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Bills

ANTICIPATED QUESTIONS AND ANSWERS
AT PRESIDENTIAL SIGNING OF THE TRADE BILL

Q. When do you expect the actual trade negotiations this act authorizes to begin?

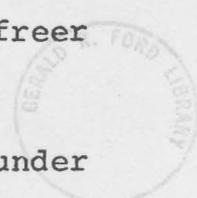
A. More than 100 countries have been preparing for this round for nearly two years. The actual negotiations will begin in earnest in Geneva, Switzerland on February 11th.

Q. Your Special Representative for Trade Negotiations, Ambassador Eberle, has resigned. Can you tell us who his successor will be, and if he has not been selected, when you may have an announcement?

A. I have, with deep regret, accepted Bill Eberle's decision to return to private life. I am giving most careful attention personally to the filling of this important post, and I hope to be able to announce a new Special Representative very shortly.

~~Q. Recently, the Soviets have been putting out signals that they do not accept the compromise formulation of the so-called Jackson/Vanik amendment to the Trade Bill, which would permit you to waive the emigration tests of the original Jackson/Vanik amendment. Do you still plan to extend most-favored nation tariff treatment to Russia, and will they accept it on condition of granting freer emigration?~~

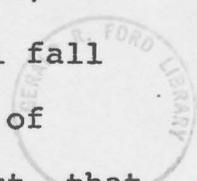
A. We now have a bilateral agreement with the USSR, under which nondiscriminatory (MFN) tariff treatment would be extended to the USSR. The Congress will have several



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months to review the agreement and to disapprove its entry into force, if this is the will of a majority in either House. In addition, another condition must be met. I must make a determination, with respect to furtherance of the objective of freedom of emigration before nondiscriminatory treatment can be granted.

- Q. What about equal tariff treatment and credits to other Communist countries, such as Romania, Czechoslovakia, etc?
- A. Again, this depends first on the negotiation and approval of bilateral agreements with those countries. We hope to begin such negotiations shortly with Romania. With Czechoslovakia, the Congress has mandated us to renegotiate the terms of our agreement on the settlement of outstanding claims prior to submission of a bilateral commercial agreement.
- Q. What are your expectations for this round of negotiations? Will it result in major changes in trading relationships, or in our economies?
- A. I have very high expectations for this round of negotiations. I don't think anyone should expect miracles, or that all barriers to trade between nations will fall away overnight. We face months and perhaps years of tough, hard bargaining. But I do think, and expect, that these trade talks, together with cooperative efforts on monetary reform, food and energy problems, will move us toward common solutions to common problems. As I have said before, the unacceptable alternative is unilateral



1/3/75

and bilateral beggar-thy-neighborism which makes every-
one losers.

1/3/5

TRADE AGREEMENTS PROGRAM

Q. Does the Executive Order signed by the President yesterday depart significantly from past practices for the administration of U. S. trade agreements programs?

A. No, it follows the precedent established by Executive Order pursuant to the last major piece of trade legislation, the Trade Expansion Act of 1962. However, the scope of the 1974 Trade Act is broader, as the Executive Order reflects. For more specific information on the Trade Act, I refer you to the Office of the Special Trade Representative.

Bill

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A. The US and USSR entered into a Trade Agreement in 1972 in which the United States stated its commitment to extend MFN treatment to the USSR. As you know, the President had sought the authority needed to grant MFN to all countries. I think the provisions of the bill as passed on this issue are clear enough. We have the authority we need, and we will now have to see how this works out in practice.



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January 3, 1975



File RON Nessen
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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 US-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 non-discriminatory tariff treatment (MFN), 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 USSR 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 USSR 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 USSR 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 has called for an unconditional elimination of discriminatory trade restrictions, and the principle of non-interference 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.

OCTOBER 21, 1974

Office of the White House Press Secretary
(Tucson, Arizona)

NOTICE TO THE PRESS

STATEMENT BY THE PRESS SECRETARY
ON THE AGREEMENT CONCERNING
SOVIET IMMIGRATION AND THE TRADE BILL

The President would like to clarify one point regarding assurances on immigration as related in the exchange of letters published by Senator Jackson on October 18, a point which appears to have been widely misunderstood.

All the assurances we have received from the Soviet Union are contained in the letter from the Secretary of State to Senator Jackson. This letter, as I am sure you have already noted, does not contain specific numbers. Rather, it sets forth the principles to be applied in handling applications and visas of those wishing to immigrate.

The Senator, in his reply to the letter of the Secretary of State, set forth certain guidelines or understandings which he proposes to apply in the renewal when the President's waiver authority is considered by the Congress. With respect to these guidelines or understandings in the Senator's letter, the Administration has agreed only that, as stated in the Secretary's letter, they "will be among considerations to be applied by the President" in exercising authority provided for in the Trade Bill.

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SENATOR HENRY M. JACKSON

Friday, October 18, 1974

For further information call 225-9732

LETTERS OF AGREEMENT ON TRADE AND EMIGRATION AMENDMENT FOR SIGNATURE

October 18, 1974

October 18, 1974

Dear Senator Jackson:

I am writing to you, as the sponsor of the Jackson Amendment, in regard to the Trade Bill (H.R. 10710) which is currently before the Senate and in whose early passage the Administration is deeply interested. As you know, Title IV of that Bill, as it emerged from the House, is not acceptable to the Administration. At the same time, the Administration respects the objectives with regard to emigration from the USSR that are sought by means of the stipulations in Title IV, even if it cannot accept the means employed. It respects in particular your own leadership in this field.

To advance the purposes we share both with regard to passage of the Trade Bill and to emigration from the USSR, and on the basis of discussions that have been conducted with Soviet representatives, I should like on behalf of the Administration to inform you that we have been assured that the following criteria and practices will henceforth govern emigration from the USSR.

First, punitive actions against individuals seeking to emigrate from the USSR would be violations of Soviet laws and regulations and will therefore not be permitted by the Government of the USSR. In particular, this applies to various kinds of intimidation or reprisal, such as, for example, the firing of a person from his job, his demotion to tasks beneath his professional qualifications, and his subjection to public or other kinds of recrimination.

Second, no unreasonable or unlawful impediments will be placed in the way of persons desiring to make application for emigration, such as interference with travel or communications necessary to complete an application, the withholding of necessary documentation and other obstacles including kinds frequently employed in the past.

Third, applications for emigration will be processed in order of receipt, including those previously filed, and on a non-discriminatory basis as regards the place of residence, race, religion, national origin and professional status of the applicant. Concerning professional status, we are informed that there are limitations on emigration under Soviet law in the case of individuals holding certain security clearances, but that such individuals who desire to emigrate will be informed of the date on which they may expect to become eligible for emigration.

Fourth, hardship cases will be processed sympathetically and expeditiously; persons imprisoned who, prior to imprisonment, expressed an interest in emigrating, will be given prompt consideration for emigration upon their release; and sympathetic consideration may be given to the early release of such persons.

Fifth, the collection of the so-called emigration tax on emigrants which was suspended last year will remain suspended.

Sixth, with respect to all the foregoing points, we will be in a position to bring to the attention of the Soviet leadership indications that we may have that these criteria and practices are not being applied. Our representations, which would include but not necessarily be limited to the precise matters enumerated in the foregoing points, will receive sympathetic consideration and response.

Finally, it will be our assumption that with the application of the criteria practices and procedures set forth in this letter, the rate of emigration from the USSR would begin to rise promptly from the 1973 level and would continue to rise to correspond to the number of applicants.

I understand that you and your associates have, in addition, certain understandings incorporated in a letter dated today respecting the foregoing criteria and practices which will henceforth govern emigration from the USSR which you wish the President to accept as appropriate guidelines to determine whether the purposes sought through Title IV of the Trade Bill and further specified in our exchange of correspondence in regard to the emigration practices of non-market economy countries are being fulfilled. You have submitted this letter to me and I wish to advise you on behalf of the President that the understandings in your letter will be among the considerations to be applied by the President in exercising the authority provided for in Sec. ___* of Title IV of the Trade Bill.

I believe that the contents of this letter represent a good basis, consistent with our shared purposes, for proceeding with an acceptable formulation of Title IV of the Trade Bill, including procedures for periodic review, so that normal trading relations may go forward for the mutual benefit of the US and the USSR.

Best regards,

Henry A. Kissinger

*Statutory language authorizing the President to waive the restrictions in Title IV of the Trade Bill under certain conditions will be added as a new (and as yet undesignated) subsection.

October 18, 1974

Dear Mr. Secretary:

Thank you for your letter of October 18 which I have now had an opportunity to review. Subject to the further understandings and interpretations outlined in this letter, I agree that we have achieved a suitable basis upon which to modify Title IV by incorporating within it a provision that would enable the President to waive subsections designated (a) and (b) in Sec. 402 of Title IV as passed by the House in circumstances that would substantially promote the objectives of Title IV.

It is our understanding that the punitive actions, intimidation or reprisals that will not be permitted by the Government of the USSR include the use of punitive conscription against persons seeking to emigrate, or members of their families; and the bringing of criminal actions against persons in circumstances that suggest a relationship between their desire to emigrate and the criminal prosecution against them.

Second, we understand that among the unreasonable impediments that will no longer be placed in the way of persons seeking to emigrate is the requirement that adult applicants receive the permission of their parents or other relatives.

Third, we understand that the special regulations to be applied to persons who have had access to genuinely sensitive classified information will not constitute an unreasonable impediment to emigration. In this connection we would expect such persons to become eligible for emigration within three years of the date on which they last were exposed to sensitive and classified information.

Fourth, we understand that the actual number of emigrants would rise promptly from the 1973 level and would continue to rise to correspond to the number of applicants, and may therefore exceed 60,000 per annum. We would consider a benchmark -- a minimum standard of initial compliance -- to be the issuance of visas at the rate of 60,000 per annum; and we understand that the President proposes to use the same benchmark as the minimum standard of initial compliance. Until such time as the actual number of emigrants corresponds to the

number of applicants the benchmark figure will not include categories of persons whose emigration has been the subject of discussion between Soviet officials and other European governments.

In agreeing to provide discretionary authority to waive the provisions of subsections designated (a) and (b) in Sec. 402 of Title IV as passed by the House, we share your anticipation of good faith in the implementation of the assurances contained in your letter of October 13 and the understandings conveyed by this letter. In particular, with respect to paragraphs three and four of your letter we wish it to be understood that the enumeration of types of punitive action and unreasonable impediments is not and cannot be considered comprehensive or complete, and that nothing in this exchange of correspondence shall be construed as permitting types of punitive action or unreasonable impediments not enumerated therein.

Finally, in order adequately to verify compliance with the standard set forth in these letters, we understand that communication by telephone, telegraph and post will be permitted.

Sincerely yours,

Henry M. Jackson, U.S.S.

From the Office of:

SENATOR HENRY M. JACKSON

For further information call 225-9732

FOR IMMEDIATE RELEASE

Friday, October 18, 1974

*Soviet
Javits*
→ CLIFT.

STATEMENT BY SENATOR HENRY M. JACKSON

Announcing Agreement on Trade and Emigration
October 18, 1974

It has been two years since I first offered an amendment to the trade bill conditioning eligibility for trade concessions on respect for the right to emigrate.

Today, near the end of a long and often difficult road, I am pleased, on behalf of Senator Javits, Senator Ribicoff and myself, to announce that an agreement has been reached on emigration from the Soviet Union that should do much to advance the cause of human rights -- to reaffirm on the part of the American people the commitment to individual liberty that has made this nation a symbol to men and women everywhere.

I believe that we have reached a fair and productive compromise. We have agreed upon an unprecedented measure to bring the blessings of liberty to those brave men and women who have asked only for the chance to find freedom in a new land. We have acted on behalf of those of all faiths, of all religions -- on behalf of artists and dancers, workers and students, the educated and the unskilled.

The agreement we have reached and which is contained in an exchange of letters between myself and the Secretary of State should signal an end by the USSR to punitive actions against persons wishing to emigrate. It provides that no unreasonable impediments will be placed in the way of persons wishing to emigrate. It stipulates that applications for emigration will be processed in order without discrimination on the basis of race, religion, national origin, professional status or place of residence. It promises sympathetic and expeditious processing of hardship cases.

It provides that persons imprisoned, who, prior to their imprisonment, expressed an interest in emigrating will be given prompt consideration for emigration upon their release; and it states that sympathetic consideration may be given to the early release of these unfortunate persons.

The agreement is based on, and the Secretary's letter conveys, the assumption that the rate of emigration from the USSR will begin to rise promptly from the 1973 level -- and that it will continue to rise to correspond to the number of applicants. We have agreed with President Ford that a "minimum standard of initial compliance" will be the issuance of 60,000 visas per annum. I wish to emphasize that this figure is not a quota. It is my judgment that,

if the agreement is implemented in good faith, the actual number will exceed 60,000 per annum since there is abundant evidence of a current backlog in excess of 130,000, and the agreement calls for the number to rise to correspond to the number of applicants.

The agreement provides that the Soviet leadership will give "sympathetic consideration and response" in the event that we have indications that these criteria and practices are not being applied.

In reaching this agreement, negotiated over the last several months, we have developed a set of guidelines appropriate for the purpose of determining whether eligibility for trade benefits extended to the USSR as a consequence of this agreement should be continued beyond an initial period of eighteen months. These understandings and interpretations, which have been accepted by the President as appropriate guidelines, are contained in my letter to the Secretary of State. The two letters taken together are a tribute to the perseverance of my fellow Senators and Congressmen and the spirit of cooperation on this issue that we have enjoyed from the first days of the Ford presidency.

When the trade bill reaches the floor of the Senate I will propose an amendment that will authorize the President to waive the restrictions in the Jackson Amendment in circumstances where doing so will substantially promote the objectives of the Jackson-Mills-Vanik Amendment.

This added authority will be renewable at the end of eighteen months if both Houses of Congress agree, by concurrent resolution. Thereafter the authority to further waive the restrictions of the Jackson Amendment can be renewed at one year intervals, provided that neither House of the Congress passes a resolution of disapproval.

I trust that this agreement will be implemented in all its parts, with a generosity of spirit and a full measure of good faith. Nothing would please me more than to join in cosponsoring the concurrent resolution that will be required if, 18 months from now, most-favored-nation treatment is to be continued. But I will not hesitate to oppose that resolution if there is a failure to comply with the understanding we have labored so long to achieve.

I share the joy with which news of this agreement will be greeted by so many who have waited so long. I hope and pray that we will one day look back on this agreement as an early step along the road of a genuine detente.