, domestic U.S. production is estimated to fall sharply from its 11 million barrels a day. Consumption would be strongly stimulated, and in 1985 the import requirement at such a price level is estimated to exceed 20 million barrels a day. At that level of dependence a new embargo would cost us over 10 million jobs.

We have the same interest in seeing other consumers develop their alternative sources rapidly as we do in developing our own; both shift the balance of demand and supply in the market and help to bring current exorbitant prices of oil down. We also want to be sure that other countries do not nullify our own efforts to bring on alternative sources and cause the international price to drop by restimulating their consumption when prices begin to fall. Finally, no country has an interest in investing heavily in high-cost energy if others are wholly free to consume low-cost energy when the price breaks, thus acquiring a major advantage in international trade.

For these reasons, we believe that the United States and all the consuming countries have an interest in a common policy to protect and stimulate alternative supplies. The specific elements of this policy are still subject to negotiation, but the main elements are:

—A general commitment to insure that investment in conventional nuclear and fossil fuel sources in our countries is protected against possible future competition from cheap imported oil. We would agree, in effect, not to allow imported oil to be sold domestically at less than a common minimum price. This could be implemented through a common price floor or a common external tariff. In the case of the United States, this commitment would be implemented by authorities which the President is seeking under



Title IX of the Energy Independence Act of 1975.

—Creation of an international energy consortium under which IEA countries willing to contribute capital and technology could participate in each other's efforts to stimulate production of energy, especially synthetics and other high-cost fuels.

—A comprehensive energy research and development program under which two or more IEA countries would pool national efforts on a project-by-project basis.

—Systematic and regular review of national energy programs against a set of common criteria which would permit an exchange of information and provide incentives for vigorous efforts by all participating countries to meet our common objectives.

Mr. Chairman, there have been lots of opportunities for false comfort since the oil crisis began. Last summer a surplus of oil emerged in the international market because of seasonal factors and price resistance. We got some undercover price cutting; a lot of people told us that it was only a matter of weeks before OPEC was finished. When the market firmed in the winter and OPEC raised the prices again, we found out that wasn't the case.

With the recession, an easy winter, dis-inventorying, and more price resistance, the market is again soft and will be through much of the summer. The heat will be on OPEC to distribute the production cuts, and we can hope for some more or less disguised price cutting. But with the chances of a hard winter after two warm ones, with our determination to get the economy moving again, with the decay in our natural gas position, our oil import requirements will move up very sharply in the future.

Now and again, some analysts say that OPEC accumulations of surplus funds are not going to be as big as we had originally feared. Whatever the quality of these estimates, and it is uneven, it is no real comfort to know that OPEC is getting less investment assets because we are shipping more goods to them thereby aggravating our inflation. Nor is it a comfort to know that by

1980 OPEC might have accumulated only \$300 billion rather than \$500 billion in investments, since the possibilities of disruptive movements of these funds are essentially as great at the lower as at the higher level.

The oil crisis will not simply go away, Mr. Chairman. We must act to make it go away by bringing our consumption of oil under control at last, by developing our own energy, and by working with other consuming countries so that they may do the same. Only this way can we achieve our two essential objectives, a substantial decrease in the international price of oil and substantial U.S. self-sufficiency in energy.

## Department Discusses Developments in Ethiopia

*Following is a statement by Edward W. Mulcahy, Acting Assistant Secretary for African Affairs, made before the Subcommittee on International Political and Military Affairs of the House Committee on Foreign Affairs on March 5.<sup>1</sup>*

I am pleased at this opportunity to meet with this subcommittee and to give an account of recent developments in Ethiopia. As Acting Assistant Secretary for African Affairs I have been deeply engrossed in the subject for the past month, ever since heavy fighting broke out in the Ethiopian Province of Eritrea on January 31. I also have a very personal interest in this subject since I served at one time as consul in Asmara; indeed, 25 years ago last month I opened our consular post there.

The Province of Eritrea is distinguished from the rest of Ethiopia primarily by the foreign influences to which it has been subjected. Although once at the heart of the Ethiopian kingdom of Axum, from which the present Ethiopian state is descended, its

<sup>1</sup>The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

location on the Red Sea has made it more subject than the rest of Ethiopia to intrusion by non-Africans. Thus, Arabs, Turks, Egyptians, Italians, and British have at various times occupied and ruled it. The Italians were the first to name the province Eritrea, after the Greek appellation for the Red (Erythrean) Sea.

The Italians occupied what is now Eritrea as a colony for nearly 50 years, and parts of it even longer. They were evicted from all of East Africa in 1941 by the British during the course of World War II. The British administered the area until 1952, when the United Nations established a federal relationship between Eritrea and Ethiopia. This federal relationship was dissolved in 1962 when Eritrea became a province of Ethiopia.

The ethnic makeup of the province is important for an understanding of the present situation. The population is divided, roughly half and half, between Moslems and Christians, about 1 million each. The Christians, belonging chiefly to the Ethiopian Orthodox—sometimes called Coptic—Church, live mainly on the high plateau in the center, ranging up to nearly 8,000-foot altitudes. The Moslems in the main inhabit the lower slopes of the highlands and the desert-like northern and coastal areas, and consist of some six or seven major ethnic and linguistic groups.

Following Eritrea's integration with Ethiopia and the end of the federal arrangement in late 1962, the Eritrean Liberation Front (ELF) launched an armed resistance against the central government. It was—and still is—a predominantly, but not exclusively, Moslem movement. Later, in 1966, a new movement, the Popular Liberation Forces (PLF), was formed. It is less heavily Moslem, smaller than the ELF, and appears to espouse a Marxist philosophy. Until a few months ago when they agreed to cooperate, the two movements remained at loggerheads and sometimes have fought each other. At any rate, the insurgency began in late 1962 and has been going on ever since, although rather sporadically until the past few weeks. In spite of a once-large

official American presence in Eritrea—up to 3,500 only a few years ago—Americans were never molested, except for the accidental killing of one serviceman and the kidnapping of several oil exploration personnel and a missionary nurse last year.

In 1974, when a group of young officers and enlisted men gradually took over control of Ethiopia, there seemed to be a good chance that a political settlement could be reached to the Eritrean problem. An Eritrean, Gen. Aman Michael Andom, became Prime Minister and his government seemed disposed to take steps to ease Eritrean grievances against the central government. However, Aman, who had gained the confidence of the Eritrean people, was killed in November; and therefore what opportunity existed at that time for improved relations was lost. Subsequently efforts were made by the new leadership in Addis Ababa to get the negotiations started. The ELF-PLF insisted on acceptance of independence as a precondition to agreeing to sit down at the negotiating table. This was unacceptable to Ethiopia. Fighting broke out on January 31. The two sides seem quite far apart now, with the Eritrean movements insisting in their public statements on full independence and the central government refusing in its public statements to countenance any breach of the country's territorial integrity.

The United States has traditionally had friendly, mutually beneficial relations with Ethiopia and important interests there, including the Kagnew communications station established at Asmara since 1942, access to Ethiopia's airfields and ports, and a potential market of 26 million people. We believe that this longtime relationship is worth preserving.

In recent years the strategic location of Ethiopia, close to the Middle East oil supplies and the Indian Ocean oil routes, has become increasingly important. Protracted instability in this second most populous country in black Africa could have adverse repercussions.

Moreover, the black African states do not

want to see the disintegration of Ethiopia. It has always been one of their most respected principles that the territorial integrity of members of the Organization of African Unity be respected, and not changed by force of arms. They would be very critical of us if we were to withdraw our support from the Ethiopian Government at this crucial time. Some African states have, in fact, already expressed to us in confidence their deep concern for the present situation.

Pursuant to our military assistance agreement with Ethiopia, which dates from May 1953, the Ethiopian army and air force have been trained and equipped almost entirely on American lines. In spite of this, the United States has, ever since the outbreak of the insurgency in 1962, consciously refrained from becoming directly involved in this internal difficulty by precluding any advisory effort in the operations. We do not intend to become directly involved in the present conflict.

Our security assistance to Ethiopia over 22 years has totaled approximately \$200 million. In fiscal year 1974 the figure was \$22.3 million, of which \$11.3 million was grant assistance and \$11 million in FMS [foreign military sales] credits. Because of congressionally imposed ceilings on MAP [military assistance program] funds for Africa and the competing requests of other African friends, we have never been able to be as responsive to Ethiopia's requests for as high a level of military support as that government would have liked.

For many years the Ethiopian Government has agreed to our locating the important Kagnew communications facility in Asmara. Over the past two years, because of improved communications technology, the use of satellites, et cetera, we were able gradually to phase down our once-large radio facilities at Asmara and to reduce our personnel and dependents there to less than 200 at the start of this year. When serious conflict flared up a month ago we evacuated all dependents and nonessential personnel. Currently, in addition to 44 uniformed and civilian contract personnel remaining at

Kagnew, there are nine people at the Consulate General in Asmara. In spite of the greatly reduced staff, Kagnew is still being maintained as a link in the worldwide naval communications network. Except for minor damage due to stray small-arms fire, American property has not been harmed; nor has any American citizen suffered injury. Outside Asmara, chiefly at mission stations away from the combat areas, another 30-40 Americans can be found elsewhere in Eritrea.

Just a few days after the serious fighting erupted, President Nimeri of the neighboring Sudan extended his good offices to both sides in the conflict, offering to mediate a peaceful solution. While his efforts have not met with any reported success because the public positions of the two sides remain far apart, the peacemaking effort is still going forward. We would like to see a peaceful settlement of the Eritrean problem, for we believe that this is the only way to achieve a lasting solution.

A little over two weeks ago the Ethiopian Government, for whom we are the sole source of ammunition and spare parts, requested an emergency resupply of ammunition plus some nonlethal equipment and offered to pay in cash for it. The request is under active review. Since we received it we have been studying it and refining it in constant exchanges with the Ethiopian Government and our military mission in that country.

Any abrupt cessation or reduction of aid at this critical period could have a highly unfavorable effect on our longstanding relations with the government of this strategically located country. As Secretary Kissinger said [in a news conference on February 25], it would involve cutting off military support to a country whose military establishment is based on American arms at the precise moment when it needs it.

In our deliberations we have constantly before us the larger political and moral implications of our decision. If we say "yes," will it be seen in certain quarters as involvement in the current internal situation? If

we say "no," will it be seen by others as failure to help a traditional friend in an hour of need?

The Ethiopian request is receiving thorough high-level consideration by the agencies concerned. As the Secretary mentioned recently, no final decision has yet been taken.

Here in a few words, Mr. Chairman, ladies, and gentlemen, I have tried to sketch for you in only the broadest terms some of the main elements we see in the present difficult situation. I have tried also to underline for you the extent to which these current events are tending to strike close to home for us in the United States because of our long association with Ethiopia and our long presence in Eritrea. We are seeking to pursue a prudent policy that protects our overall interests.

I would hope, Mr. Chairman, that in the committee's questioning we could defer any discussion of delicate matters to an executive session.

## **Fourteenth Report of ACDA Transmitted to the Congress**

*Message From President Ford*<sup>1</sup>

*To the Congress of the United States:*

America's traditional optimism about the manageability of human affairs is being challenged, as never before, by a host of problems. In the field of national security, arms control offers a potential solution to many of the problems we currently face. The genius of the American people may be said to lie in their ability to search for and find practical solutions, even to the most difficult of problems; and it is no accident that this country has helped lead the world in the quest for international arms control agreements.

<sup>1</sup> Transmitted on Mar. 3 (White House press release); also printed as H. Doc. 94-64, 94th Cong., 1st sess., which includes the complete text of the report.

Safeguarding our national security requires a dual effort. On the one hand, we must maintain an adequate defense against potential great-power adversaries; for although we are pursuing a positive policy of détente with the Communist world, ideological differences and conflicting interests can be expected to continue. On the other hand, we share with them, as with the rest of the world, a common interest in a stable international community.

Over the past year, we have made considerable progress in our arms control negotiations with the Soviet Union. The Vladivostok accord which I reached with Chairman Brezhnev will enable our two countries to establish significant limits on the strategic arms race and will set the stage for negotiations on reductions at a later phase. The U.S. and U.S.S.R. have, over the past year, also reached agreement on the Threshold Test Ban Treaty and on a limitation on ABM deployments to one complex for each country.

The negotiations being held at Vienna on mutual and balanced force reductions in Europe (MBFR), while they have not yet produced conclusive results, are also an important endeavor to limit and reduce armaments safely through mutual agreement. For our part, we shall make every effort to achieve such an outcome.

Even as we see some encouraging progress in our relations with the Soviet Union, we still face a growing danger in the potential proliferation of nuclear weapons to more countries. The U.S. will continue to seek practical steps to avert this danger, while providing the benefits of nuclear energy for peaceful purposes.

The fourteenth annual report of the U.S. Arms Control and Disarmament Agency, which I herewith transmit to the Congress, sets forth the steps which have been taken over the past year to meet these and other national security problems through arms control.

GERALD R. FORD.

THE WHITE HOUSE, *March 3, 1975.*

## Department Urges Passage of Bill Reimposing Full Sanctions Against Southern Rhodesia

*Following are statements presented to the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs on February 26 by Julius L. Katz, Deputy Assistant Secretary for Economic and Business Affairs, and James J. Blake, Deputy Assistant Secretary for African Affairs.<sup>1</sup>*

### STATEMENT BY MR. KATZ

Thank you for this opportunity to appear before your committee to discuss H.R. 1287, a bill to halt the importation of Rhodesian chrome. In my statement I propose to address the question of the economic impact of H.R. 1287, leaving to my colleague the political aspects of the Rhodesian chrome issue. My intention is to outline the economic effects of the Byrd amendment during the three years it has been in force and to discuss the possible economic impact of the reimposition of full sanctions against Rhodesia as proposed in H.R. 1287.

The Byrd amendment, which was enacted at the end of 1971, had as a major objective the lessening of U.S. dependence on the Soviet Union as a source of chromium ore imports. During the period before 1972, the United States had depended on the Soviet Union for about one-half of its metallurgical-grade chromite. We imported virtually no chrome ore from Rhodesia from 1968 through 1971 inclusive, and no ferrochrome

before 1972. In 1971 the Soviet Union supplied 41 percent of U.S. metallurgical chrome ore imports.

Our imports of metallurgical-grade chromite from the Soviet Union rose one-third from 1971 to 1972; and the Soviet import share increased to 58 percent in 1972, as opposed to 9.3 percent for Rhodesia. Last year, estimated chromite imports from the Soviet Union were only slightly below the level of 1971, and the Soviet import share was 56 percent, up 15 percentage points from 1971. Since 1972, our metallurgical-grade chromite imports from Rhodesia have remained steady at about 10 percent of total U.S. imports of this material.

Meanwhile, total U.S. imports of metallurgical-grade chromite have decreased by almost 30 percent. Imports of Rhodesian chromite seem to have replaced declining purchases from third countries rather than displacing imports from the Soviet Union. Since 1971, metallurgical-grade chromite imports from Turkey and South Africa have in fact fallen, and imports from Iran and Pakistan have disappeared.

As this data indicates, Rhodesia has not returned as a major source of metallurgical-grade chromite for the United States during the years following the passage of the Byrd amendment. The level of Rhodesian chromite exports to the United States in 1974 reached only one-sixth of the level of the mid-1960's, before sanctions were imposed. On the other hand, Rhodesia has become a significant import factor for ferrochrome. Rhodesian exports of high-carbon ferrochrome to the United States rose from zero before the enactment of the Byrd amendment to about

<sup>1</sup>The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

20 percent of U.S. imports in 1974 and about 8 percent of total U.S. consumption. Rhodesian exports of low-carbon ferrochrome have also increased, although they are considerably lower relative to total U.S. consumption.

One reason for the failure of Rhodesian exports of metallurgical-grade chromite to take a larger share of the U.S. market can be found in the decision of the Rhodesian government to reinvest mine profits in the construction of a 350,000-ton ferrochrome industry, with the intention of thereafter exporting processed ferrochrome rather than chrome ore. Ferrochrome, which is produced by a number of companies in the United States, is also listed as a strategic material for purposes of the U.S. stockpiling program and is thus eligible for import from Rhodesia under the Byrd amendment. When the Byrd provision lifted sanctions against strategic materials from Rhodesia, Rhodesia concentrated on exporting ferrochrome rather than chrome ore to the United States.

The Soviet Union has exported virtually no ferrochrome to the United States, either before or since the enactment of the Byrd amendment. The tariff on Soviet ferrochrome is four to seven times the tariff applied to non-Communist countries, a situation which—given the non-MFN [most-favored-nation] status of the Soviet Union—will continue to make Soviet ferrochrome prohibitively expensive for American buyers. The major import source of ferrochrome for the United States last year was South Africa. Brazil, Yugoslavia, Japan, and Sweden were also major suppliers.

In terms of prices, the data would appear to indicate that the market forces of supply and demand have been the determining price factors for metallurgical chrome ore, rather than the absence or presence of Rhodesian ore. The average value of all U.S. metallurgical chrome ore imports in 1971 was \$68 per content ton. Soviet ore, which is generally a higher grade ore, averaged \$76.93 per ton; and Rhodesian ore, \$71.14. In 1972, all U.S. metallurgical chrome ore imports

averaged \$65 per content ton, with Soviet ore averaging \$73 and Rhodesian ore, \$68. The first half of 1973 saw a drop in chrome ore prices. Since that time they have risen, responding to the very high demand in stainless steel production. We understand that in recent contract negotiations both Turkish and Soviet ore prices have risen sharply again, although there appears to be some doubt in the face of presently declining demand as to whether the prices will be met.

The economic effects of the Byrd amendment thus can be summarized as follows:

1. The amendment has not stimulated a revival of Rhodesian chromite exports in the quantities required by the U.S. ferrochrome industry.

2. Rhodesian chromite, to the extent that it has come into the United States, has replaced ore shipments from third countries—i.e., Turkey, Iran, South Africa, and Pakistan—rather than the Soviet Union.

3. The amendment has had the effect of increasing our overall dependence for chrome materials on fewer and less dependable sources.

It is thus apparent that the Byrd amendment has brought little or no real economic benefit or advantage to the United States. Similarly, we estimate that the economic cost which might be attributed to the reimposition of a general embargo on imports from Rhodesia would be quite small, when compared with the impact of the macroeconomic currents which in fact determine the climate and direction of the chrome and ferrochrome markets. These currents have never shifted as drastically as they have recently, with the decline in world steel demand and the sharp rise in energy costs.

It would be difficult to regard Rhodesia as an indispensable supplier of chrome under any circumstances. Rhodesia accounted for about 10 percent of U.S. imports of metallurgical-grade chromite in 1974 and only 5 percent of U.S. imports of all grades of chromite. Rhodesian high-carbon ferrochrome represented about 20 percent of U.S. imports (8 percent of U.S. consumption);

Low-carbon ferrochrome imports from Rhodesia accounted for 8 percent of total imports (and 2 percent of U.S. consumption). Alternate sources exist for chrome ore, apart from the Soviet Union; Turkey, Pakistan, the Philippines, Iran, South Africa, and others are capable of supplying chrome ores to the United States.

In a tight market situation, of course, even a relatively small volume of supply can be an important price determinant. A cutoff of Rhodesian chrome thus could contribute to higher prices. How much higher depends on two factors: (1) The degree to which Rhodesian supplies are not replaced by supplies from alternative sources, and (2) the extent to which higher costs are passed through in the per-unit costs of consumer goods, primarily stainless steel products.

It has been estimated that a doubling of the price of chromite and ferrochrome would raise the price of stainless steel by 6 percent and 10 percent respectively. It is doubtful, however, that a cutback in chromite and ferrochrome deliveries from Rhodesia, amounting to about 12 percent of our imported chromium content, will translate into a doubling of chrome prices, especially in the present softening economic situation.

There are substantial quantities of both chromite and ferrochrome in the national strategic stockpile which are excess to our defense requirements and which could be called on to cushion the impact of full trade sanctions against Rhodesia. It is doubtful whether such stocks will be required in the near future. But they are available if Congress should choose to authorize their disposal to assist U.S. industry during the transition period while it reestablishes its alternative supply lines.

The general weakening of world steel demand has taken considerable pressure off the world chrome market. A 25 percent cutback in Japanese stainless steel production, initiated at the end of last year, will reportedly continue into the second half of 1975. This situation has created an exportable surplus of Japanese ferrochrome which will be available to relieve shortages which

might develop during a short transition period after full trade sanctions are imposed on Rhodesia.

In the present economic situation, U.S. industry should thus face a somewhat easier task of adjusting to a cutoff of Rhodesian supplies than would have been the case a year ago. At the same time I should note that, by failing now to repeal the Byrd amendment, we will leave U.S. industry vulnerable to a possible later cutoff of Rhodesian supplies whether by internal changes in Rhodesia, international action, or a later reversal of congressional policy.

A final economic factor should be noted. That is the good will that we risk of the African states to the north of Rhodesia with which we currently have some \$5.9 billion worth of trade. Furthermore, we have substantial investments in these same African countries. They are also important sources of supply for us for a whole range of strategic goods such as petroleum, uranium, manganese, tin, rubber, tungsten, and diamonds, as well as foodstuffs such as coffee and cocoa. Our open contraventions of the U.N. sanctions have placed American businessmen at a disadvantage in their negotiations with African countries in such matters as resource development, investment, and export opportunities.

#### STATEMENT BY MR. BLAKE

I am very pleased to have this opportunity to appear before the subcommittee to discuss H.R. 1287, a bill to amend the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome. As you know, the Byrd amendment has long been a matter of concern to the United States in the conduct of its foreign relations in Africa, at the United Nations and in other international forums, and in the overall context of our record in observing international commitments. At this time retention of the amendment damages our country's efforts to keep pace with fundamental changes, in Africa and the world. Failure to keep pace

with these changes would not only invite potentially longstanding difficulties for the United States but also would be inconsistent with a fundamental principle that we have long respected and observed—the right of all peoples to self-determination.

In 1974, the wave of independence in Africa began to move again. In April, Portugal, weary of war and newly mindful of the value of freedom, made the decision to grant independence to its African colonial territories. The world welcomed the independence of Guinea-Bissau in September. Negotiations have since led to the setting of dates for the independence of Mozambique, in June, and Angola, in November of this year. The United States has welcomed these developments and is seeking means of cooperation with the new governments of these territories.

In Rhodesia, a minority consisting of 4 percent of the population decided in 1965 that it had the right to the vast preponderance of the country's political power and economic resources on the basis of race, with little or no regard for the rights and aspirations of the remaining 96 percent of the population. Since then Ian Smith's regime has persisted in its spurious, unrecognized so-called "independence." Today, however, there are signs that the ability of that regime to maintain itself has been seriously weakened as a result of changes in the area.

Mozambique, astraddle Rhodesia's links to the sea, will achieve independence in a few months' time under a government led by FRELIMO [Liberation Front of Mozambique], a successful African liberation movement allied for years with black Rhodesian liberation movements.

The leaders of white Rhodesia's principal, all-important, and only remaining political ally, the Republic of South Africa, are leading the way in urging the Smith regime in Rhodesia to reach an acceptable settlement with the majority of the Rhodesian people.

The African opposition to minority rule, divided among themselves for more than 10 years, on December 8 announced their unification under the banner of a single orga-

nization inside and outside of Rhodesia, the African National Council.

Interested and concerned nations on the borders of Rhodesia, as well as the British, whose sovereignty over Southern Rhodesia the United States has never ceased to recognize, have taken steps to encourage and facilitate a settlement, a peaceful accommodation for the sharing of power between blacks and whites in the country.

People of reason, even within the white Rhodesian establishment, have begun to perceive that a course set to try to preserve white rule forever in Rhodesia is unrealistic and can only result in violent tragedy. (White immigration and emigration figures continue to reflect that perception.)

There are also clear indications that the Smith regime itself is beginning to realize that the time for negotiations is at hand. Although white officials, including Ian Smith himself, continue to talk about not deviating from "our standards of civilization" (white Rhodesian shorthand for white rule), it is nonetheless clear that considerable efforts are underway within and without Rhodesia to convene a constitutional conference in the near future.

Our policy has in general kept pace with events in southern Africa. We welcome the coming independence of Mozambique and Angola and are keeping in close touch with the leaders of those countries. We have continued, in consultation with other interested nations, to encourage efforts to bring about a negotiated peaceful settlement in Rhodesia providing for majority rule and acceptable to the United Kingdom and to the rest of the international community.

Consistent with that policy, the United States supported the unanimous 1968 U.N. Security Council vote establishing economic sanctions against Rhodesia and subsequently issued Executive orders implementing those sanctions, which we enforce.

The sole exception to that policy, totally inconsistent with it, is the Byrd amendment, permitting the importation of Rhodesian chrome and other minerals in violation of sanctions. Secretary Kissinger has declared



[in a letter to Representative John Buchanan dated February 8, 1974] that he is personally convinced that the Byrd amendment is "not essential to our national security, brings us no real economic advantages, and is costly to the national interest of the United States in our conduct of foreign relations." A few days after assuming the Presidency, President Ford, through his press spokesman, stated his full commitment to repeal of the Byrd amendment.

African and other nations perceive the Byrd amendment as clear and unequivocal U.S. support for a sinking, oppressive, racist minority regime. Support for the white Rhodesian regime is inconsistent with the historic American belief in the right of peaceful self-determination, a constant element in our policy throughout the long period of decolonization not only in Africa but also in the rest of the world. By retaining legislation sharply at variance with an international commitment that we made to other nations we undercut our credibility in advocating peaceful negotiated solutions to other international problems.

The appearance of support for Ian Smith's regime is also unrealistic in terms of long-term American interests in Africa. The liberation of southern Africa remains a principal foreign policy objective of African nations, in bilateral relations and in international forums. A country's position on southern African issues is coming to be the litmus test for African nations in determining the degree of their cooperation in international forums. It may come to be an element in determining trade relations. In that context, a little more Rhodesian chrome now does not equal in value other African resources that we might have to forgo at some future time if we do not pursue a policy that keeps pace with change. In the same sense, repeal of the Byrd amendment

now may be vital in assuring long-range access to Rhodesian chrome for American companies.

Mr. Chairman, committee members, finally, I want to comment on the timeliness of H.R. 1287, introduced on the first day of the 94th Congress. Some have argued that passage of a repeal bill at a time when negotiations in Rhodesia may be imminent is either unnecessary or unwise interference in progress toward a settlement. I believe the contrary to be the case.

The coming months, perhaps many months, of negotiations will be a time when Rhodesians of all colors will be called upon to make concessions, to yield ground in an effort to reach a settlement acceptable to all participants. A normal trading relationship with the rest of the world has always been a primary objective of Rhodesia. Economic sanctions have denied Rhodesia that relationship. In doing so, they have given Rhodesians a strong incentive to arrive at a settlement. For the United States to fail to pass the repeal bill at this time would be to reinforce the Smith regime in its recalcitrance. Retention of the amendment would encourage the minority Rhodesian regime to try to hold on to an unjust, unrealistic, and increasingly dangerous way of life. By repealing the amendment, the Congress would tell the minority regime that the American people do not support them in their intransigence and that we believe that the time for them to share power in their country with the majority of the population is long overdue.

Such a message from the Congress of the United States, speaking for the American people, would serve the U.S. national interest in our relations with Africa. It would also serve the cause of peace in southern Africa. I therefore strongly urge passage of H.R. 1287.

## The Link Between Population and Other Global Issues

*The 18th session of the U.N. Population Commission was held at New York February 18-28. Following is a statement made in the Commission on February 20 by John Scali, U.S. Representative to the United Nations, together with the text of a resolution adopted by the Commission on February 28.*

### STATEMENT BY AMBASSADOR SCALI

USUN press release 11 dated February 20

I am greatly honored to head the U.S. delegation to this year's meeting of the Population Commission and thus to occupy the position so recently filled with distinction by my friend and colleague, Gen. William H. Draper. General Draper was a true leader, in my country and throughout the world community, in the field of population. The death of this resolute pioneer is a tragedy for all mankind. I wish to express my government's deep appreciation for the moving statements of condolence from so many of those who worked with him as allies, and I promise these will be made available to his family.

I do not possess the expertise on population issues which so many of you have developed through years of participation in the work of this Commission. But I can assure you that I share General Draper's deep commitment to the imperative need for more and increasingly effective international action in this highly important field. I agree profoundly with the opening words in President Ford's message to the World Population Conference in Bucharest, in which he said:

You are meeting on a subject that in the true meaning of the word is vital to the future of man-

kind: How the world will cope with its burgeoning population.

I fully appreciate the immense scope of the problem with which you are dealing, and I am impressed by its direct relationship with the other global issues of our time. It is this relationship between your work and that of the rest of the U.N. system which I would like to discuss today.

Clearly, the most evident and compelling linkage today is that between food and population. Growing population is a principal cause of the ever-growing global demand for food. Whether millions face starvation in the coming decades will depend not only on our ability to raise food production to new heights but also on our success in limiting population growth to manageable levels. This fundamental fact is forcefully asserted in the Declaration on Food and Population which thousands of individuals, including myself, recently sent to the Secretary General of the United Nations.

The link between food and population issues also was dramatized in an important but little-publicized speech made at the Population Conference in Bucharest by the Deputy Director General of FAO [Food and Agriculture Organization], Mr. Roy Jackson.

He noted that there are now 1.3 billion more people to be fed today than in 1954 when the first Population Conference was held. He reminded us that over 400 million people are already suffering from protein-energy malnutrition and that rural underemployment and mounting urban unemployment—fed by despairing millions who migrate to the cities—have already reached alarming proportions. Mr. Jackson made two

major points that are worth repeating here. I will quote them:

First, that action must be initiated *now* to reduce the rate of population growth if we are to have any chance at all of meeting the world's food needs 25 years from now.

Second, while family planning and population policy are matters for individuals and governments, there is at the same time a clear need for international action.

The World Food Conference at Rome [November 5-16, 1974] acknowledged that only through cooperative international action can we effectively meet the world's food needs of the future. It is equally clear, however, that unless there is similar international cooperation in controlling population growth even our best efforts to raise food production will be insufficient.

The lives of tens, perhaps hundreds, of millions are involved. If the populations of developing countries continue to grow at rates reflected in the U.N. medium projection, and despite the largest likely increase in their food production, the cereal import requirements of these countries will mount from 24 million tons in 1970 to over 50 million tons in 1985 and to more than 100 million tons by the year 2000. Not only will the astronomical cost of such quantities of grain far exceed the ability of these developing countries to pay, but there are no practicable means now known to transport and deliver such a quantity of food.

I hope it will be possible for this Commission to consider population policies and programs by which those countries with severe food deficits and high rates of population growth can take the measures necessary to keep their populations and food resources in a favorable balance.

#### **Developmental and Environmental Effects**

Population issues also bear a direct relationship to the success or failure of the Third World's economic and social development. Since the late 1950's it has become increasingly clear that in a large number of countries population growth has outpaced their otherwise respectable levels of economic

growth. The imaginative development programs of Third World governments and the hard work of their citizens have in many cases not resulted in the improved standards of living these efforts justified and which the people had a right to expect.

For many countries the per capita increase in income remains less than 2 percent per year. In some nations, each year actually brings a lower standard of living. Most recently, the new and drastically higher price of oil has generated an additional annual balance-of-payments deficit for developing countries of some \$20 billion, significantly more than all the aid they receive from all sources.

By 1980, it is possible that the poorest 500 million people in developing countries may be living at levels of poverty even worse than those they live in today. The gap between the aspirations and achievements of these peoples may continue to widen, with incalculable consequences for their nations' social and political structures and for the peace of the entire world.

Arguments as to whether economic development or population control should be given priority by the international community seem to me to have all the relevance of the controversy over which came first, the chicken or the egg. We know that poverty often leads to excessive population growth, and we know just as certainly that excessive population growth insures continued poverty. Such a vicious cycle can be breached only by simultaneous efforts on all fronts. Reductions in excessive population growth can speed development, and more rapid development can slow population growth.

The position of the United States has always been that population programs are only a part of—but an essential part of—economic and social development efforts. After all, only 2 percent of global development assistance goes to population programs. That hardly indicates excessive emphasis on this aspect of development. It may, in fact, be too little.

The Plan of Action devised and agreed upon by the World Population Conference in Bucharest represents, in my view, one of

the U.N.'s most important achievements of recent years.<sup>1</sup> Today nations around the world are already engaged in considering what measures they should take to put this action plan into effect. In the United States, we are reviewing our own population policies and programs to see how we can best cooperate with others in implementing the Plan of Action. We are continuing to expand our own national family planning service programs, and our country's fertility rates continue to decline. We have, in fact, been below the replacement level of fertility for three years now.

Already countries with 75 percent of the peoples of the developing world have national population programs in effect. Others are moving toward the adoption of such programs. It is perfectly clear that as these programs succeed and expand, considerably increased support will be needed for them domestically, from the present donor countries, and from those which have more recently become potential donors by reason of their new wealth.

There is a tendency to think that the link between population and environment is of particular concern only to the industrialized countries. Certainly, in these countries population growth and increasing affluence have led to urban concentration and industrial expansion which can endanger the environment and the health of the inhabitants. But environmental damage is not only a scourge of the rich. Environmental protection is not a luxury which only the wealthy can afford. The relationship between man and his environment will fundamentally influence the quality of life at any stage of development.

Consider, for instance, the many cases where population pressure on limited arable land has denuded the hillsides of trees and contributed to destructive floods. Consider the areas where an increasing concentration of pastoral population and their flocks living on the edges of deserts has destroyed trees and herbage and opened the way to an ad-

<sup>1</sup> For an unofficial text of the World Population Plan of Action, see BULLETIN of Sept. 30, 1974, p. 440.

vance of the sands. Consider the nations where dense and growing populations have contaminated the soil, water, and air and spread disease.

Finally, consider the ever-present danger that the need to expand food production to feed a growing population will in the end further damage the land, that the intensified use of fertilizers will imperil the life of lakes and streams, and that the widened use of pesticides will threaten birds and other wildlife.

### **Population and the Status of Women**

In this International Women's Year, we should recognize that the status of more than half of the world's population, the female half, is itself a major focus of world attention. The World Population Conference at Bucharest rightly highlighted the vital interaction of population control, development, and the status of women. The Plan of Action puts it very simply:

Improvement of the status of women in the family and in society can contribute, where desired, to smaller family size, and the opportunity for women to plan births also improves their individual status.

The Plan of Action has as one of its general objectives:

To promote the status of women and expansion of their roles, the full participation of women in the formulation and implementation of socioeconomic policy including population policies, and the creation of awareness among all women of their current and potential roles in national life.

We hope that this Commission, the Population Division, the U.N. Fund for Population Activities, and other active agencies will not only consider the critical role which women can play in furthering our efforts but that they will themselves provide more important roles for women in the administration and execution of their programs at all levels. I would hope also that in this year and in the International Women's Year Conference in Mexico City serious attention will be given to measures needed to carry out the practical recommendations of the World Population Plan of Action for improvement in the status

of women. My delegation will submit a draft resolution on this important subject for the Commission's consideration.

It hardly seems necessary to note the connection between the Commission's activities and the situation of millions of children around the world. The Executive Director of the U.N. Children's Fund [Henry Labouisse] has noted that, "the first and the main victims of the population explosion are children." Under current conditions of population growth, "it does not appear possible," he said, "for the governments and the people of most of the developing countries . . . to provide the food, the health and welfare services, and the education required in the foreseeable future for the ever-growing numbers of young." Nothing can more effectively underscore the urgent and overriding need for progress in population control than the undernourished and dying infants whose faces and bodies we all see in the world's press almost daily.

### **Population and the World Community**

I have in my remarks emphasized the importance of population issues to the Third World not because this is uniquely their problem. On the contrary, it is an issue with which we all must grapple. There is little doubt, however, that it is the Third World which will suffer first and suffer most from excessive population growth. There is also no doubt that only the nations of the Third World can make the decisions necessary to control their populations. The role of the international community, including this Commission, is to help governments assemble the information they need to decide wisely, and when they have made their decision, to help them implement it.

Thirty years ago the United Nations was created to preserve the world from the horrors of yet another world war. In the succeeding years we have come to the realization that world peace could not be long maintained in a world half rich and half poor. Thus, today the United Nations devotes nearly 90 percent of its resources to economic and social development. The time

has come for us to take our thinking one step further. We must now further acknowledge that neither peace nor economic development can long be maintained in a world overwhelmed by unchecked population growth. The United Nations, an organization designed to deal with the threat of the atomic bomb, must now learn to cope effectively with the equally frightening threat of the already armed and ticking population bomb.

### **TEXT OF RESOLUTION <sup>2</sup>**

*The Economic and Social Council,*

*Recognizing* that 1975 has been designated as International Women's Year and the World Conference of the International Women's Year is scheduled from 19 June to 2 July 1975 in Mexico City,

*Recalling* that the World Population Conference emphasized the interrelationships of population, development, resources and the environment, and the family, and that the World Population Plan of Action adopted by the Conference and endorsed by the General Assembly at its twenty-ninth session correlates population factors with the status of women and the role of women in development,

*Further recalling* that the World Food Conference called on "all Governments to involve women fully in the decision-making machinery of food production and nutrition policies as part of total development strategy" (E/5587, resolution VIII) and adopted a resolution on the achievement of a desirable balance between population and food supply (resolution IX), and that thus the influence of socio-economic factors on the demographic process as well as the important role of women were emphasized,

*Noting* the importance accorded to the integration of women in development by the United Nations Development Programme at its nineteenth session, the United Nations Commission for Social Development at its twenty-fourth session, the International Forum on the Role of Women in Population and Development (February to March 1974), and the Regional Consultations for Asia and the Far East and for Africa on "Integration of Women in Development with Special Reference to Population Factors" (May and June 1974, respectively), and the Regional Consultation for Latin America on the same subject to be held in April 1975,

*Further noting* that the General Assembly, in resolution 3342 (XXIX) of 17 December 1974, entitled "Women and Development" considered that

<sup>2</sup> Adopted by the Commission and recommended to the Economic and Social Council on Feb. 28 (text from U.N. doc. E/CN.9/L.117/Rev.2).

further progress towards the full integration of women in development should be assisted by positive action from the United Nations system of organizations,

*Recognizing* the findings of the Study of the Special Rapporteur on the Interrelationship of the Status of Women and Family Planning (E/CN.6/575 and Add.1-3) presented to the Commission on the Status of Women at its twenty-fifth session and to the Economic and Social Council at its fifty-sixth session and the implications of this interrelationship not only for the health and well-being of individual women but also for the social and economic progress of nations,

*Further recognizing* that equal status of men and women in the family and in society improves the over-all quality of life and that this principle of equality should be fully realized in family planning where each spouse should consider the welfare of the other members of the family, and recognizing that improvement of the status of women in the family and in society can contribute, where desired, to smaller family size, and the opportunity for women to plan births also improves their individual status,

*Convinced* that the time has now come for action to carry out the numerous important recommendations already agreed upon,

1. *Urges* United Nations bodies, Member States, and relevant non-governmental organizations, in observing International Women's Year and participating in the World Conference of the International Women's Year to take all action appropriate to ensure that the recommendations relating to the status of women stated in the World Population Plan of Action (E/5585, paras. 32, 41, 42, 43, 78) and in resolutions IV, XII and XVII (E/5585, chap. II) of the World Population Conference are implemented; and in particular:

(a) To achieve the full participation of women in the educational, social, economic, and political life of their countries on an equal basis with men;

(b) To achieve equal rights, opportunities, and responsibilities of men and women in the family and in society;

(c) To recommend that women have the information, education, and means to enable them to decide freely and responsibly on the number and spacing of their children in order to improve their individual status;

2. *Requests* United Nations bodies, within their fields of competence, including the regional commissions, in collaboration with Member States, in the implementation of both short-term and long-term population policies and programmes designed to carry out the recommendations of the World Population Plan of Action:

(a) To pay particular attention in the monitoring

of the progress being made in the implementation of the World Population Plan of Action to the evolving status of women, keeping in mind the mutual interaction among population factors, social and economic development, and the status of women,

(b) To supply information to the Economic and Social Council on the action taken pursuant to this resolution.

## TREATY INFORMATION

### Current Actions

#### BILATERAL

##### Canada

Agreement concerning liability for loss or damage resulting from certain rocket launches in Canada (Operation Tordo). Effected by exchange of notes at Ottawa December 31, 1974. Entered into force December 31, 1974.

##### Iran

Agreement on technical cooperation. Signed at Washington March 4, 1975. Enters into force on the date of an exchange of notes confirming entry into force.

Agreed minutes for the second session of the United States-Iran Joint Commission for Economic Cooperation. Signed at Washington March 4, 1975. Entered into force March 4, 1975.

##### Mexico

Agreement concerning the provision by the United States of four mobile interdiction systems for use in curbing the illicit flow of narcotic substances through Mexico. Effected by exchange of letters at Mexico February 24, 1975. Entered into force February 24, 1975.

##### Saudi Arabia

Technical cooperation agreement. Signed at Riyadh February 13, 1975. Enters into force after Saudi Arabia has provided written notice to the United States that the agreement has been officially promulgated in Saudi Arabia.

##### Thailand

Agreement concerning payment to the United States of net proceeds from the sale of defense articles furnished under the military assistance program. Effected by exchange of notes at Bangkok January 3 and 17, 1975. Entered into force January 17, 1975; effective July 1, 1974.

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Releases issued prior to March 3 which appear in this issue of the BULLETIN are Nos. 98 of February 24 and 108 of March 1.

No.	Date	Subject
109	3/3	Enders: House Ways and Means Committee.
*110	3/3	Shipping Coordinating Committee, Subcommittee on Safety of Life at Sea, Mar. 26.
*111	3/3	Northwest Atlantic Fisheries Advisory Committee Meeting, Mar. 26.
*112	3/3	Harbridge House releases study on U.S. international aviation policy.
*113	3/4	Stabler sworn in as Ambassador to Spain (biographic data).
*114	3/4	Advisory Committee on International Book and Library Programs, Apr. 10-11.
†115	3/4	Kissinger, Ansary: remarks following meeting of U.S.-Iran Joint Commission.
†115A	3/4	U.S.-Iran Joint Commission joint communique.
†115B	3/4	U.S.-Iran agreement on technical cooperation.
†116	3/6	Kissinger: remarks, Cardiff, Wales.
*117	3/7	Dominick sworn in as Ambassador to Switzerland (biographic data).
†118	3/7	Kissinger: statement on Tel Aviv terrorist incident, Mar. 6.
*119	3/7	Bill proposing public corporation to govern East-West Center presented to Hawaii legislature, Mar. 6.

\* Not printed.

† Held for a later issue of the BULLETIN.

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*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 U.S. foreign relations and on the work of the Department and the Foreign Service.*

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## President Ford's News Conference of March 6

*Following are excerpts relating to foreign policy from the transcript of a news conference held by President Ford in the Old Executive Office Building on March 6.<sup>1</sup>*

*President Ford:* Before we start the questions tonight, I would like to make a statement on the subject of assistance to Cambodia and to Viet-Nam.

There are three issues—the first, the future of the people who live there. It is a concern that is humanitarian—food for those who hunger and medical supplies for the men and women and children who are suffering the ravages of war. We seek to stop the bloodshed and end the horror and the tragedy that we see on television as rockets are fired wantonly into Phnom Penh.

I would like to be able to say that the killing would cease if we were to stop our aid, but that is not the case. The record shows, in both Viet-Nam and Cambodia, that Communist takeover of an area does not bring an end to violence but, on the contrary, subjects the innocent to new horrors.

We cannot meet humanitarian needs unless we provide some military assistance. Only through a combination of humanitarian endeavors and military aid do we have a chance to stop the fighting in that country in such a way as to end the bloodshed.

The second issue is whether the problems of Indochina will be settled by conquest or by negotiation. Both the Governments of Cambodia and the United States have made vigorous and continued efforts over the last few years to bring about a cease-fire and a political settlement.

The Cambodian Government declared a

unilateral cease-fire and called for negotiations immediately after the peace accords of January 1973. It has since repeatedly expressed its willingness to be flexible in seeking a negotiated end to the conflict. Its leaders have made clear that they are willing to do whatever they can do to bring peace to the country.

The United States has backed these peace efforts. Yesterday we made public an outline of our unceasing efforts over the years, including six separate initiatives since I became President.<sup>2</sup>

Let me assure you: We will support any negotiations and accept any outcome that the parties themselves will agree to. As far as the United States is concerned, the personalities involved will not, themselves, constitute obstacles of any kind to a settlement.

Yet all of our efforts have been rebuffed. Peace in Cambodia has not been prevented by our failure to offer reasonable solutions. The aggressor believes it can win its objectives on the battlefield. This belief will be encouraged if we cut off assistance to our friends.

We want an end to the killing and a negotiated settlement. But there is no hope of success unless the Congress acts quickly to provide the necessary means for Cambodia to survive.

If we abandon our allies, we will be saying to all the world that war pays. Aggression will not stop; rather, it will increase. In Cambodia the aggressors will have shown that if negotiations are resisted the United States will weary, abandon its friends, and force will prevail.

The third issue is the reliability of the United States. If we cease to help our friends

<sup>1</sup> For the complete transcript, see Weekly Compilation of Presidential Documents dated Mar. 10.

<sup>2</sup> See p. 401.

in Indochina, we will have violated their trust that we would help them with arms, with food, and with supplies so long as they remain determined to fight for their own freedom. We will have been false to ourselves, to our word, and to our friends. No one should think for a moment that we can walk away from that without a deep sense of shame.

This is not a question of involvement or reinvolvement in Indochina. We have ended our involvement. All American forces have come home. They will not go back.

Time is short. There are two things the United States can do to affect the outcome. For my part, I will continue to seek a negotiated settlement. I ask the Congress to do its part by providing the assistance required to make such a settlement possible.

Time is running out.

Mr. Cormier [Frank Cormier, Associated Press].

*Q. Mr. President, you wound up saying, "Time is running out" in Cambodia. Can you give us any assurance that even if the aid is voted it will get there in time? Is it stock-piled and ready to roll, or what is the situation?*

*President Ford:* If we don't give the aid, there is no hope. If we do get the necessary legislation from the Congress and it comes quickly—I would say within the next 10 days or 2 weeks—it will be possible to get the necessary aid to Cambodia, both economic assistance—humanitarian assistance—and military assistance. I believe there is a hope that we can help our friends to continue long enough to get into the wet season; then there will be an opportunity for the kind of negotiation which I think offers the best hope for a peace in Cambodia.

*Q. Mr. President, you say that there would be a deep sense of shame in the country if Cambodia should fall. If that would be the case, sir, can you explain why there seems to be such a broad feeling of apathy in the country, and also in the Congress, toward*

*providing any more aid for either Cambodia or South Viet-Nam?*

*President Ford:* I believe there is a growing concern which has been accentuated since we have seen the horror stories on television in recent weeks—the wanton use of rockets in the city of Phnom Penh, the children lying stricken on the streets, and people under great stress and strain, bloody scenes of the worst kind.

I think this kind of depicting of a tragedy there has aroused American concern, and I think it is a growing concern as the prospect of tragedy of this kind becomes even more evident.

So, I have noticed in the last week in the U.S. Congress, in a bipartisan way, a great deal more interest in trying to find an answer. And yesterday I spent an hour-plus with Members of Congress who came back from a trip to Cambodia and South Viet-Nam; and they saw firsthand the kind of killing, the kind of bloodshed; and it had a severe impact on these Members of Congress, some of whom have been very, very strongly opposed to our involvement in the past in Viet-Nam. And I think their impact will be significant in the Congress as well as in the country.

Mr. Lisagor [Peter Lisagor, Chicago Daily News].

*Q. Mr. President, the question is raised by many critics of our policy in Southeast Asia as to why we can conduct a policy of détente with the two Communist superpowers in the world and could not follow a policy of détente should Cambodia and South Viet-Nam go Communist. Could you explain that to us?*

*President Ford:* I think you have to understand the differences that we have with China, the People's Republic of China, and with the Soviet Union. We do not accept their ideology. We do not accept their philosophy. On the other hand, we have to recognize that both countries have great power bases in the world, not only in population but in the regions in which they exist.

We do not expect to recognize or to believe in their philosophies. But it is important for us, the United States, to try and remove any of the obstacles that keep us from working together to solve some of the problems that exist throughout the world, including Indochina.

The Soviet Union and the People's Republic of China have supplied and are supplying military assistance to South Viet-Nam and Cambodia. We have to work with them to try and get an answer in that part of the world; but at the same time, I think that effort can be increased and the prospects improved if we continue the détente between ourselves and both of those powers.

Tom [Tom Brokaw, NBC News].

*Q. Mr. President, putting it bluntly, wouldn't we just be continuing a bloodbath that already exists in Cambodia if we voted the \$222 million in assistance?*

*President Ford:* I don't think so, because the prospects are that with the kind of military assistance and economic and humanitarian aid we are proposing, the government forces, hopefully, can hold out. Now, if we do not, the prospects are almost certain that Phnom Penh will be overrun. And we know from previous experiences that the overrunning of a community or an area results in the murder and the bloodshed that comes when they pick up and sort out the people who were schoolteachers, the leaders, the government officials.

This was told very dramatically to me yesterday by several Members of the Congress who were there and talked to some of the people who were in some of these communities or villages that were overrun.

It is an unbelievable horror story. And if we can hold out—and I think the prospects are encouraging—then I think we will avoid that kind of massacre and innocent murdering of people who really do not deserve that kind of treatment.

*Q. Mr. President, if I may follow up, as I understand it, the Administration's point is that if we vote the aid that we will have the*

*possibility of a negotiated settlement, not just the avoidance of a bloodbath. Is that correct?*

*President Ford:* That is correct, sir.

*Q. And yet, just yesterday, as you indicated in your statement, the State Department listed at least six unsuccessful efforts to negotiate an end to the war in Cambodia, dating to the summer of 1973, when American bombing stopped there. The Cambodian Government was certainly stronger then than it would be with just conceivably another \$220 million.*

*President Ford:* Well, I think if you look at that long list of bona-fide, legitimate negotiated efforts, the best prospects came when the enemy felt that it would be better off to negotiate than to fight.

Now, if we can strengthen the government forces now and get into the wet season, then I believe the opportunity to negotiate will be infinitely better, certainly better than if the government forces are routed and the rebels—the Khmer Rouge—take over and do what they have done in other communities where they have had this kind of opportunity.

*Q. Mr. President, you said, sir, that if the funds are provided that, hopefully, they can hold out. How long are you talking about? How long can they hold out? In other words, how long do you feel this aid will be necessary to continue?*

*President Ford:* Well, this aid that we have requested on an emergency basis from the Congress is anticipated to provide the necessary humanitarian effort and the necessary military effort to get them through the dry season, which ends roughly the latter part of June or the first of July.

*Q. What effect do you think last night's massacre in Tel Aviv will have on the current Kissinger negotiations, and what advice would you give to Israel to counteract such terrorist attacks?*

*President Ford:* Let me answer the last

first. I don't think it is appropriate for me to give any advice to Israel or any other nation as to what they should do in circumstances like that. I hope that the very ill-advised action—the terrorist action—in Israel, or in Tel Aviv, last night was absolutely unwarranted under any circumstances. I condemn it because I think it is not only inhumane but it is the wrong way to try and resolve the difficult problems in the Middle East.

I would hope that that terrorist activity would not under any circumstances destroy the prospects or the possibilities for further peace accomplishments in the Middle East.

*Q. Mr. President, to follow up on that, have you considered asking Israel to become part of NATO?*

*President Ford:* I have not.

*Q. Mr. President, you sounded encouraged about the prospect for Cambodian aid. Can you give us an estimate of what you think the chances are now of it being passed?*

*President Ford:* They are certainly better than they were. I had a meeting this morning with Senator [John J.] Sparkman and Senator Hubert Humphrey and Senator Clifford Case. They want to help. They say the prospects are 50-50. But if they are that, I think we ought to try and make the effort because I think the stakes are very, very high when you involve the innocent people who are being killed in Cambodia.

*Q. May I follow up? If the Congress does not provide the aid and the Lon Nol government should fall, would the country be in for any reerimination from this Administration? Would we have another "who lost China" debate, for example?*

*President Ford:* I first would hope we get the aid and the government is able to negotiate a settlement. I do not think—at least from my point of view—that I would go around the country pointing my finger at anybody. I think the facts would speak for themselves.

*Q. Mr. President, from some of the re-*

*marks the Senators who met with you today made, they did not indicate that they were quite in as much agreement as you have indicated; but Senator Humphrey, for one, asked, as part of a negotiated settlement that you spoke of, if you would be willing to seek the orderly resignation of President Lon Nol.*

*President Ford:* I do not believe it is the proper role of this government to ask the head of another state to resign. I said in my opening statement that we believe that the settlement ought to be undertaken, and it is not one that revolves around any one individual. And I would hope that some formula—some individuals on both sides could sit down and negotiate a settlement to stop the bloodshed.

*Q. Could I follow up? On that, are you saying that the United States will support any government, no matter how weak or corrupt, in a situation like this?*

*President Ford:* I am not saying we would support any government. I am saying that we would support any government that we can see coming out of the present situation or the negotiated settlement.

*Q. Mr. President, out of the OPEC [Organization of Petroleum Exporting Countries] summit meeting in Algiers today came a declaration that oil prices should be pegged to inflation and the prices they have to pay for the products they buy. Do you think this kind of inflation-indexing system is fair?*

*President Ford:* We are trying to organize the consuming nations, and we have been quite successful. I believe that once that organization has been put together—and it is well along—that we should sit down and negotiate any matters with the producing nations.

I personally have many reservations about the suggestion that has been made by the OPEC organization. I think the best way for us to answer that problem is to be organized and to negotiate rather than to speculate in advance.

## Summary of Negotiating Efforts on Cambodia

*Department Statement, March 5*<sup>1</sup>

We have made continual and numerous private attempts, in addition to our numerous public declarations, to demonstrate in concrete and specific ways our readiness to see an early compromise settlement in Cambodia.

—Throughout the negotiations that led to the Paris agreement on Viet-Nam in January 1973, the United States repeatedly indicated—both in these negotiations and through other channels—its desire to see a cease-fire and political settlement in Cambodia as well as in Viet-Nam and Laos. In later discussions concerning the implementation of the Paris agreement, the United States conveyed its ideas and its desire to promote a negotiated settlement between the Cambodian parties.

—A number of major efforts toward negotiation were made in 1973. By the summer of that year, these efforts were extremely promising. Just as they appeared to be approaching a serious stage they were thwarted by the forced bombing halt in August that was legislated by the Congress.

—In October 1974, we broached the idea of an international conference on Cambodia with two countries having relations with the side headed by Prince Sihanouk (GRUNK) [Royal Khmer Government of National Union]. We also discussed the elements of a peaceful settlement. We received no substantive response to these overtures.

—In November 1974, we again indicated with specificity our readiness to see a compromise settlement in Cambodia in which all elements could play a role to a govern-

ment with relations with the GRUNK. Our interlocutors showed no interest in pursuing the subject.

—In December 1974, we tried to facilitate a channel to representatives of the Khmer Communists through a neutralist country with relations with the GRUNK. Nothing came of this initiative.

—In December 1974 and early January 1975, we concurred in an initiative to open a dialogue with Sihanouk in Peking. Sihanouk at first agreed to receive an emissary but later refused.

—In February 1975, we tried to establish a direct contact with Sihanouk ourselves. We received no response.

—Also in February 1975, we apprised certain friendly governments with clear interests and concerns in the region, and with access to governments supporting the GRUNK, of our efforts to move the conflict toward a negotiated solution and of the degree of flexibility in our approach. They could offer no help.

Unfortunately, none of these attempts have had any result. The reactions we have gotten so far suggest that negotiating prospects will be dim as long as the Cambodian Government's military position remains precarious.

We are continuing to pursue our long-stated objective of an early compromise settlement in Cambodia. In this process we are, and have been, guided by the following principles:

1. The United States will support any negotiations that the parties themselves are prepared to support.
2. The United States will accept any outcome from the negotiations that the parties themselves will accept.
3. As far as the United States is concerned, the personalities involved will not, themselves, constitute obstacles of any kind to a settlement.

<sup>1</sup> Initially distributed to news correspondents on Mar. 5; also issued as press release 138 dated Mar. 12.

## U.S.-Iran Joint Commission Meets at Washington

*The U.S.-Iran Joint Commission met at Washington March 3-4. Following are remarks made by Secretary Kissinger and Hushang Ansary, Minister of Economic Affairs and Finance of Iran, at a news conference held on March 4 at the conclusion of the meeting, together with the texts of the joint communique of the Joint Commission and the U.S.-Iran agreement on technical cooperation signed that day by Secretary Kissinger and Minister Ansary.*

### REMARKS BY SECRETARY KISSINGER AND MINISTER ANSARY<sup>1</sup>

*Secretary Kissinger:* Mr. Minister, on behalf of the President and the U.S. Government I would like to express our very great gratification at the agreed minutes and the technical cooperation agreement that we have just signed.

The economic cooperation agreement between Iran and the United States that is foreseen is the largest agreement of this kind that has been signed between any two countries. It represents an attempt to underline the interdependence to which both of our countries have been committed, in which the resources of the producers are combined with the technological experience of some of the consuming countries to enhance the development and the progress of both sides.

It reflects also the very deep political bonds that exist between Iran and the United States.

The economic cooperation agreement foresees projects on the order of \$12 billion which

will be completed or the negotiation for which is in the process of being completed or will be completed in the very near future.

Out of this economic cooperation we expect that there will develop a trade between the two countries, excluding oil, over the next five years in the amount of \$15 billion. These projects will represent a major step forward in the very vast scheme of development that Iran has undertaken, and the United States is happy that it can play its part in this enterprise. It also reflects the conviction of both sides that an expanding world economy is in the interests of progress and peace.

I would like to express our appreciation to my colleague the cochairman of the Commission for the manner in which the negotiations have been conducted. It was in an atmosphere of friendship and understanding and cooperation which we are certain will be extended in the years to come.

I also would like to express on behalf of the President how much he's looking forward to the visit of His Imperial Majesty the Shah in May.

*Minister Ansary:* Thank you, Mr. Secretary. May I join you in expressing the gratification and appreciation of the Iranian team in the talks that we have had in the course of the past two days in the second session of our joint ministerial commission for economic cooperation. We are extremely pleased on our side that the outcome of these negotiations is entirely satisfactory to both sides. We have managed to reach agreement on the use of the comparative advantages of the two countries for the benefit not only of our respective nations but also of the world at large.

To your remarks, Mr. Secretary, I may add that Iran is the first major oil-producing

<sup>1</sup> Text from press release 115 dated Mar. 4, which also includes a transcript of the questions and answers which followed.



country to go nuclear in a major way, and one important aspect of the agreement that we have reached on the areas of cooperation between the two countries is of course the readiness that has been expressed in principle on the part of the Atomic Energy Organization of Iran to place orders for a large number of nuclear power plants in the United States.

Of the other agreements that we reached, I think the most important in terms not only of the development for our relations but also of the problems facing the world today is where this cooperation entails the production of additional amounts of food and agricultural products not only for the use of domestic needs of Iran but also for the region at large.

This includes also the development of a center for agricultural technology that would be used regionally by all the countries concerned.

In addition to this, of course, it is highly satisfactory to us that, the end result of economic cooperation being increasing trade, the amount envisaged in the agreement for the exchange of commodities between the two countries in the next five years is a rather impressive figure of \$15 billion that the Secretary has just mentioned.

May I take the opportunity also, Mr. Secretary, to express my appreciation and sincere thanks for the opportunity that I had to call on the President this morning and for his support and encouragement in the efforts that are being made by the two sides for the development for our relations.

May I also thank you sincerely for all your kindness, for your hospitality and for your warmth, and for the constructive attitude that at all times was clearly visible on your personal side, for the attention that you rendered personally to the development of our negotiations, and for the tremendous contributions of every distinguished member of your party.

*Secretary Kissinger:* Thank you. I would like also to point out that all the nuclear

plants are under the safeguards that are appropriate to signatories of the Nonproliferation Treaty, which of course includes Iran. And I also would like to underline the point that my colleague has already made about the importance we attach to the agricultural development not only for Iran but on a regional basis, and how much the United States appreciates the efforts of Iran to use some of its resources in the field of agricultural development for increasing production—food production—in the entire region.

## TEXT OF JOINT COMMUNIQUE

Press release 115A dated March 4

The U.S.-Iran Joint Commission completed its second session in Washington on March 3-4, 1975. The Iranian Delegation was headed by His Excellency Hushang Ansary, Minister of Economic Affairs and Finance, and the U.S. Delegation by the Secretary of State, Dr. Henry A. Kissinger, who are the co-chairmen of the Commission. Other high officials of both governments participated in the meeting.

The Joint Commission was established in November 1974 in order to broaden and intensify economic cooperation and consultation on economic policy matters.

During his visit Minister Ansary called on President Ford and conveyed to him the personal greetings of His Imperial Majesty, the Shahanshah Aryamehr of Iran. In his talks with President Ford and other American leaders, Minister Ansary discussed the current world situation and reviewed bilateral matters in the spirit of mutual respect and understanding long characteristic of the relations between Iran and the United States. He met with members of the Senate and House of Representatives, journalists, and leaders of the American business community.

The Commission reviewed the work done by its five joint committees, which had met during January and February, and approved a large number of technical cooperation projects and development programs which had been recommended by the committees. The Commission concluded that the scope for cooperation between the two countries for their mutual benefit was almost unlimited.

In the light of the strong desire on the part of the two sides to extend areas of mutual cooperation, the Commission set a target of \$15 billion in total non-oil trade between the two countries during the next five years.

Major Iranian development projects selected for cooperation between the two countries include a series of large nuclear power plants, totaling 8,000 electrical megawatts, with associated water desalination plants; 20 prefabricated housing factories; 100,000 apartments and other housing units; five hospitals with a total of 3,000 beds; establishment of an integrated electronics industry; a major port for handling agricultural commodities and other port facilities; joint ventures to produce fertilizer, pesticides, farm machinery, and processed foods; super highways; and vocational training centers. The total cost of these projects is estimated to reach \$12 billion.

The Commission also recognized the special importance of cooperation between the two countries in the field of petrochemicals, and took note of major projects under study for joint ventures between Iran and major companies in the United States to produce petrochemical intermediates and finished products for general use in Iran and for export.

The Commission agreed that a joint business council could play a very useful role in broadening contact between the business sectors in both countries and in facilitating exchange of information on business opportunities and agreed that such a council should be established forthwith.

The Commission agreed that long-term investment from each country in the economy of the other should be on terms and conditions assuring mutual benefit, subject to prevailing rules and regulations in each country. The Commission also agreed on the importance of public awareness of the nature and objectives of the investment policies of the two countries.

The two sides agreed to cooperate actively in the development of the Iranian capital market and in the establishment of Iran as a financial center for the region. It was agreed that a financial conference should be held in Tehran before the end of the current year, to which would be invited high officials of the two governments as well as leaders of banking, insurance and other financial institutions.

Substantial progress was made toward conclusion of an Agreement on Cooperation in the Civil Uses of Atomic Energy. This Agreement will provide for a broad exchange of information on the application of atomic energy to peaceful purposes, and for related transfer of equipment and materials, including enriched uranium fuel for Iran's power reactors.

In order to facilitate exchange of technical specialists, the two co-chairmen signed a reciprocal agreement for technical cooperation. Technical cooperation projects were agreed upon in agriculture,

manpower, science and higher education, and health services.

The Commission agreed to emphasize scientific programs in the fields of oceanography, seismic studies, geological and mineral surveys, remote sensing applications, and radio astronomy. In the field of higher education and advanced study, the Commission also agreed that the two governments should increase exchanges and develop a network of inter-institutional relationships.

The Commission noted that, concurrent with the meeting of the Commission, agreement in principle was reached between Iranian and U.S. private interests on projects for production of graphite electrodes, sanitary wares and trailers, and for establishment of a hotel chain in Iran.

It was agreed to hold the next meeting of the Joint Commission in Tehran before the end of 1975.

Leader of the Iranian  
Delegation

Leader of the United  
States Delegation

HUSHANG ANSARY

HENRY A. KISSINGER

*Minister of Economic  
Affairs and Finance*

*The Secretary of State*

## TEXT OF TECHNICAL COOPERATION AGREEMENT

Press release 115B dated March 4

### AGREEMENT ON TECHNICAL COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE IMPERIAL GOVERNMENT OF IRAN

The Government of the United States of America,  
and the Imperial Government of Iran,

Desiring to expand and strengthen their friendly  
relations,

Confirming their mutual interest in the expansion  
of economic cooperation between the two countries,

Recognizing the importance of technical coopera-  
tion for the expansion of economic relations, and

Wishing to create the most appropriate condi-  
tions for the development of technical cooperation,  
Have agreed as follows:

#### ARTICLE 1

The Contracting Parties undertake to develop  
technical cooperation, on the basis of mutual respect  
for sovereignty and noninterference in each other's  
domestic affairs.

#### ARTICLE 2

Technical cooperation as mentioned in Article 1  
shall cover a wide variety of economic activities

including industry, agriculture, social affairs, and the development of infrastructure, and may take the form of furnishing technical and training services, advisory personnel and the supply of related commodities and facilities, for the implementation of joint projects, as may be mutually agreed between the Contracting Parties.

### ARTICLE 3

The Contracting Parties shall adopt mutually agreeable administrative, organizational and staff arrangements to facilitate implementation of this Agreement.

### ARTICLE 4

The Contracting Parties or their agencies or Ministries may enter into specific agreements to implement technical cooperation described in Article 2.

### ARTICLE 5

The implementation agreements described in Article 4 will contain, *inter alia*, standard provisions on:

A. Advance payment, as mutually agreed upon for costs incurred in the technical cooperation described in Article 2 including costs of project development, program implementation, administrative and staff support and project termination;

B. Privileges and immunities, when applicable, of personnel assigned to engage in such technical cooperation in the territory of the other Contracting Party; and

C. Claims arising from such technical cooperation.

### ARTICLE 6

When requested by either Contracting Party, representatives of both Contracting Parties shall meet to review progress toward achieving the purposes of this Agreement, and to negotiate solutions to any outstanding problems.

### ARTICLE 7

This Agreement shall be inapplicable to agreements and transactions relating to the sale of defense articles and services by the Government of the United States to the Imperial Government of Iran.

### ARTICLE 8

This Agreement shall enter into force on the date of an exchange of notes confirming this fact between the Contracting Parties.

### ARTICLE 9

This Agreement shall remain in effect for five

years from the date it enters into force, subject to revision or extension, as mutually agreed, and may be terminated at any time by either Contracting Party by one hundred and eighty days' advance notice in writing.

Done in Washington in duplicate on March 4, 1975, both originals being equally authentic.

For the Government of the United States of America:

HENRY A. KISSINGER.

For the Imperial Government of Iran:

HUSHANG ANSARY.

## U.S. and Spain Hold Fourth Session of Talks on Cooperation

### *Text of Joint Communiqué*<sup>1</sup>

The fourth round of negotiations between the delegations of Spain and the United States concerning the 1970 Agreement of Friendship and Cooperation took place in Washington from March 10 to 13, 1975. The Spanish delegation was chaired by the Under Secretary for Foreign Affairs, Mr. Juan Jose Rovira, and the American delegation was headed by Ambassador-at-Large Robert J. McCloskey.

The conversations in this Round included further analysis of the first two points of the agenda agreed upon in November; namely, the nature of the defense relationship between Spain and the United States and how this bilateral relationship could be coordinated more closely with the Western defense system. Central to the thinking of both delegations was the concern that whatever agreement results from these bilateral negotiations will complement existing security arrangements in the Atlantic framework and by so doing will strengthen Western defense and promote the appropriate relationship with that system, bearing in mind that all partners should receive equal treatment.

<sup>1</sup> Issued on Mar. 13 (text from press release 140).

The delegations then addressed Item 3 on the agenda which concerns the status of the various facilities granted to U.S. forces in Spain. The Spanish delegation began with an exposition which assessed the changes in global defensive strategy which have affected U.S. forces in Spain since the beginning of our bilateral defense relationship in 1953. The Spanish delegation presented its views on Point 4 regarding the manner in which Spain's defense needs could be attained. The discussion of these items will continue during the Fifth Round which will begin on April 2 in Madrid.

As during past negotiating sessions, the two delegations were able to agree in principle on the value of the relationship which has tied both countries together for the past 22 years. The benefits of improving this relationship were recognized by both delegations.

The Spanish Ambassador offered a reception for Ambassador McCloskey and the U.S. delegation on Sunday, March 9th, and in return, Ambassador McCloskey offered a lunch on March 10th at the State Department in honor of Under Secretary Rovira and the Spanish delegation.

## **U.S. Approves Grant of Rice for Cambodia**

*Following is a statement read to news correspondents on March 4 by Robert Anderson, Special Assistant to the Secretary for Press Relations.*

The U.S. Government has today approved a [Public Law 480] title II rice program of up to 20,000 metric tons for Cambodia. U.S. and international voluntary agencies such as CARE [Cooperative for American Relief Everywhere], Catholic Relief Services, World Vision Relief Organization, and the International Committee for the Red Cross will distribute this rice to refugees and other needy persons. In order to speed the rice shipments to the refugees, the United States

will transfer title I loan rice currently stored in Viet-Nam to the title II grant program. This rice will be airlifted to the Khmer Republic as is the title I rice presently in Viet-Nam.

This action, which has been under consideration by the U.S. Government, is being taken now because the Communist dry season offensive has aggravated the food supply situation in the Khmer Republic and has increased the number of affected refugees.

## **U.S. Deplores Terrorist Incident in Tel Aviv**

*Following is a statement by President Ford issued on March 6, together with a statement by Secretary Kissinger issued at London that day.*

### **STATEMENT BY PRESIDENT FORD**

White House press release dated March 6

The act of terrorism which occurred last night at Tel Aviv resulting in the tragic loss of innocent lives should be strongly deplored by everyone. Outrages of this nature can only damage the cause in whose name they are perpetrated.

I extend my deepest sympathy, and that of the American people, to the families of those persons who have been killed as a result of this senseless act.

### **STATEMENT BY SECRETARY KISSINGER**

Press release 118 dated March 7

The Secretary deeply regrets the loss of innocent life in this incident and extends profound sympathy to all those affected.

We deplore all recourse to violence, which is entirely contrary to all civilized norms and to the search for a peace which will be just and lasting for all the peoples of the area.

## Department Discusses Goal of Military Assistance to Viet-Nam and Cambodia

*Statement by Philip C. Habib*

*Assistant Secretary for East Asian and Pacific Affairs*<sup>1</sup>

I welcome the opportunity to appear before you today. The House Foreign Affairs Committee has been a thoughtful and constructive participant in the evolution of U.S. policy toward East Asia, and it is appropriate that early consideration of the new and difficult situations in Viet-Nam and Cambodia should take place here. In the interim since this hearing was originally scheduled, I visited Indochina briefly, accompanying a congressional delegation. I found the experience illuminating, as I believe did your colleagues, and I will draw on my observations there in my testimony today. My opening remarks will be relatively brief so that most of our time can be devoted to your questions.

Two years ago in Paris we concluded an agreement which we hoped would end the war in Viet-Nam and pave the way for settlements of the conflicts in Laos and Cambodia. We felt the Paris agreement was fair to both sides. From the standpoint of the United States, the agreement in large measure met what had been our purpose throughout the long period of our involvement in Viet-Nam. It established a formula through which the people of South Viet-Nam could

determine their political future, without outside interference. U.S. forces were withdrawn and our prisoners released. The Government of South Viet-Nam was left intact, and the agreement permitted the provision of necessary military and economic assistance to that government.

The war has not ended in Indochina; peace has not been restored. Only in Laos have the contending parties moved from military confrontation toward a political solution. In Cambodia, the conflict is unabated. In Viet-Nam, after a brief period of relative quiescence, warfare is again intensive and the structure established by the Paris agreement for working toward a political settlement is not functioning. This is deeply disappointing, but it is not surprising. The Paris agreement contained no automatic self-enforcing mechanisms. Although instruments were established which could have been effective in restricting subsequent military action, the viability of those instruments—and of the agreement itself—depended ultimately on the voluntary adherence of the signatories. Such adherence has been conspicuously lacking in Hanoi's approach.

The Communist record in the last two years, in sharp contrast to that of the GVN [Government of Viet-Nam] and the United States, is one of massive and systematic violations of the agreement's most fundamental provisions. Hanoi has sent nearly 200,000

<sup>1</sup>Made before the Special Subcommittee on Investigations of the House Committee on Foreign Affairs on Mar. 6. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

additional troops into South Viet-Nam although the introduction of any new forces was expressly prohibited by the agreement. Amply supplied by the Soviet Union and the People's Republic of China, Hanoi has tripled the strength of its armor in the South, sending in more than 400 new armored vehicles, and has greatly increased its artillery and antiaircraft weaponry. The agreement, of course, permitted only a one-for-one replacement of weapons and material. Hanoi has improved and expanded its logistic system in the South and, drawing on Soviet and Chinese support, has built up its armament stockpiles—within the borders of South Viet-Nam—to levels exceeding even those which existed just prior to the Easter offensive of 1972.

Hanoi has employed a rich variety of tactics to undermine the mechanisms established by the agreement for the purpose of monitoring the cease-fire. It has, for example, refused to deploy the jointly manned military teams which were to oversee the cease-fire. It has also refused to pay its share of the support costs for the International Commission of Control and Supervision, has not allowed the ICCS to station teams in areas its forces control, and has prevented, by delay and obfuscation, any effective investigation of cease-fire violations.

Hanoi has been similarly obstructive on the political front, breaking off all political (and military) negotiations with the GVN, which were a cornerstone of the agreement. The South Vietnamese Government has repeatedly called for negotiations to be resumed. Hanoi's response—reminiscent of its position prior to the fall of 1972—has been to demand the overthrow of President Thieu as a precondition to any talks. As you all know, Hanoi has also failed to cooperate with us and the GVN in helping to resolve the status of American and other personnel who are missing in action.

Finally, Hanoi has applied gradually increasing military pressure, seizing territory clearly held by the GVN when the agreement was signed. More recently, beginning last December 5, Hanoi embarked on a major

new offensive. Since that date it has overrun six district towns and one provincial capital and now threatens additional administrative and population centers.

Through its massive infiltration of men and equipment since the cease-fire was signed, Hanoi obviously has the ability to conduct even more widespread and intensive actions. Through its systematic sabotage of the mechanisms set up by the agreement to monitor violations of the cease-fire and from the evidence of the past two months, it is also clear that Hanoi intends to step up its attacks. The aim of this new offensive clearly is to force additional political concessions from the GVN and to dictate a political solution on Hanoi's terms or, if South Viet-Nam proves unable to resist, to achieve outright military victory. In either case the Paris agreement, and the progress toward peace which it represented, is gravely threatened.

The South Vietnamese have fought well, indeed valiantly, against difficult odds. The GVN still controls most of the territory it held in January 1973, which of course includes the vast majority of the South Vietnamese people, and it has done this without direct U.S. military involvement and despite sharply declining levels of U.S. assistance. But the current North Vietnamese offensive poses new dangers. Present levels of U.S. military aid to South Viet-Nam are clearly inadequate to meet them. We are unable to replace, on the one-for-one basis permitted by the agreement, the consumables essential for South Viet-Nam's defense effort—ammunition, fuel, spare parts, and medical supplies. We are unable to provide any replacement of major equipment losses—tanks, trucks, planes, or artillery pieces. Thus, South Viet-Nam's stockpiles are being drawn down at a dangerous rate; and its ability to successfully withstand further large-scale North Vietnamese attacks is being eroded. South Viet-Nam is even now faced with a harsh choice: to husband its diminishing resources and face additional battlefield losses or to use supplies at a rate sufficient to stem the tide—and risk running out at an early date.

It is for these reasons that the President has requested urgent congressional approval of a \$300 million supplemental appropriation for military assistance for Viet-Nam. This additional amount is the absolute minimum required, and it is needed now.

The Paris agreement also contained provisions relating to Laos and Cambodia. The signatories were enjoined to respect the sovereignty and territorial integrity of those countries and to refrain from using their territory for military purposes. South Viet-Nam and the United States have abided by these strictures. Hanoi has not. North Viet-Nam continues to use the territory of Laos to send forces and war material to South Viet-Nam and continues to station troops in remote areas of that country. Nevertheless the contending Laotian parties were able to establish a cease-fire—which is only infrequently broken—and to form a Provisional Government of National Union.

As a result of these encouraging developments, our military presence in Laos has been withdrawn (except of course for the normal Defense attache office as part of our diplomatic establishment) and we have been able to reduce our military assistance to an enormous degree. For example, during the last fiscal year of widespread combat, fiscal year 1973, U.S. military aid amounted to \$360 million. For fiscal year 1975, the figure is \$30 million.

Unfortunately, a similar evolution has not occurred in Cambodia. North Viet-Nam continues to use the territory of Cambodia to support its military operations in South Viet-Nam and in addition gives material assistance and advice in the military operations of Cambodian Communist forces. We do not contend that Hanoi is the sole motive force for the Cambodian insurgency. However, in its support and encouragement of that conflict as well as in its own flagrant abuse of Cambodian territory, Hanoi bears a large measure of responsibility for the continuation of the fighting there. That fighting has recently intensified. Since January 1, Communist forces have stepped up their attacks in the area near Phnom Penh. At the same time they have increased their

pressure along the Mekong River between Phnom Penh and the South Vietnamese border, the capital's main supply route. Cambodian forces have fought well, but they are stretched thin in attempting to combat this two-pronged offensive. And despite stringent economies their supplies of ammunition and fuel are dangerously low.

The intensified Communist attacks have taken a heavy human toll, evident in even a short visit to that country. Casualties are running at more than 1,000 a day for both sides—killed, wounded, and missing—and the stricken economic life of Cambodia is further weakened. At least 60,000 new refugees have been created, posing additional strain on the resources and the administrative capacity of the government.

The Cambodian Government does not seek an end to the conflict through conclusive military victory. Nor, however, does it wish it to end in military victory by Communist forces. The only logical and fair solution is one involving negotiations and a compromise settlement. To this end we welcomed the resolution, sponsored by Cambodia's neighbors and adopted by the last U.N. General Assembly, calling for early negotiations. The Cambodian Government has repeatedly expressed its readiness to negotiate, without preconditions and with any interlocutor the other side may choose. We fully support that position and have pledged to do our utmost to facilitate such talks.

As you are aware, we have recently documented the efforts the United States has already made to promote a negotiated settlement in Cambodia—in 1973-74 and as recently as February of this year.<sup>2</sup> Those efforts, which included attempts to establish direct contact with the Communists and Sihanouk, have thus far been futile. The Cambodian Communists have been adamantly opposed to a negotiated settlement, and we believe their attitude is unlikely to change unless and until they conclude that military victory is not possible. The first imperative, therefore, and the aim of our military assist-

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<sup>2</sup> See p. 401.

ance program in Cambodia is to maintain a military balance and thereby to promote negotiations.

Restrictions on our military and economic aid contained in the Foreign Assistance Act of 1974 make it impossible to accomplish that goal. Both the \$200 million ceiling on military assistance and the \$75 million draw-down authorized from Department of Defense stocks have been largely exhausted as a result of significantly intensified Communist offensive actions. In addition, Cambodia also faces a serious impending food shortage. Therefore, to meet the minimum requirements for the survival of the Khmer Republic, the President has asked the Congress to provide on an urgent basis an additional \$222 million in military aid for Cambodia and to eliminate the \$200 million ceiling. He has also asked that the \$377 million ceiling on overall assistance be removed, or at least that Public Law 480 food be exempted from the ceiling.

In Viet-Nam we seek to restore the rough military balance, now threatened by North Vietnamese action, which permitted the progress toward peace represented by the Paris agreement and without which further progress toward a lasting political solution is unlikely to be found. Despite Hanoi's flagrant violation of the Paris agreement, we believe it remains a potentially workable framework for an overall settlement and it must be preserved. By redressing the deteriorating military situation in South Viet-Nam our hope is that the momentum can once again be shifted from warfare toward negotiations among the Vietnamese parties. In Cambodia also, only by maintaining the defensive capability of government forces can conditions be established which will permit negotiations to take place.

For neither Viet-Nam nor Cambodia is the provision of additional aid the harbinger of a new and open-ended commitment for the United States. Our record in Indochina supports rather than contradicts that assertion. We worked successfully with the South Vietnamese in reducing and eventually eliminating our own direct military role, and

subsequently with both the South Vietnamese and Cambodian Governments in achieving maximum economies and maximum impact from our aid. Those efforts will continue.

In previous testimony before this and other committees of the Congress in behalf of assistance for Indochina, I and other Administration witnesses have attempted to relate our policies and our programs there to the broader purposes of the United States in the world. For despite the agony of this nation's experience in Indochina and the substantial reappraisal which has taken place concerning our proper role there, Indochina remains relevant to those broader foreign policy concerns. We no longer see the security of the United States as directly, immediately at issue. Nonetheless it remains true that failure to sustain our purposes in Indochina would have a corrosive effect on our ability to conduct effective diplomacy worldwide. Our readiness to see through to an orderly conclusion the obligations we undertook in Indochina cannot fail to influence other nations' estimates of our stamina and our determination. Thus we cannot isolate the situation in Indochina from our other and broader interests in this increasingly interdependent world. To now weaken in our resolve would have consequences inimical to those interests.

Finally, we cannot ignore another aspect of our policy toward Indochina. In entering into the Paris agreement, we in effect told South Viet-Nam that we would no longer defend that country with U.S. forces but that we would give it the means to defend itself. The South Vietnamese have carried on impressively, as have our friends in Cambodia, in the face of extreme difficulty. I do not believe that we can walk away. Measured against the sacrifices which we, and the people of Indochina, have already offered, the amounts which are now being requested are not large. Nor, even in this time of economic constraint, are they beyond our ability to provide. They are, however, vital to the restoration of conditions which can lead to lasting peace in Indochina.



## Department Discusses Situation in Portugal

*Following is a statement by Bruce Laingen, Deputy Assistant Secretary for European Affairs, made before the Subcommittee on International Political and Military Affairs of the House Committee on Foreign Affairs on March 14.<sup>1</sup>*

I appreciate this opportunity to appear before you and to discuss with you and your colleagues the current situation in Portugal and our interests there. Events of recent days have dramatized again the complex period of transition now facing Portugal, a process that all Americans view with both sympathy and concern.

Portugal is an old and valued friend with whose people Americans have close and friendly ties and whose people throughout our history have made their own unique contribution to our society. It is a country with whom we share many fundamental cultural values. It is an important NATO ally faced today with a staggering array of economic and political difficulties.

Portugal's history, culture, and economy are bound up inextricably with Western Europe and the Atlantic community. We have a strong interest in Portugal remaining true to this heritage at the same time as it quite naturally seeks to reaffirm and strengthen with many other parts of the world the historic associations which a dynamic Portuguese people have developed over their long history.

The United States has an obvious interest in NATO and therefore an interest in keeping Portugal's traditional ties to the Atlantic community strong. We wish to encourage Portugal, as a founding member of NATO, to continue its role in Western defense.

Since the armed forces overthrew the authoritarian Caetano government on April 25 last year, Portugal has seen events of far-

reaching consequence in many fields. By calling for constituent assembly elections, inviting a wide range of parties to participate, and promising the establishment of democracy, the provisional government has sought to try to bridge the philosophical gap which divided its predecessors from the majority view of its NATO partners. In Africa, five centuries of colonial role are being brought to an end. By the end of this year, all of the Portuguese territories in Africa will be fully independent: Mozambique on June 25; the Cape Verde Islands on July 5; São Tomé and Príncipe on July 12; and Angola on November 11. Guinea-Bissau became independent last September. This policy of swift and peaceful transition of power in Africa has been pursued vigorously despite serious economic costs to the homeland. In the aftermath of President Spínola's forced resignation on September 28, 1974, military participation in the Cabinet was increased, although the triparty (Communists, Socialists, Popular Democrats) coalition in the provisional government remained intact.

Portugal's announced intention to build democratic institutions will continue to have our support. We prescribe no models for Portugal. Our interest is no more and no less than the preservation of an atmosphere in which the free will of the Portuguese people can be expressed.

For that reason we have welcomed the steps taken by the provisional government to develop a schedule of elections. This process is to begin on April 12, when the people of Portugal choose delegates for a constituent assembly to draft a future constitution, and is expected to culminate later this year in elections for a legislature and a President. The April election will be the first formal test of the relative appeal of the different political parties now on the scene. The largest appear to be the Socialists, the Communist-front Portuguese Democratic Movement, the Communists, the Popular Democrats, and the Christian Democrats/Center Social Democrats.

The strongest political element in Portugal today is the Armed Forces Movement itself,

<sup>1</sup>The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

which overthrew the Caetano government last April and which has guided the development of the country's economy and political process since that time. The Movement is on record as favoring broad participation in free institutions of government, while emphasizing its intention to continue to guide the course of political events through a process of "institutionalization." That process, meaning the role that the military will continue to play in Portuguese politics, has until the recent abortive coup been under active discussion between the Movement and the principal political groups now on the scene. One effect of this coup attempt in all likelihood will be to involve the Armed Forces Movement for a much longer time and more decisively in the political process than might otherwise have been the case.

To reemphasize, we support Portugal's own stated policy of transition to democratic processes of government. We have made that position consistently and firmly clear in all our contacts with the present Portuguese leadership, and we will continue to do so.

The economic assistance which the Congress has appropriated is a further demonstration of U.S. support and has been warmly welcomed by the Portuguese leadership. We will maintain close contact with the Congress on the question of future economic assistance. We regard the assistance not as a permanent feature of our foreign policy toward Portugal but, rather, as a way of demonstrating our desire to help a close friend and ally struggling with problems of economic and social transition.

For the current fiscal year, the Congress has authorized a \$25 million program of economic assistance to Portugal and to its present and former African territories. Of that amount, \$10 million was appropriated under the continuing resolution which expired February 28. On the basis of that appropriation, we have signed with the Portuguese Government two agreements totaling \$1.75 million: a \$1 million loan for feasibility studies and \$.75 million for grant techni-

cal assistance to provide needed consultants and training to the Portuguese. We also are prepared to authorize, subject to renewal of the continuing resolution, a \$7 million low-cost-housing loan and \$1.25 million for assistance to the African territories. Our expectation is that most of this will go to the Cape Verde Islands. We have also announced a \$20 million low-cost-housing investment guarantee.

In the expectation that the full \$25 million will be appropriated, we have been discussing in general terms with the Portuguese assistance in such additional areas as the construction of prefabricated schools, grain storage facilities, support for the water and sewage systems of Lisbon, and construction assistance at the new University of Lisbon. The Portuguese have also indicated their interest in technical assistance in the areas of education, health, agriculture, and transportation. We believe that assistance in these areas reflects both the desires of the Portuguese themselves and the expressed interest of the American Congress and people in tangible support for the efforts of the Portuguese themselves to strengthen their economy. With the cooperation of the Congress, we hope to move ahead with this program of economic assistance.

Let me finally touch briefly on the abortive coup d'etat that took place this week in Lisbon. The facts on this development are not entirely in, but it is generally assumed to have been inspired by concern over excessive leftist influence in the Armed Forces Movement. In the process the ex-President, General Spínola, sought refuge in Spain, giving rise to a general assumption in Portugal that he was involved, although that remains unclear. In any event, the coup attempt was small in scale and easily put down and all of the principal political parties have since issued statements condemning it as antidemocratic and a serious threat to the electoral process. The Armed Forces Movement itself has announced a reorganization, including the immediate establish-

ment of a Council of the Revolution with broad executive and legislative powers.

Mr. Chairman, I am sure you have seen reference to totally irresponsible statements to the effect that the United States was somehow involved in this attempted coup and the even more regrettable statement that because of Ambassador [Frank C.] Carlucci's alleged role, his safety in Portugal could not be assured.

For the record, I want our position to be unmistakably clear. As the Department's press spokesman said on March 12, the United States—and that obviously includes Ambassador Carlucci—had absolutely no involvement in this affair. Any suggestions to the contrary are malicious and contrary to the facts. As to the safety of Ambassador Carlucci, we have made clear to both the Portuguese Ambassador here and the government in Lisbon that we expect that government to take every step necessary to insure that nothing adversely affects the safety of our Ambassador and his entire Mission. I am glad to say that we have received the assurance we have requested.

We have also reaffirmed, in the aftermath of this aborted coup, that we continue to welcome the prospects of free elections in Portugal and would naturally regret any development, from whatever quarter, that would in any way interrupt this trend. In this connection, we have noted the Portuguese Government's reiteration of its intention to hold to the schedule of an election campaign beginning March 20, leading to constituent assembly elections on April 12.

Mr. Chairman, as I said at the outset of my statement, these events of recent days have quite naturally raised questions anew as to the direction Portugal is going. Frankly, we do not have all of the answers. After nearly 50 years of authoritarian rule and a decade and a half of political, economic, and military tension over issues of decolonization, it is not surprising that this transition period is a difficult one. Quite clearly, this is a time for both sympathy and sensitivity on the

part of all outside observers. I think I express, however, both the hope and the confidence of the American Government and people that this transition period will be securely navigated and that the end result will be a strengthening of the ties that have for so long bound our two countries together.

## **President Ford Vetoes Bill Concerning Oil Import Fees**

*Message to the House of Representatives:*<sup>1</sup>

*To the House of Representatives:*

I am returning H.R. 1767 without my approval. The purposes of this Act were to suspend for a ninety-day period the authority of the President under section 232 of the Trade Expansion Act of 1962 or any other provision of law to increase tariffs, or to take any other import adjustment action, with respect to petroleum or products derived therefrom; to negate any such action which may be taken by the President after January 15, 1975, and before the beginning of such ninety-day period.

I was deeply disappointed that the first action by the Congress on my comprehensive energy and economic programs did nothing positive to meet America's serious problems. Nor did it deal with the hard questions that must be resolved if we are to carry out our responsibilities to the American people.

If this Act became law, it would indicate to the American people that their Congress, when faced with hard decisions, acted negatively rather than positively.

That course is unacceptable. Recent history has demonstrated the threat to America's security and economy caused by our significant and growing reliance on imported petroleum.

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<sup>1</sup> Transmitted on Mar. 4 (text from Weekly Compilation of Presidential Documents dated Mar. 10).

Some understandable questions have been raised since my program was announced in January. I am now convinced that it is possible to achieve my import goals while reducing the problems of adjustment to higher energy prices. Accordingly:

—I have directed the Administrator of the Federal Energy Administration to use existing legal authorities to adjust the price increases for petroleum products so that the added costs of the import fees will be equitably distributed between gasoline prices and the prices for other petroleum products, such as heating oil. These adjustments for gasoline will not be permanent, and will be phased out.

—To assist farmers, I am proposing a further tax measure that will rebate all of the increased fuel costs from the new import fees for off-road farm use. This particular rebate program will also be phased out. This proposal, which would be retroactive to the date of the new import fee schedule, will substantially lessen the adverse economic impact on agricultural production, and will reduce price increases in agricultural products.

These actions will ease the adjustment to my conservation program in critical sectors of the Nation while still achieving the necessary savings in petroleum imports.

Some have criticized the impact of my program and called for delay. But the higher costs of the added import fees would be more than offset for most families and businesses if Congress acted on the tax cuts and rebates I proposed as part of my comprehensive energy program.

The costs of failure to act can be profound. Delaying enactment of my comprehensive program will result in spending nearly \$2.5 billion more on petroleum imports this year alone.

If we do nothing, in two or three years we may have doubled our vulnerability to a future oil embargo. The effects of a future oil embargo by foreign suppliers would be infinitely more drastic than the one we experienced last winter. And rising imports

will continue to export jobs that are sorely needed at home, will drain our dollars into foreign hands and will lead to much worse economic troubles than we have now.

Our present economic difficulty demands action. But it is no excuse for delaying an energy program. Our economic troubles came about partly because we have had no energy program to lessen our dependence on expensive foreign oil.

The Nation deserves better than this. I will do all within my power to work with the Congress so the people may have a solution and not merely a delay.

In my State of the Union Message, I informed the Congress that this country required an immediate Federal income tax cut to revive the economy and reduce unemployment.

I requested a comprehensive program of legislative action against recession, inflation and energy dependence. I asked the Congress to act in 90 days.

In that context, I also used the stand-by authority the Congress had provided to apply an additional dollar-a-barrel import fee on most foreign oil coming into the United States, starting February 1 and increasing in March and April.

I wanted an immediate first step toward energy conservation—the only step so far to reduce oil imports and the loss of American dollars. I also wanted to prompt action by Congress on the broad program I requested.

The Congress initially responded by adopting H.R. 1767 to take away Presidential authority to impose import fees on foreign oil for 90 days.

Although I am vetoing H.R. 1767 for the reasons stated, I meant what I said about cooperation and compromise. The Congress now pledges action. I offer the Congress reasonable time for such action. I want to avoid a futile confrontation which helps neither unemployed nor employed Americans.

The most important business before us after 50 days of debate remains the simple but substantial tax refund I requested for

individuals and job-creating credits to farmers and businessmen. This economic stimulant is essential.

Last Friday, the majority leaders of the Senate and House asked me to delay scheduled increases in the import fees on foreign oil for 60 days while they work out the specifics of an energy policy they have jointly produced. Their policy blueprint differs considerably from my energy program as well as from the energy legislation now being considered by the House Committee on Ways and Means.

I welcome such initiative in the Congress and agree to a deferral until May 1, 1975. The important thing is that the Congress is finally moving on our urgent national energy problem. I am, therefore, amending my proclamation to postpone the effect of the scheduled increases for two months while holding firm to the principles I have stated. It is also my intention not to submit a plan for decontrol of old domestic oil before May 1.

I hope the House and Senate will have agreed to a workable and comprehensive national energy legislation.

But we must use every day of those two months to develop and adopt an energy program. Also, I seek a legislative climate for immediate action on the tax reductions I have requested. It is my fervent wish that we can now move from points of conflict to areas of agreement.

I will do nothing to delay the speedy enactment by the Congress of straightforward income tax cuts and credits by the end of this month.

Under present conditions, any delay in rebating dollars to consumers and letting businessmen and farmers expand, modernize and create more jobs is intolerable.

I do not believe the Congress will endanger the future of all Americans. I am confident that the legislative branch will work with me in the Nation's highest interests.

What we need now is a simple tax cut and then a comprehensive energy plan to end our dependence on foreign oil.

What we *don't* need is a time-wasting *test* of strength between the Congress and the President. What we *do* need is a *show* of strength that the United States government can act decisively and with dispatch.

GERALD R. FORD.

THE WHITE HOUSE, *March 4, 1975.*

## **U.S. Alternate Governor of IBRD and International Banks Confirmed**

The Senate on February 19 confirmed the nomination of Charles W. Robinson to be U.S. Alternate Governor of the International Bank for Reconstruction and Development for a term of five years, U.S. Alternate Governor of the Inter-American Development Bank for a term of five years and until his successor has been appointed, and U.S. Alternate Governor of the Asian Development Bank.

## U.N. Calls for Resumption of Cyprus Negotiations

*Following are statements made in the U.N. Security Council by U.S. Representative John Scali on February 27 and March 12, together with the text of a resolution adopted by the Council on March 12.*

### STATEMENT BY AMBASSADOR SCALI, FEB. 27

USUN press release 15 dated February 27

The Council meets today to consider how to revive and encourage movement toward peace on Cyprus. To date, progress toward this goal has not met the hopes and expectations of this Council when it endorsed the talks between the two communities on the island two months ago.

The efforts on Cyprus to achieve a mutually acceptable settlement are essentially the responsibility of the parties themselves. Nevertheless the Security Council has had an important interest in encouraging them. Thus, in July of last year, following the outbreak of fighting on the island, this Council achieved a cease-fire, created a framework for negotiations at Geneva, and established principles to guide these talks. In August, following the breakdown of these negotiations, the Council endorsed contacts between representatives of the two communities under the auspices of the Secretary General and his representative. We urged that those negotiations deal not only with immediate humanitarian issues but with political problems as well.

In November, the General Assembly in Resolution 3212 commended the discussions between the representatives of the two communities and called for their continuation with a view to reaching freely a mutually acceptable political settlement. The Assembly

emphasized that the future constitutional system of Cyprus is the concern of the two communities. The Security Council endorsed this General Assembly resolution in December. Finally, throughout the period in which these talks have been conducted, the Secretary General, through his able representative in Nicosia, Ambassador [Luis] Weckmann-Munoz, has provided every encouragement for their success.

These actions provide the basis for our consideration of the present situation in Cyprus. Having seen established a framework in which a negotiated settlement is possible, we regret any unilateral action such as the announcement of a federal Turkish state on Cyprus, which complicates the search for a resolution.

Thus, my government stated on February 13 that:

The United States regrets the action that has been announced today. We support the sovereignty, independence, and territorial integrity of the Republic of Cyprus and have sought to discourage unilateral actions by either side that would complicate efforts to achieve a peaceful settlement. We believe that any eventual solution to the Cyprus problem must be found through a process of negotiation, a process which has been underway.<sup>1</sup>

<sup>1</sup> The statement issued by the Department of State on Feb. 13 continued as follows:

We have fully supported this process and were instrumental in reestablishing the [Glafcos] Clerides-[Rauf] Denktash talks, which we continue to support. We had also hoped that we could give additional impetus to the negotiations by meetings between Secretary Kissinger and interested parties during his present Middle Eastern trip. Regrettably, however, events in recent weeks have made it impossible for these meetings to go forward as previously planned and have clearly reduced our ability to influence the outcome. Nevertheless the United States will continue to do its utmost to further the process of negotiation.

Secretary Kissinger added on the same day that the "United States continues to recognize the Government of Cyprus as the legitimate Government of Cyprus" and that "the United States will make every effort to encourage a peaceful solution."<sup>2</sup>

We believe the Secretary General and his representative on Cyprus have played and continue to play a significant role in facilitating the efforts of those directly concerned to achieve a peaceful settlement. We are especially encouraged to note from the Secretary General's statement of February 21 to the Council that he is prepared to facilitate the continuation of the talks under new conditions and procedures. This provides legitimate hope for further progress. We urge the Governments of Greece and Turkey—two allies whom we value—and the Republic of Cyprus—with which we have had a long and friendly relationship—to respond positively to the timely initiative of the Secretary General.

In our deliberations thus far, we have been impressed with the serious character of the debate which reflects a sober understanding of the complexity and delicacy of the problems which confront the parties and the Council.

The discussion in this chamber has gone forward in an atmosphere which demonstrates recognition of the vital fact that there is no substitute for a realistic dialogue when the Security Council deals with the critical problem of international peace and security.

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<sup>2</sup>The following statement by Secretary Kissinger was issued at Jerusalem on Feb. 13:

The Department of State has today issued a statement regretting the establishment of a Turkish Cypriot federated state by unilateral action. I would like to add to this statement that the United States continues to recognize the Government of Cyprus as the legitimate Government of Cyprus and remains committed to the sovereignty, independence, and territorial integrity of Cyprus. The United States has tried to encourage a peaceful negotiated settlement and was instrumental in bringing about the Clerides-Denktaş talks. We regret some temporary interruption in these talks.

We would like to stress that it is in the interest of all parties—two allies whom we value—to return to the path of negotiation. The United States will make every effort to encourage a peaceful solution and to enable all parties to find a solution based on justice and dignity and self-respect.

Informal consultations are being actively pursued in the search for a resolution which will encourage and further the settlement process. The members of this Council can be assured that the United States is prepared to cooperate constructively in the efforts to negotiate and formulate a resolution acceptable both to members of the Council and to the parties concerned.

I wish to reaffirm emphatically that the interest of the United States is in a peaceful negotiated solution guided by the principles enunciated in this Council and in the General Assembly and based on justice, dignity, and self-respect. We believe that such a solution can only be achieved by free negotiations between the parties, not by dictation from the outside. We call on all concerned to reaffirm their commitment to this approach and to rededicate themselves to such a solution.

#### **STATEMENT BY AMBASSADOR SCALI, MARCH 12**

USUN press release 21 dated March 12

My delegation joined in approving Resolution 367 because from the outset we firmly believed that the primary goal of the Security Council should be to encourage the resumption of talks between the two communities in Cyprus. Along with members of this Council, other governments, and the Secretary General, Secretary of State Kissinger devoted his personal efforts to contribute to this objective.

Nearly a month ago, when our deliberations began, a broad chasm separated the parties. In the course of these strenuous consultations, this chasm has narrowed but has not been bridged completely. However, when this was clear, eight delegations representing a broad spectrum of the Council membership, acting in cooperation with the Secretary General, worked out a constructive compromise. We all owe a deep debt of gratitude to these eight delegations for their imaginative, constructive, and courageous drafting of yesterday which produced the positive result before us.

All of us at this table can take satisfaction

in the seriousness and the sense of responsibility which have generally characterized the Council's efforts in the weeks just past. The outcome, I believe, is a victory of patience and reason and compromise over confrontation.

As is frequently the case when an attempt is made to bridge the gap between strongly held views of contending parties, none of the parties may be entirely satisfied with our result. This is natural. At the same time, no one has suffered a defeat.

We urge the parties to respond positively and cooperatively to the initiatives the Secretary General must take in pursuance of today's resolution.

It now becomes the duty of each of us and of the governments we represent to do our utmost to help realize the progress which is represented in the resolution we have passed. We shall fulfill this duty by doing whatever we can to promote the resumption of talks between the communities—talks looking to a peaceful resolution of the conflicts that have afflicted the people of Cyprus during this generation.

### TEXT OF RESOLUTION<sup>3</sup>

*The Security Council,*

*Having considered* the situation in Cyprus in response to the complaint submitted by the Government of the Republic of Cyprus,

*Having heard* the report of the Secretary-General and the statements made by the parties concerned,

*Deeply concerned* at the continuation of the crisis in Cyprus,

*Recalling* its previous resolutions, in particular resolution 365 (1974) of 13 December 1974, by which it endorsed General Assembly resolution 3212 (XXIX) adopted unanimously on 1 November 1974,

*Noting* the absence of progress towards implementation of its resolutions,

1. *Calls once more* on all States to respect the sovereignty, independence, territorial integrity and non-alignment of the Republic of Cyprus and urgently requests them, as well as the parties concerned, to refrain from any action which might

prejudice that sovereignty, independence, territorial integrity and non-alignment, as well as from any attempt at partition of the island or its unification with any other country;

2. *Regrets* the unilateral decision of 13 February 1975 declaring that a part of the Republic of Cyprus would become "a Federated Turkish State" as *inter alia*, tending to compromise the continuation of negotiations between the representatives of the two communities on an equal footing, the objective of which must continue to be to reach freely a solution providing for a political settlement and the establishment of a mutually acceptable constitutional arrangement, and expresses its concern over all unilateral actions by the parties which have compromised or may compromise the implementation of the relevant United Nations resolutions;

3. *Affirms* that the decision referred to in paragraph 2 above does not prejudice the final political settlement of the problem of Cyprus and takes note of the declaration that this was not its intention

4. *Calls* for the urgent and effective implementation of all parts and provisions of General Assembly resolution 3212 (XXIX), endorsed by Security Council resolution 365 (1974);

5. *Considers* that new efforts should be undertaken to assist the resumption of the negotiation referred to in paragraph 4 of General Assembly resolution 3212 (XXIX) between the representatives of the two communities;

6. *Requests* the Secretary-General accordingly to undertake a new mission of good offices and to that end to convene the parties under new agreed procedures and place himself personally at their disposal, so that the resumption, the intensification and the progress of comprehensive negotiations carried out in a reciprocal spirit of understanding, and of moderation under his personal auspices and with his direction as appropriate, might thereby be facilitated;

7. *Calls on* the representatives of the two communities to co-operate closely with the Secretary-General in the discharge of this new mission of good offices and asks them to accord personally high priority to their negotiations;

8. *Calls on* all the parties concerned to refrain from any action which might jeopardize the negotiations between the representatives of the two communities and to take steps which will facilitate the creation of the climate necessary for the success of those negotiations;

9. *Requests* the Secretary-General to keep the Security Council informed of the progress made towards the implementation of resolution 365 (1974) and of this resolution and to report to it whenever he considers it appropriate and, in any case, before 15 June 1975;

10. *Decides* to remain actively seized of the matter.

<sup>3</sup> U.N. doc. S RES/367 (1975); adopted by the Council on Mar. 12 without a vote.



## United States Presents Guidelines for Remote Sensing of the Natural Environment From Outer Space

*The Legal Subcommittee of the United Nations Committee on the Peaceful Uses of Outer Space met at U.N. Headquarters February 10–March 7. Following is a statement made in the subcommittee on February 19 by U.S. Representative Ronald F. Stowe, who is Department of State Assistant Legal Adviser for United Nations Affairs, together with the text of a U.S. working paper.*

### STATEMENT BY MR. STOWE

USUN press release 10 dated February 19

I appreciate this opportunity to share with the Legal Subcommittee the views of my government on the legal aspects of remote sensing of the natural environment of the Earth from outer space. Diverse positions on this subject have been expressed during the past year by a number of states in this subcommittee, in the General Assembly debates, in the full Outer Space Committee, and in the Working Group on Remote Sensing. In addition, we have before us now two draft texts, one introduced by Brazil and Argentina and the other introduced by France and the Soviet Union.

The United States has a number of views rather different from those reflected in either of those drafts, particularly with regard to the present state of international law relating to remote sensing, to the types of problems which may remain to be resolved, and above all, to the approach which the international community should take toward sensing of the natural environment in the future. I would like to summarize the views of the United States, to comment on a num-

ber of the issues which have been raised by others, and to propose an alternative conclusion which this subcommittee might reach in its report to the Outer Space Committee. I would also recall the statement given to the Working Group on Remote Sensing by Leonard Jaffe, the U.S. Representative to the third session of that working group, last February 25.<sup>1</sup> Copies of that statement are available for any interested delegations.

A preliminary question which can and should be resolved with relative ease is, in short: What are we talking about when we use the term "remote sensing" in these discussions? The United States, having launched the remote sensing experiments from which practical experience and data are currently available to the international community, initially spoke of remote sensing in terms of Earth resources technology. However, both the sensing capabilities of the experiments undertaken and the experience we have gained in the last two years have convinced us that reference only to natural resources is inadequate.

A more appropriate and meaningful definition of "remote sensing" would also include environmental factors, and hence we should speak of remote sensing of the natural environment of the Earth. This term seems more useful for several reasons. First, the experiments which we have undertaken through what were called ERTS-1 [Earth Resources Technology Satellite] and ERTS-B, now renamed Landsat 1 and 2, reveal that

<sup>1</sup> For text, see BULLETIN of Apr. 8, 1974, p. 376.

equally as important as potential resource identification from outer space are the possibilities for land use analysis, mapping, water quality studies, disaster relief, air and water pollution detection and analysis, protection and preservation of the environment, and many others. To address only one of these potential uses is misleading. All states, including especially developing countries, have broad and sometimes urgent interests in all of these uses.

To refer only to data about resources is also technically unrealistic, because the same data base which gives information about resources gives information about all of these other uses I have mentioned and more. To inhibit access to data about one potential use is to inhibit access to data about all other such uses. The data interpretation which takes place here on the ground after the data are received from the satellite determines the types of information which will be elicited. There are no data from these satellites which are peculiar to or which can be restricted to Earth resources.

The concerns which some states feel about their natural resources are evident and should be addressed in our discussions. However, if we are to attempt to analyze the legal aspects of such remote sensing, our focus and our attention must be broader than just one particular element of that sensing. It is our belief that reference to the concept of remote sensing of the natural environment of the Earth may be a helpful step in that direction.

#### **Question of International Law**

Agreement on definitions, however important, would still leave a variety of fundamental and difficult substantive questions which one or more members have posed to this subcommittee. Among those questions, even if not expressly asked, is: What is the present state of international law relating to remote sensing of the natural environment? I address this issue not because in our view that law is uncertain or unsettled, but rather because during the last year cer-

tain questions have been raised to what we believe are the well-established provisions of international law in this area. We do not believe that these challenges are well founded or that the change in law which they implicitly propose would be desirable.

I refer in particular to the assertion that Earth-oriented sensing activities from outer space are not sanctioned by the 1967 Outer Space Treaty, which provides in part that:

Outer space, including the moon and other celestial bodies, shall be free for exploration and use by all States without discrimination of any kind, on a basis of equality and in accordance with international law . . . .

As my delegation pointed out at the last session of the Legal Subcommittee, in our view such remote sensing activities are clearly within the scope of that treaty.

The negotiating history of the 1967 Outer Space Treaty indicates that primary interest was evinced in the possibilities of using space technology to improve certain capabilities here on Earth. Certainly, one cannot then reasonably infer that Earth-oriented activities were not covered. Practice, too, confounds such an assertion; for one need not look far to realize that before, during, and after the negotiation of the 1967 treaty, which we all recognize as the basic authority in this area, Earth-oriented space activities were plentiful and well known.

Telecommunications and meteorological satellites were much more common than and equally as accepted as deep space probes. For example, over 70 countries utilize the U.S. meteorological satellite system on a daily basis. That system is focused on the Earth and sends back daily images of the Earth's surface as well as its cloud cover. The manned Mercury, Gemini, and Apollo programs all contained widely publicized and intensively studied experiments focusing on the Earth, including its resources and environment. I should mention here that this acceptance continues to the present day and that it applies specifically to remote sensing. Fifty-two countries, including 17 members of this subcommittee, plus a number of international organizations have be-

some party to international agreements covering the open use of such remote sensing data for their own interests. They have chosen to do so for important reasons which we must neither ignore nor discard in our own analysis.

### **Benefits of Dissemination of Data**

It has been suggested that remote sensing of the natural environment is distinguishable from earlier activities because it allegedly affects the Earth in a way that earlier sensing did not. However, this argument does not withstand serious scrutiny. Sensing of the natural environment for resources, mapping contours, air and water pollution, land use, or any other purpose does not of itself affect the Earth any more than a meteorological satellite changes or affects the cloud formations it senses. If we are to be serious about our work, we must discard these facile arguments and come to grips with the essence of the facts, including the genuine concerns which are before us.

Attempts to inhibit or even prohibit the gathering and exchange and analysis of information about the Earth are misdirected in that they will not solve what seem to be the underlying concerns which generate them. They are counterproductive, in that they could, if pressed, undermine or eliminate the potential for developing extraordinary new benefits which can be meaningfully shared by all peoples in all countries of the world.

An essential tenet of both the Brazilian-Argentine and the French-Soviet drafts, as we read them, appears to be the belief that if each state would have a right to prohibit the dissemination to third parties of data about its territory, then each state would be more secure and better off. We believe that the majority of states, including especially the large number of developing countries, will see the situation differently. Their prime need is to identify what resources they have. They will want equal access to all information about their resources. They will not want it available only to those few countries which operate spacecraft,

which in our view would be the result of a restrictive data-dissemination system. The surest and perhaps the only reliable way to protect states from being comparatively disadvantaged or discriminated against is to insure that all states and all peoples have as much opportunity to obtain that data as does anyone else.

The total body of information and understanding about the world can grow at a much greater rate with the cooperative efforts of investigators throughout the world, and that growth will benefit in particular those states which do not have the financial resources to carry on sophisticated sensing programs themselves even within their own territories.

The United States does not make this point to defend our own interests. We expect to have access to and to use data about the natural environment of this Earth in any case. We believe that it is strongly in the interests of other states that we and other collectors of this data share it rather than being in effect asked not to.

### **Technical and Organizational Realities**

Quite apart from the scientific or political merits or disadvantages of a restrictive dissemination system, such a system does not appear either technically or economically feasible; and hence if such restrictions were universally agreed the result could be the complete negation of virtually any public system for remote sensing of the natural environment of the Earth. We have no capability to separate satellite images along the lines of invisible political boundaries. If in the future some technical means for doing so were discovered, it is still highly improbable that the cost of applying it could be brought down to the level at which it would be economically feasible. As a practical matter—and in the end we must deal with the practical realm—it makes little sense to adopt a restrictive dissemination system unless we are prepared to negate the possibility of any internationally available source of remote sensing data. The

United States would oppose such a decision and would consider it most unfortunate and a great mistake if agreed to by others.

Finally, on this point I would note the fact that limiting the data availability to conform to national boundaries, even if it were feasible, would destroy many of the most useful functions of satellite remote sensing systems, functions including the study of ecological systems, water systems, pollution, soil moisture conditions, rift systems, and vegetation and soil patterns, as well as most other objectives of sensing systems such as those undertaken by the Landsat experiments. The most pressing need for such satellite observations involves the acquisition and analysis of large area and global data in order to make it possible to deal with problems which are inherently regional or global in character.

I emphasize this fact in particular to illustrate the essential point that we cannot constructively deal with the legal aspects of remote sensing without remaining sensitive at each step to the technical and organizational realities of this developing technology. This interaction was recognized by the working group, by the Scientific and Technical Subcommittee, and by the full Outer Space Committee; and if we are to develop useful and meaningful recommendations in this forum, we must also integrate these considerations into our analysis. This makes our task more difficult, but this is an area of great complexity and of great potential significance to all of us. We are certainly equal to the challenge.

#### **Improvement of International Guidelines**

The U.S. Government has undertaken a thorough review of our position on the legal aspects of remote sensing of the natural environment and of our views regarding the appropriate work of this subcommittee. At the same time that we have no doubt that such remote sensing and open availability of data are sanctioned and encouraged by the present provisions of applicable international law, we are also quite willing to

participate actively in efforts to examine whether international arrangements and guidelines can be improved.

With this in mind, we have prepared a working paper containing a number of provisions reflecting the substance of international guidelines for remote sensing which we would support in addition to those contained in the 1967 Outer Space Treaty. Such guidelines might be endorsed by the General Assembly and recommended to all states engaged in remote sensing of the natural environment.

We believe that after careful study others will also agree that the approach we are advocating will in the long run insure greater benefits to all countries, regardless of the level of their economic development, will better protect those who fear that the inevitable expansion of knowledge will somehow threaten them, and may well give us all a valuable new tool to use in our shared efforts to deal with international problems relating to the natural environment.

The working paper, which the United States submits as a Legal Subcommittee document, recognizes in particular the value of international cooperation, whether bilateral, regional, or universal in scope. It is based on the premise that all states are free without discrimination of any kind to carry out remote sensing of the natural environment and encourages the development of cooperation particularly on the regional level, to help insure that all states can share in benefits which may be derived from the use of this developing technology.

In addition, we believe that states which are engaged in remote sensing programs such as our Landsat experiments, or whatever operational systems may grow out of such experiments by the United States and others should within their capabilities endeavor to assist others on an equitable basis to develop an understanding of the techniques, potential benefits, and costs of remote sensing, including the conditions under which they could be afforded. Such assistance might include enhanced opportunities to learn what data are available, how to handle and interpret

those data, and how to apply the knowledge gained to meet national, regional, and global needs. Our reference to states engaged in such programs includes all those states which have developed and are utilizing capabilities for data handling and analysis in addition to those states which are operating the space segment of such programs.

To enhance the ability of all states to benefit from such remote sensing programs, states which receive data directly from remote sensing satellites should publish catalogues or other appropriate listings of publicly available data so that others can learn what data they might obtain for their own use.

States which receive data directly from satellites designed for remote sensing of the natural environment should insure that data of a sensed area within the territory of any other state are available to the sensed state as soon as practicable and in any event as soon as they are available to any state other than the sensing state. Data acquired from such satellites should be available to all interested states, international organizations, individuals, scientific communities, and others on an equitable, timely, and nondiscriminatory basis. As a part of this commitment, the question of the allocation of the costs of establishing and operating such a system will at some point have to be addressed.

It is our view that, contrary to the fears of some, an open and widely utilized system of data dissemination will enhance rather than undermine the ability of states to manage and control the natural resources within their respective territories.

We believe that a careful analysis of the nature and potential of systems for remote sensing of the natural environment will reveal that the interests of the international community as a whole and individual states in all areas of the world, regardless of their degrees of development, will be best served by extensive cooperation in a system or systems based on open data dissemination, an approach to the use of this new technology which we continue to follow and which is

surely in keeping with our common commitment to the use of outer space in the interests and for the benefit of all mankind.

## TEXT OF U.S. WORKING PAPER <sup>2</sup>

### *Remote sensing of the natural environment of the earth from outer space*

United States working paper on the development of additional guidelines

#### *Possible preambular provisions*

*Recalling* the provisions of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies,

*Reaffirming* that the common interest of mankind is served by the exploration and use of outer space for peaceful purposes,

*Considering* that international co-operation in the continuing development of technology enabling mankind to undertake remote sensing of the natural environment of the earth from outer space may provide unique opportunities for all peoples to gain useful understanding of the earth and its environment,

*Recognizing* that the most valuable potential advantages to mankind from these technological developments, including among others preservation of the environment and effective management and control by States of their natural resources, will depend on the sharing of data and its use on a regional and global basis.

#### *Possible operative provisions*

I. Remote sensing of the natural environment of the Earth from outer space shall be conducted in accordance with the principles of the United Nations Charter, the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies, and other generally accepted principles of international law relating to man's activities in outer space.

II. Satellites designed for remote sensing of the natural environment of the Earth shall be registered with the Secretary-General of the United Nations in accordance with the Convention on Registration of Objects Launched into Outer Space. States shall as appropriate inform the Secretary-General of the progress of such remote sensing space programmes they have undertaken.

III. Remote sensing of the natural environment of the Earth from outer space should promote

<sup>2</sup> U.N. doc. A/AC.105/C.2/L. 103.

*inter alia* (a) international co-operation in the solution of international problems relating to natural resources and the environment, (b) the development of friendly relations among States, (c) co-operation in scientific investigation, and (d) the use of outer space for the benefit and in the interest of all mankind.

IV. States undertaking programmes designed for remote sensing of the natural environment from satellites shall encourage the broadest feasible international participation in appropriate phases of those programmes.

V. States receiving data directly from satellites designed for remote sensing of the natural environment of the earth shall make those data available to interested States, international organizations, individuals, scientific communities and others on an equitable, timely and non-discriminatory basis. To enhance the ability of all States, organizations and individuals to share in the knowledge gained from remote sensing of the natural environment from outer space, States should publish catalogues or other appropriate listings of publicly available data which they have received directly from such remote sensing satellites.

VI. States receiving data directly from such remote sensing satellites shall ensure in particular that data of a sensed area within the territory of any other State are available to the sensed State as soon as practicable, and in any event as soon as they are available to any State other than the sensing States. States owning such remote sensing satellites shall facilitate the direct reception of data from those satellites by other interested States when technically possible and on equitable terms.

VII. States engaged in such remote sensing programmes shall within their capabilities endeavour to assist on an equitable basis other interested States, organizations and individuals to develop an understanding of the techniques, potential benefits and costs of remote sensing. Such assistance could include the provision of opportunities to learn what data are available, how to handle and interpret the data, and, where appropriate, how to apply the knowledge gained to meet national, regional and global needs.

VIII. States should cooperate with other States in the same geographical region in the use of data from such remote sensing programmes, whether regional or global in nature, to promote the common development of knowledge about that region.

IX. States which undertake such remote sensing programmes should encourage relevant international organizations to which they belong to assist other member States in acquiring and using data from those programmes so that the maximum number of States can share in potential benefits which may result from the development of this technology.

## United States Discusses Response to the World Food Crisis

*Statement by John Scali*

*U.S. Representative to the United Nations*<sup>1</sup>

Last November the nations of the world joined together in Rome to pledge that within one decade no child would go hungry, no family would fear for its next day's bread, and no human being's future would be stunted by malnutrition.

In a recent statement the new Executive Director of the World Food Council, Dr. John Hannah, has described the awesome obstacles we face in achieving our goal and made a compelling case for urgent action. Today more than 10 percent of all of the people on this earth, Dr. Hannah pointed out, face chronic hunger. Although mass starvation has been avoided, tens of thousands of persons die annually from hunger or hunger-related diseases. Many millions are never far from famine.

Over the past year on many occasions I have spoken to American audiences of the critical food situation now facing the poorer nations of the earth. I frankly noted the political and economic difficulties our country would face in providing food aid at a time when our traditional food surpluses had disappeared, our own food prices were rising, and our economy was in recession. Under these new conditions, I said, our national decision whether to provide substantial food assistance would test the convictions of our people and the vision of our leaders as it never had in the past. Despite these problems, I remained confident that the United States would meet this challenge and remain true to its long heritage of generosity for those in need.

Since I made these remarks, events have justified my confidence. I am thus particularly pleased to be able to report officially to you that the U.S. Government has decided

<sup>1</sup> Made in informal consultation on the World Food Council at U.N. Headquarters on Feb. 24 (text from USUN press release 13).

on a food aid program for the current fiscal year that represents the highest dollar level in the last 10 years and which includes approximately 2 million tons more food than was programed last year.

The P.L. 480 budget this year provides \$1.47 billion to purchase agricultural commodities. With the addition of freight costs the total value is \$1.6 billion. We estimate that this budget will purchase approximately 5.5 million tons of grain. At least 4 million tons of this will be provided as outright grants for humanitarian relief or made available under concessionary terms to those nations most in need. In all, we will make available between 850 and 900 million dollars' worth of food assistance to those countries most seriously affected by the current economic crisis. Thus, 31 of these most seriously affected nations will receive U.S. food assistance totaling over \$850 million in the current fiscal year.

The scale of this year's American food aid program is in keeping with the pledges made by President Ford and Secretary Kissinger to the 29th General Assembly, when they promised that the value of American food shipments to those in need would be increased. The President was encouraged in this difficult decision by members of the American Congress and by concerned citizens throughout our country. He has ordered a food aid program which represents about a 70 percent increase over last year's food aid, raising the funding from \$843 million to \$1.47 billion and, more important, raising the amount of food provided by approximately 2 million tons. The task of shipping such an enormous quantity of food before the end of the fiscal year will be a large one. We intend, however, to make a maximum effort to solve any transportation problems.

The United States also intends to increase its assistance for agricultural development in the Third World. The Administration has asked the U.S. Congress to provide \$650 million for aid in this area, thus raising our total agricultural assistance program this year to over \$2.2 billion.

I hope our response to the food crisis will

draw new attention to the plight of those nations in need and encourage others to join in cooperative action to feed those still facing hunger in the developing nations. Words and paper promises will not feed the hungry. Utopian programs will not fuel the faltering economies of the world's poorest nations. Only generous and concrete assistance from all those in a position to give will serve to meet the present crisis and to provide hope for a better future.

In the months to come, the United States will seek to work with all others who wish to contribute in a concrete way to the realization of the goals set by the World Food Conference. It is the intention of the United States to continue to contribute its fair share toward the global target of 10 million tons of cereal food aid annually.

President Ford told the General Assembly last fall that the United States would join in a worldwide effort to negotiate, establish, and maintain an international system of food reserves. The United States is already actively working to achieve that goal, both in its cooperation with the Food and Agriculture Organization on the International Undertaking on World Food Security and more recently in convening a meeting of major grain importers and exporters to discuss the possible elements of effective reserves arrangements among these countries. Domestically, we are continuing to encourage our farmers to produce at full production levels, so that even in the current absence of international arrangements on reserves we can this year contribute our full share to the availability of food worldwide. Finally, the United States will continue to provide a high level of assistance to agricultural development in the Third World, and we will work with other potential donors to increase the flow of aid to agriculture through both multilateral and bilateral channels.

As we move with other nations to implement the decisions of the World Food Conference, we will give serious attention to the important role which can be played by the World Food Council itself. We look with

eager anticipation to the initial session of the Council in Rome and are pleased that the Secretary General has called this meeting today to facilitate the June discussions. Mr. President, I assure you the United States stands ready to play a constructive role in the important work of this Council.

## TREATY INFORMATION

### U.S. and U.S.S.R. Hold Talks on Fisheries Issues

Press release 104 dated February 26

Discussions between the United States and the Soviet Union on Middle Atlantic and North Pacific fisheries issues which commenced February 3 were terminated on February 26. Agreement was reached between the two countries on Middle Atlantic problems, and a new agreement extending previous arrangements was signed February 26 with some modifications. The new agreement provides for stricter enforcement of U.S. regulations relating to the taking of U.S. continental shelf fishery resources and strengthens measures aimed at minimizing gear conflicts between Soviet mobile (trawl) gear and U.S. fixed gear (lobster pots).

However, the United States and the Soviet Union failed to reach agreement on issues relating to the conservation of North Pacific fishery resources and on ways of most effectively reducing conflicts between U.S. and Soviet fishermen with minimal impact on the fisheries of both countries. Deputy Assistant Secretary for Oceans and Fisheries Thomas A. Clingan, Jr., who headed the U.S. delegation, expressed concern over the continuing decline of fishery resources off the U.S. Pacific coast and the urgent need to implement measures to control overfishing. He further expressed his keen disappointment over the failure to reach an agreement

that would protect and conserve resources of special interest to U.S. fishermen.

Both countries agreed to extend to July 1, 1975, the former three agreements relating to crab fishing in the eastern Bering Sea and arrangements to prevent gear conflicts in the vicinity of Kodiak Island and the fisheries of the northeastern Pacific extending from Alaska south to California and also agreed to meet again later this year.

The U.S. delegation included representatives from the Departments of State and Commerce, the Coast Guard, and from state governments and industry. The Soviet delegation was led by Vladimir M. Kamentsev, Deputy Minister of Fisheries.

### Current Actions

#### MULTILATERAL

##### Biological Weapons

Convention on the prohibition of the development production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972.<sup>1</sup>

*Ratification deposited:* Ecuador, March 12, 1975

##### Coffee

Protocol for the continuation in force of the international coffee agreement of 1968, as amended and extended (TIAS 6584, 7809), with annex. Approved by the International Coffee Council at London September 26, 1974. Open for signature November 1, 1974, through March 31, 1975.<sup>1</sup>

*Signatures:* Brazil, January 6, 1975;<sup>2</sup> Guatemala February 7, 1975;<sup>2</sup> Mexico,<sup>2</sup> Rwanda,<sup>2</sup> January 22, 1975.

##### Narcotic Drugs

Single convention on narcotic drugs, 1961. Done at New York March 30, 1961. Entered into force December 13, 1964; for the United States June 24, 1967. TIAS 6298.

*Accession deposited:* Colombia, March 3, 1975.

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.<sup>2</sup>

*Accession deposited:* Colombia, March 3, 1975.

##### Oil Pollution

International convention relating to intervention on the high seas in cases of oil pollution casualties,

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

<sup>2</sup> Subject to approval, ratification, or acceptance.



with annex. Done at Brussels November 29, 1969. Entered into force May 6, 1975.

*Ratification deposited:* Monaco, February 24, 1975.

*Accession deposited:* Syria, February 6, 1975.

International convention on civil liability for oil pollution damage. Done at Brussels November 29, 1969.<sup>1</sup>

*Accession deposited:* Syria, February 6, 1975.

### **Safety at Sea**

International convention for the safety of life at sea, 1974, with annex. Done at London November 1, 1974.<sup>1</sup>

*Signature:* Federal Republic of Germany (subject to ratification), February 18, 1975.

### **Slavery**

Supplementary convention on the abolition of slavery, the slave trade, and institutions and practices similar to slavery. Done at Geneva September 7, 1956. Entered into force April 30, 1957; for the United States December 6, 1967. TIAS 6418.

*Accession deposited:* Zaire, February 28, 1975.

### **Terrorism**

Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York December 14, 1973.<sup>1</sup>

*Ratification deposited:* Nicaragua, March 10, 1975.

### **Tonnage Measurement**

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969.<sup>1</sup>

*Acceptance deposited:* Israel, February 13, 1975.

### **Trade**

Arrangement regarding international trade in textiles, with annexes. Done at Geneva December 20, 1973. Entered into force January 1, 1974, except for article 2, paragraphs 2, 3, and 4, which entered into force April 1, 1974. TIAS 7840.

*Ratification deposited:* Yugoslavia, November 27, 1974.

## **BILATERAL**

### **Honduras**

Agreement for the sale of agricultural commodities. Signed at Tegucigalpa March 5, 1975. Entered into force March 5, 1975.

### **Italy**

Treaty on extradition. Signed at Rome January 18, 1973.

*Ratifications exchanged:* March 11, 1975.

*Entered into force:* March 11, 1975.

Extradition convention. Signed at Washington March 23, 1868. Entered into force September 17, 1868. 15 Stat. 629.

Additional article to extradition convention of March 23, 1868. Signed at Washington January 21, 1869. Entered into force May 7, 1869. 16 Stat. 767.

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

Supplementary convention to extradition convention of March 23, 1868. Signed at Washington June 11, 1884. Entered into force April 24, 1885. 24 Stat. 1001.

Agreement for the reciprocal application of article 1 of the extradition convention of March 23, 1868. Effected by exchange of notes signed at Rome April 16 and 17, 1946. Entered into force April 17, 1946; operative May 1, 1946. 61 Stat. 3687.  
*Terminated:* March 11, 1975.

### **Japan**

Arrangement providing for Japan's financial contribution for U.S. administrative and related expenses for the Japanese fiscal year 1974 pursuant to the mutual defense assistance agreement of March 8, 1954. Effected by exchange of notes at Tokyo May 10, 1974. Entered into force May 10, 1974.

### **Korea**

Agreement amending the agreement for sales of agricultural commodities of April 12, 1973 (TIAS 7610). Effected by exchange of notes at Seoul February 26, 1975. Entered into force February 26, 1975.

### **Mexico**

Agreement amending the agreement of December 11, 1974, relating to cooperative arrangements to support Mexican efforts to curb the illegal traffic in narcotics. Effected by exchange of letters at México February 24, 1975. Entered into force February 24, 1975.

### **Panama**

Agreement amending the air transport agreement of March 31, 1949, as amended (TIAS 1932, 2551, 6270), with memorandum of consultations. Effected by exchange of notes at Panama December 23, 1974, and March 6, 1975. Entered into force March 6, 1975.

## **DEPARTMENT AND FOREIGN SERVICE**

### **Confirmations**

The Senate on March 11 confirmed the following nominations:

William B. Bowdler to be Ambassador to the Republic of South Africa.

Nathaniel Davis to be an Assistant Secretary of State [for African Affairs].

Harry W. Shlaudeman to be Ambassador to Venezuela.

## PUBLICATIONS

### GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

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**Atomic Energy—Cooperation for Civil Uses.** Agreement with Austria amending and extending the agreement of July 11, 1969. TIAS 7912. 22 pp. 40¢. (Cat. No. S9.10:7912).

**Principles of Relations and Cooperation.** Agreement with Egypt. TIAS 7913. 9 pp. 30¢. (Cat. No. S9.10:7913).

**Trade in Cotton Textiles.** Agreement with India. TIAS 7915. 13 pp. 30¢. (Cat. No. S9.10:7915).

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**Economic Assistance—Establishment of a Trust Account.** Agreement with Bangladesh. TIAS 7918. 4 pp. 25¢. (Cat. No. S9.10:7918).

**Tracking Station.** Agreement with Brazil. TIAS 7920. 9 pp. 30¢. (Cat. No. S9.10:7920).

### Correction

The editor of the BULLETIN wishes to call attention to the following error which appears in the February 3 issue:

*p. 134, col. 2: The second-to-last paragraph should read ". . . I will request legislation to authorize and require tariffs, import quotas, or price floors . . ."*

### Check List of Department of State Press Releases: March 10–16

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

Releases issued prior to March 10 which appear in this issue of the BULLETIN are Nos. 104 of February 26, 115, 115A, and 115B of March 4, and 118 of March 7.

No.	Date	Subject
*120	3 10	Schaufele appointed Inspector General of the Foreign Service (biographic data).
†121	3 10	Kissinger, Bitsios: remarks, Brussels, Mar. 7.
†122	3 10	Kissinger: arrival, Aswan, Mar. 8.
†123	3 10	Kissinger, Sadat: remarks, Aswan, Mar. 8.
†124	3/10	Kissinger: departure, Aswan, Mar. 9.
†125	3 10	Kissinger: arrival, Damascus, Mar. 9.
†126	3 10	Kissinger, Khaddam: toasts, Damascus, Mar. 9.
†127	3 10	Kissinger: departure, Damascus, Mar. 9.
†128	3 10	Kissinger, Allon: arrival, Tel Aviv, Mar. 9.
†129	3 10	Kissinger: remarks, Jerusalem.
†130	3/11	Kissinger: arrival, Ankara, Mar. 10.
*131	3/11	SOLAS (Safety of Life at Sea) working group on fire protection, Apr. 4.
*132	3 11	SOLAS working group on design and equipment, Apr. 3.
†133	3/11	Kissinger: remarks, Ankara, Mar. 10.
*134	3 11	U.S.-Japan Scientific and Technical Cooperation Review Panel established.
†135	3/11	Kissinger: departure, Ankara.
†136	3/12	Kissinger: remarks, Jerusalem.
†137	3/12	Kissinger: arrival, Aswan.
138	3/12	Summary of negotiating efforts on Cambodia, Mar. 5.
*139	3/13	Handyside sworn in as Ambassador to Mauritania (biographic data).
140	3/13	U.S.-Spain joint communique.
†141	3/14	Kissinger, Sadat: remarks, Aswan, Mar. 13.
†142	3/14	Kissinger: departure, Aswan.

\* Not printed.

† Held for a later issue of the BULLETIN.

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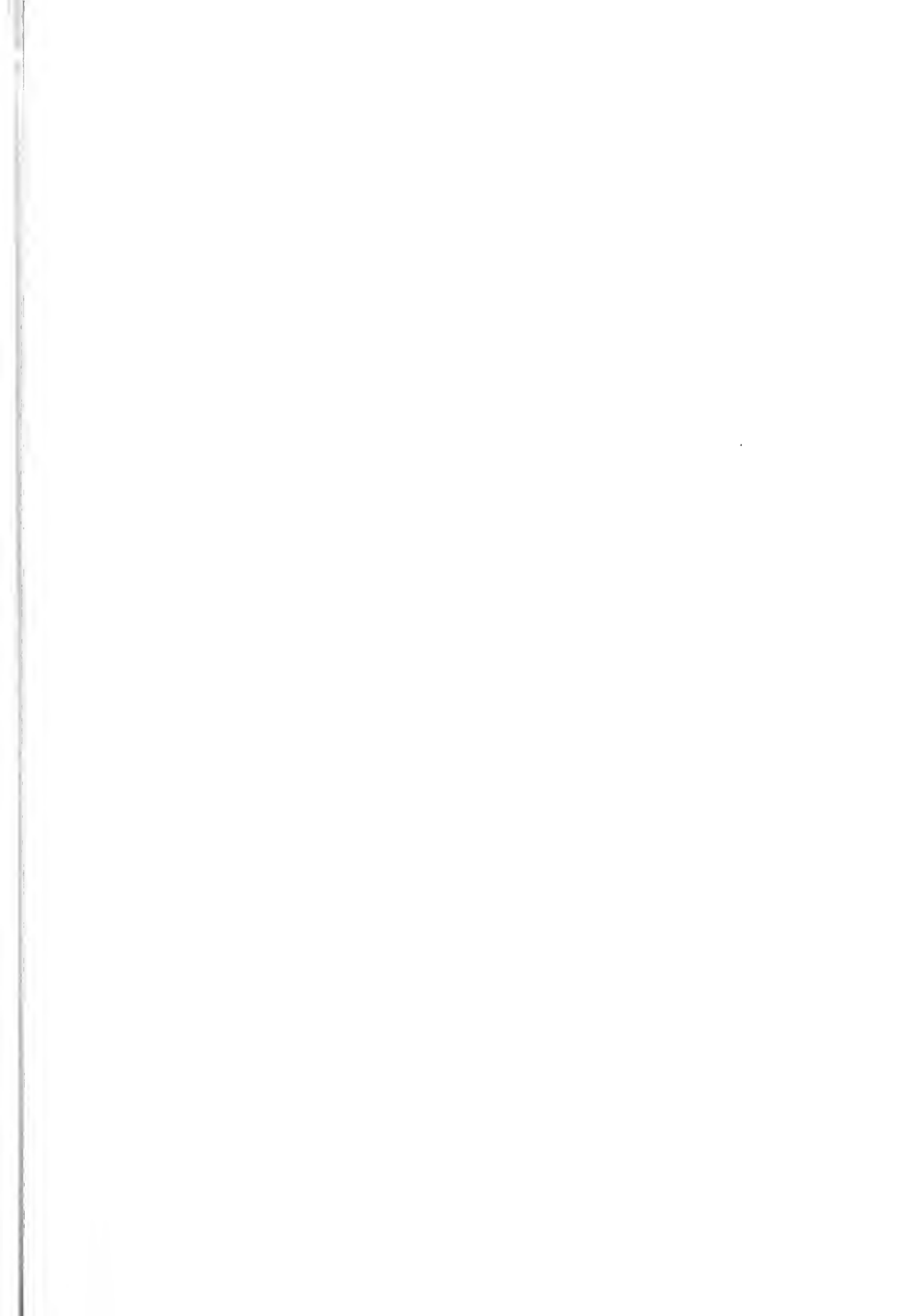
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