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For index see inside back cover

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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 Visits the People's Republic of China

Secretary Kissinger visited Peking October 19–23. He met with Japanese Government officials at Tokyo October 18–19 and 23. Following are exchanges of toasts between Secretary Kissinger and Minister of Foreign Affairs Ch'iao Kuan-hua at Peking on October 19 and 22, together with the transcript of an interview with Secretary Kissinger at Tokyo on October 23 by Ted Koppel of ABC News, Bernard Kalb of CBS News, and Don Oliver of NBC News.

BANQUET GIVEN BY FOREIGN MINISTER CH'IAO AT PEKING ON OCTOBER 19

Press release 535 dated October 20

Toast by Foreign Minister Ch'iao

Mr. Secretary and Mrs. Kissinger, Mr. Bush, Chief of the U.S. Liaison Office, and Mrs. Bush, American guests, comrades: I wish to express, in the name of my Chinese colleagues present, our welcome to the Secretary of State, Dr. Kissinger, and his party, who have come again to Peking to prepare for President Ford's visit to China later this year.

The current international situation is characterized by great disorder under heaven, and the situation is excellent. The basic contradictions in the world are sharpening. The factors for both revolution and war are increasing. The stark reality is not that détente has developed to a new stage but that the danger of a new world war is mounting. We do not believe there is any lasting peace. Things develop according to objective laws independently of man's will. The only way to deal with hegemonism is to wage a tit-for-tat struggle against it. To base oneself on illusions, to mistake hopes or wishes for reality and act accordingly, will only abet the ambitions of expansionism and lead to grave consequences.

In this regard, the history of the Second World War provides a useful lesson. In the face of the growing danger of war, China's fundamental policy is to "dig tunnels deep, store grain everywhere, and never seek hegemony," to persist in independence and self-reliance, and make all necessary preparations. We are deeply convinced that, whatever zigzags and reverses there may be in the development of history, the general trend of the world is toward light and not darkness.

A new page was turned in the relations between China and the United States with President Nixon's visit to China and the issuance of the Shanghai communique by our two sides in 1972. On the whole, Sino-U.S. relations have moved forward in the last few years. China and the United States have different social systems, and there are essential differences between their policies.

However, in the current turbulent world situation, our two sides have common points as well. This has been set forth clearly in the Shanghai communique. So long as our two sides earnestly observe in actual practice the principles established in the Shanghai communique, there is reason to believe that Sino-U.S. relations will continue to move ahead. This is the common desire of the Chinese and American peoples. On the Chinese side, we will do our part to promote Sino-U.S. relations in the spirit of the Shanghai communique, as we have done all along.

Now I propose a toast: To the friendship between the Chinese and American peoples; to the health of the Secretary of State and Mrs. Kissinger; to the health of Mr. Bush,

chief of the U.S. Liaison Office, and Mrs. Bush; to the health of all American guests; and to the health of the Chinese comrades here.

Toast by Secretary Kissinger

Mr. Vice Premier [Teng Hsiao-p'ing], Mr. Foreign Minister, Chief of the Liaison Office in Washington [Huang Chen]: On this my eighth trip to China, I have finally found the courage to say something in Chinese. I ask your indulgence to listen carefully while I say it: *Pan chiu jung yi, ch'ing k'o nan,* which for those of you who think I spoke Cantonese means: "It is easy to prepare a banquet, but it is hard to be a good host."

On each of my visits the table is always magnificently set. But it is the warmth of the welcome that has made all of these evenings memorable.

I understand that today is the 40th anniversary of the end of the Long March. This occasion therefore has profound meaning for the People's Republic of China and those here tonight—including the Vice Premier and Ambassador Huang—who made that epic march. That event was testimony to the world, as well, of the courage and the vision of those who set out on a path whose length and contours they could not know. Their success was a triumph of spirit as much as exertion. And it demonstrates that faith is even more important than material circumstances in achieving great things.

As I said in my speech to the United Nations, there is no relationship to which the United States assigns greater significance than its ties with the People's Republic of China.

The differences between us are apparent. Our task is not to intensify those differences. Our task is to advance our relationship on the basis of our mutual interests. Such a relationship would strengthen each of us. It would threaten no one, and it would contribute to the well-being of all peoples. It is a relationship which we intend to be a durable feature of the world scene.

Each country must pursue a policy suitable to its own circumstances. The United States will resist hegemony, as we have already stated in the Shanghai communique. But the United States will also make every effort to avoid needless confrontations, when it can do so without threatening the security of third countries. In this policy we will be guided by actions and realities, and not rhetoric.

President Ford will soon be coming to China. He has visited you before, but now he comes as President with the intention of strengthening our relations on the basis of the Shanghai communique and to give expression to the American interest in a China that is making progress in a peaceful and secure world.

During the next few days we will have the opportunity to exchange views on a wide range of matters of common interest. These regular consultations have become a valuable feature of our relationship. Once again, I look forward to my meetings with the Vice Premier and the Foreign Minister.

And now may I propose a toast: To the health of Chairman Mao and Premier Chou En-lai, to whom we wish a rapid recovery; to the health of the Vice Premier and the Foreign Minister; to the health of the Chief of the Liaison Office in Washington; to the health of all our friends here today; and to the friendship of the American people and Chinese peoples. *Kan pei.*

BANQUET GIVEN BY SECRETARY KISSINGER AT PEKING ON OCTOBER 22

Press release 538 dated October 22

Toast by Secretary Kissinger

Mr. Vice Premier, Mr. Foreign Minister, Ambassador Huang Chen, Chinese friends and colleagues, ladies and gentlemen: On behalf of all my American colleagues, I extend a cordial welcome to all our Chinese friends to this dinner this evening. And as a sign of my respect for them, I will not again inflict on them Chinese with a Cantonese accent.

We are satisfied with our visit. Our two countries are too self-reliant to need reas-

surance and too experienced to confuse words with reality or tactics with strategy. We ended our isolation from each other because of our perceptions of our national interests. We will strengthen our relationship by deepening these common perceptions. And we will nurture our relationship by respecting each other's views regarding our national interest.

Once again we benefited greatly from the friendly and wide-ranging discussions I had last evening with Chairman Mao. And many issues of common concern were examined thoroughly and usefully in extensive talks with the Vice Premier, the Foreign Minister, and other Chinese officials.

The preparations for President Ford's visit to China later this year are proceeding well. It will serve to promote Sino-U.S. relationships on the basis of the principles of the Shanghai communique. I would like to thank our Chinese hosts for making our sojourn here once again a memorable experience through the openness and farsightedness of the talks, the splendors of China's history and culture, and the autumn beauty of the Fragrant Hills.

And with pleasure, I propose a toast: To the health of Chairman Mao Tse-tung and Premier Chou En-lai; to the health of the Vice Premier, the Foreign Minister, and the Chief of the Chinese Liaison Office in Washington; to the health of all our friends here today; and to the friendship of the American and Chinese peoples. *Kan pei.*

Toast by Foreign Minister Ch'iao

Mr. Secretary and Mrs. Kissinger, Mr. Bush, Chief of the U.S. Liaison Office, and Mrs. Bush, American guests, comrades: The Secretary of State, Dr. Kissinger, will conclude his eighth visit to China tomorrow. We would like to thank Mr. Secretary for inviting us to this banquet on the eve of his departure.

Yesterday, Chairman Mao Tse-tung met with Secretary of State Kissinger, and they had a conversation on a wide range of subjects in a friendly atmosphere.

In the last few days, our two sides had a frank exchange of views on the current international situation, international issues of common interest, and Sino-U.S. relations. Our talks have enabled us to have a clearer understanding of each other's views. This is useful. Both sides reaffirmed the principles established in the Shanghai communique and stated that they will promote Sino-U.S. relations in accordance with these principles.

Finally, I wish Mr. Secretary and his party a pleasant journey.

I propose a toast: To the friendship between the Chinese and American peoples; to the health of the Secretary of State and Mrs. Kissinger: to the health of the Chief of the U.S. Liaison Office and Mrs. Bush; to the health of all American guests and Chinese comrades present.

INTERVIEW AT TOKYO ON OCTOBER 23

Press release 540 dated October 23

Mr. Oliver: Mr. Secretary, someone said that the meetings in Peking were in a rather chilly atmosphere, with some criticism of the United States on the opening night's banquet and rather curt statements on the closing night. How would you characterize the meetings, and what do you think they accomplished?

Secretary Kissinger: The Chinese described the meetings as friendly and wide ranging, which I think is essentially correct. We had very full discussions. We covered the topics in about the manner which we expected, and we are satisfied with the visit. I think it laid the basis for the Presidential visit and maintained the relationship at the level which both sides want.

Mr. Kalb: Mr. Secretary, the Chinese made a point and have made the point of attacking various aspects of U.S. foreign policy that you personally are very much and prominently identified with. They have sharply attacked détente. They have sharply attacked, for example, the Helsinki Conference. Did you find in any way that, on a personal level, because of these policies the Chinese were a touch cool in your direction?

Secretary Kissinger: No, personal relations

are outstanding. This was my eighth visit to China in four years. These are all people I know well. We don't go to China to ask approval for our other policies. They don't ask approval for their policies. So we discuss matters of mutual interest, and on the personal level the relationship is extremely good.

Mr. Koppel: Mr. Secretary, you had an extraordinarily long meeting with Chairman Mao. Do you regard him on the basis of your meeting as still an active force in China today, or does he have a largely honorific role?

Secretary Kissinger: Well, I cannot determine the internal arrangements in China; but my impression was of a man of very powerful intelligence, very strong views, and I see no reason to doubt that he is in charge of events in China.

Mr. Koppel: I understand that you can't go into detail, but can you give us the sense of the mood? How did these meetings go when you went in to see Mao?

Secretary Kissinger: They're in a rather sparse room, and he likes to joke. I have learned that all of his remarks are rather carefully thought out. I think the discussions were well described as wide ranging, very acute.

Mr. Kalb: Mr. Secretary, do you have the feeling that the Chinese want, very much so, the United States to remain in Asia?

Secretary Kissinger: I have the impression that the Chinese, with all the things that may have been said at the banquets—I think the Chinese basically understand our global policy and understand the necessity of our role in Asia and certainly have given no sign either to us or to any other country that they want us to end it.

Mr. Kalb: Are you suggesting the Chinese would like to see the United States remain in Asia?

Secretary Kissinger: Well, I think it is for them to say what they would like to do. I have heard no opposition to it nor, to my knowledge, have other Asian countries.

Mr. Oliver: With the possibility of a change in leadership in China with Mao ill, with Chou En-lai in the hospital, do you feel the Chinese are in any position right now to make any commitments toward progress in U.S.-Sino relationships?

Secretary Kissinger: It depends on what you mean by progress in U.S.-Sino relationships. On the issues of global international concern, we have many points of common views and we are pursuing those. On other issues of a purely bilateral nature having to deal with commercial relations and so forth, we are not advancing matters a great deal. But those are essentially of secondary importance. I don't know how much this is related to the leadership position. I think this is a calculated policy of the Chinese leadership.

Mr. Koppel: Mr. Secretary, it's been almost a year since you were in China last, and a great deal has happened worldwide since then, and a great deal has happened internally in the United States. Do you have the feeling that China's perception of us has changed, and if so, in what direction?

Secretary Kissinger: China's interest in the United States depends on their perception of how effectively we perform internationally and how able we are to carry out our policies or to get domestic support for our policies. I would guess that since I first went there in 1971, the series of upheavals we have gone through have not greatly strengthened that perception. But on the whole, I am satisfied with this trip. I think the relations between China and the United States are basically sound.

Mr. Koppel: If I understand you correctly you seem to be saying that the Chinese feel we are a shade weaker than we were two or three years ago.

Secretary Kissinger: Well, I'm not saying this is necessarily explicit, but this could be part of their perception.

Mr. Koppel: But this is your sense?

Secretary Kissinger: It's probably true, but again I want to stress that the basic relationship was sound on this trip.

Mr. Kalb: Mr. Secretary, listening to some of the Chinese officials that we talked with, we got the feeling that in their attacks on détente there seemed to be a desire, a hope, on the part of the Chinese that the United States would go back to the cold war days vis-a-vis the Soviet Union. How do you handle that one in your negotiations?

Secretary Kissinger: We do not make any attempt to encourage this split between the Soviet Union and the People's Republic of China. We do not tell them how they should conduct their relations with the Soviet Union, and we conduct our own relations with the Soviet Union. Similarly, we do not permit the Soviet Union to tell us how to conduct our relations with the People's Republic. The two great Communist countries have a major disagreement of their own, and it is up to them to deal with it.

Mr. Kalb: Forgetting about what one side may tell the other, how do you handle the subject? How did both sides handle the subject of the Soviet Union during the talks?

Secretary Kissinger: When the occasion arises we state our perception of the problem, and it's obvious they're stating their perception. We should, however, not overlook the fact that both of us are opposed to expansionism. We may have different perceptions on how to resist it or whether it is possible to ease the conditions, but the United States has no illusions that—if there is expansionism, we have many international obligations to resist it.

Mr. Oliver: Did the Chinese give you any indication that they feel that détente with the Soviet Union, from the American point of view, is a bar to better relations with China?

Secretary Kissinger: No, no such point was made to us—

Mr. Oliver: Did the Chinese seem to be worried about the relationship?

Secretary Kissinger: —nor would we accept such a proposition from either the Soviet Union vis-a-vis China or from China vis-a-vis the Soviet Union.

Mr. Koppel: Wouldn't it be fair to say then, Mr. Secretary, that the Chinese are not happy with what they see as a softening of our relationship toward the Soviet Union. Don't they want to see us toughen it?

Secretary Kissinger: Well, since we opened our relations with China in 1971—and after all, I was one of the principal architects of this—at that time, we were already engaged in improving our relations with the Soviet Union. We have pursued the improvement of relations with both sides simultaneously.

Mr. Koppel: No, I understand that, but I'm asking you about the Chinese attitude. It seemed to us that they wanted the United States to get tough with the Soviet Union.

Secretary Kissinger: No, but you have to distinguish between the formal position of the Chinese and what we may be talking about privately. In any event we do not consider that a basic subject to negotiations.

Newsmen: Thank you.

Secretary Kissinger's News Conference at Anchorage, Alaska, October 18

Following is the transcript of a news conference held by Secretary Kissinger at Elmendorf Air Force Base, Anchorage, Alaska, on October 18 while en route to Peking.

Press release 534 dated October 20

Q. Can you give us your views on the 200-mile limit?

Secretary Kissinger: Well, as you know, we have been negotiating an international agreement on the 200-mile—on the law of the seas, which is one of the most complicated negotiations and potentially one of the most important that our nation is engaged in. I have great understanding and great sympathy for those who are advocating the unilateral legislation. I agree with them that fishing should be protected, and therefore I substantially agree with their objective.

However, it is my position that the fisheries can best be protected by having an internationally accepted agreement in which all nations apply an accepted standard and which preserves all the existing international agreements. The danger is that if one nation goes unilaterally, all other nations are also going to go unilaterally and that the outcome of this is likely to be that not only fishing rights but transit through straits and other interests we have on the oceans are going to be affected.

On the other hand, if the law of the seas negotiations should not be concluded in a reasonable time, then I would support unilateral legislation; so we are really talking now about giving us an opportunity to conclude the law of the seas negotiations.

Q. Mr. Secretary, if the United States could become self-sufficient in energy, would it make sense to explore domestic oil and gas in order to perhaps undersell OPEC [Organization of Petroleum Exporting Countries] on the market?

Secretary Kissinger: Well, until the 1950's we were in a position really to set the world oil prices by selling our oil on the world market, and therefore we could regulate the world price by setting our price at a certain level and therefore making sure that no one could go much above that. That condition disappeared when we needed all of our oil for ourselves and became even more acute when we had to import up to 30 percent of ours. If we should ever again get into a position where we can again export energy that would of course change the negotiating posture of all of the sides, and it would be a highly desirable position. But that condition will not exist until the middle eighties, if then.

Q. Mr. Secretary, you said on the fishing situation that if the international agreement could not be completed in a reasonable amount of time you would support unilateral action. What's a reasonable amount of time?

Secretary Kissinger: Well, we are hopeful that we can arrange for a double session next year. There will be a session that starts in March in New York. We are going to propose that in addition to that session there be another one in the fall. So we hope that at least the so-called economic zone can be negotiated next year; that is, the zone in which a country—of 200 miles—in which a country would have the right to exploit the resources including fisheries. And again, our concern is that if one nation goes unilateral and then every other nation starts going unilateral, if then these unilateral actions of these nations don't mesh and if some nations don't recognize it and abrogate their

existing agreements, that we are likely to have chaos and that we are likely to be hurt worse than we are now.

But I again want to emphasize that I understand the concern of those who are supporting the unilateral legislation and I have a great sympathy for the plight of the fishermen. We just believe we can protect it better by getting an international agreement, and we hope that perhaps, with some patience and analyzing the situation, that will be clear to other people.

Q. Mr. Secretary, with whom will you be negotiating in China and what do you expect to happen as a result of the President's visit —how soon an Ambassador?

Secretary Kissinger: How soon an Ambassador? Well, in the past my discussions on China—my discussions have been either with the Prime Minister, Chou En-lai, who is now ill; and therefore I would assume that they would be with the Vice Premier, Teng Hsiao-p'ing. I will be able to give a better estimate of what is going to be achieved by the President's trip after I have concluded my negotiations, or my visit there.

I would not expect that we will achieve full normalization of relations this year. But we can make some progress. And of course as I said in the United Nations, we attach very great significance to our relations with the People's Republic of China, even at the present level of diplomatic contact.

Q. Mr. Secretary, there have been recent reports out of the Far East of the China News Agency criticizing Soviet general foreign policy. Do you think that this renewed Sino-Soviet criticism of each other will have any effect upon the President's visit and/or Soviet détente?

Secretary Kissinger: We conduct our relations with both the Soviet Union and the People's Republic of China independent of their relations with each other. And therefore we have our own interests with relation to each of them, our own objectives. And we leave their own relations to each other to them to work out.

Q. So you don't see it as posing any kind of a problem?

Secretary Kissinger: I think that whatever difficulties may exist in Sino-Soviet relations will not affect the President's trip.

Q. Mr. Secretary, which, from the national security point of view, route for the gasline from Alaska would you consider safer? Down the coast with tankers or across Canada?

Secretary Kissinger: I don't really know whether that from a national security point of view, this is decisive. This is being largely considered from an economic point of view and from a technical point of view.

Q. Mr. Secretary, on the subject of the 200-mile legislation, if the House has already passed it and it's up before the Senate now, what happens if that bill is approved by the Senate? Are you going to urge President Ford to veto that legislation in order to get the time you need?

Secretary Kissinger: Well, I think the President knows the issues, and I can only state my view with respect to the international implications. He will have to weigh it in relation to domestic considerations as well. We will spend our efforts in the next months trying to persuade a number of Senators that the course we are proposing is in the best interests of even the fishermen and in the best overall interests of the country. But I don't want to take a position as to what I would recommend in case that bill passes the Congress. And of course I can't speak for the President as to what he would do if it passes the Congress.

Q. On the subject of oil, there have been recent reports that China may have substantial oil deposits. And will that come up in your discussions at all?

Secretary Kissinger: Well, you see, from our point of view—I don't expect it to come up. But from our point of view, if there is more oil on the market, if the worldwide supply of oil increases, the pressure on prices increases, too, even if it isn't sold to us, because the way the prices are being main-

tained is by the OPEC nations cutting production so that the production is in line with whatever level of prices are set. Obviously, the more supply there is, the more difficult it will be to regulate an agreed market.

Q. As for Chou En-lai's health, how do you think that America's relationship with China would be affected if Chou En-lai died, say within the next couple of months? Have you considered this?

Secretary Kissinger: It wouldn't be a tactful thing for me to say on the way to China—

Q. But it is a consideration.

Secretary Kissinger: Well, we're all mortal. But the relations between the People's Republic and the United States don't depend on personalities. They depend on the basic interests of both countries, and we would think that the main lines of both policies—the policies of both countries—would continue regardless of who is in office in either country. Though, of course, Chou En-lai is a man of outstanding abilities.

Q. Mr. Secretary, it was reported today that negotiators in Moscow are close to a long-term grain agreement with Russia. Would you tell us exactly where the State Department stands? What are you looking for in a long-term agreement?

Secretary Kissinger: Well, we have been trying to avoid a situation where we have to —where supplies of grain to the Soviet Union are determined by the emergencies in the Soviet Union so that when the Soviet Union bought massively it would lead to steep increases in prices in the United States. And since we didn't know from year to year what the Soviet needs would be—and indeed, the Soviet Union didn't necessarily know from year to year what its needs would be—this introduced an element of great uncertainty into the calculations of the farmers and into the prices.

So what we are attempting to do is to get a five-year agreement with an agreed minimum purchase and a maximum purchase. That way our farmers can plan their production, and the Soviets can make their purchases without a major effect on the price of food for the consumer. And in effect, it means they are spreading their purchases over many years rather than going into a peak buying period in which they oscillate from about 18 million tons in 1972 to a million tons a year or two later, and now this year they're going up again. And we are optimistic that we can achieve this agreement.

Q. Do you consider this just a part of the overall détente policy—

Secretary Kissinger: Well, everything is part of the overall relationship. But we are not selling grain to the Soviet Union because of détente. We are selling it in the mutual interest. It's in the interest of our farmers; it's in the interest of the overall relationship; and it's in our interest to have it on a long-term basis.

Q. Since the crackdown in India by Indira Gandhi earlier this year, the U.S. Government has not taken any kind of stand. I was wondering, do you have any kind of proposals for taking a stand on that?

Secretary Kissinger: Well, that isn't exactly true. The President has expressed his views. But, as a basic problem for American foreign policy, we have to consider that we came into office at a time when it was generally accepted that the United States had overextended itself by getting involved in too many parts of the world. The United States cannot act both as a commentator on everybody's problems and assume responsibility for everybody's domestic evolution and at the same time gear its commitments to its capabilities.

So, as a general rule, we gear our foreign policy to the foreign actions of other countries and to those actions that affect us. We have made clear our preference for democratic institutions in other countries. And that applies also, of course, to India. But we cannot—and as I pointed out, the President did express his views on the subject.

Q. OK, so then economically we have not made any steps to change our economic relationship?

Secretary Kissinger: Well, economically we really don't have—we have no economic aid program to India at this moment, though one is under consideration. So this is not a case where we are in the position to change very much.

Q. Mr. Secretary, if invited, would you remain as Secretary of State in the second Ford Administration?

Secretary Kissinger: I don't think that I should declare myself until the President is reelected and has asked me.

Q. A criticism of the Sinai accord is that it does not meet with a question of the Palestinians' rights or Golan. And do you think a Golan Heights agreement will resolve this problem?

Secretary Kissinger: Well, the Sinai accord did not deal with a question of the Palestinians, nor did it deal with some of the other questions. The reason we supported and helped negotiate the Sinai accord was our conviction that the attempt to deal with all issues simultaneously under the conditions that existed at the end of last year would have certainly led to a stalemate and that a stalemate had a high probability of leading to an explosion which would have serious consequences, even for our country.

So we took the largest bite that seemed to us possible at the time, which was the Sinai agreement between Egypt and Israel. And anyone who saw these negotiations will probably agree that even that negotiation strained the capability of the countries concerned from a domestic point of view. It is our view that, having made this agreement, when things settle down and when the implementation gets into full swing, which is now the case, then other countries will begin to try to follow this example. But sooner or later we will have to make an overall settlement, or contribute to an overall settlement, and that will have to include a consideration of the Palestinians. We've always said this, and that remains our position.

Q. Mr. Secretary, it's been suggested recently that you're going to try and negotiate some kind of a settlement between Israel and Syria. I was wondering if you have made any specific plans yet for that type of diplomacy?

Secretary Kissinger: Well, we have indicated that we are prepared to do for any of the adjoining states what we've done for Egypt. So we are prepared to act as a mediator in the negotiations between Israel and Syria. And Israel has indicated its readiness to negotiate with Syria without preconditions. Syria, for a variety of reasons, has been reluctant to begin these negotiations. And therefore we are waiting for an opportunity to bring the two parties together. At this moment there is no negotiation going on or any immediate prospects.

Q. Do the negotiations in this case involve as much money as it did with Egypt?

Secretary Kissinger: I think it's important to understand that the negotiations between Egypt and Israel did not involve any significant amount of money. Israel had asked us for a sum of money *prior* to the agreement and *independent of* the agreement, which 76 Senators supported, and which is larger than the amount we are going to give—recommend to the Congress for next year. Last year the Congress voted $3 billion for Israel in a combination of emergency and continuing appropriations quite independent of these agreements. Similarly, we had already put into our planning budget a significant sum for Egypt, which we will increase only marginally because of the agreement, and by "marginally" I mean a few hundred million dollars. We're not talking about ordinary sums.

So in short, the aid to the Middle East is an investment in the American national interest which we have been continuing for over 15 years and which is essentially independent of the Sinai agreement.

Q. Just what is the status of negotiations between the Canadian Government and the United States, relative to gaslines?

Secretary Kissinger: The negotiations are continuing, and we hope to bring them to a conclusion, but I can't estimate when that will be.

Q. Mr. Secretary, in light of the negotia-

tions, would the economic considerations be such that it might be better to go through Canada with the pipeline if negotiations were successful, rather than go through Alaska?

Secretary Kissinger: Than the one we are building through Alaska?

Q. The natural gas pipeline.

Secretary Kissinger: I don't know. I really haven't thought that one through.

Q. Mr. Secretary, since recent attempts on the President's life, have you increased your security, like, are you wearing a bulletproof vest?

Secretary Kissinger: No. No, I'm not wearing a bulletproof vest. I'm gaining weight so rapidly that that would be no problem. That's my best protection.

Q. Mr. Secretary, you were at the second game of the World Series. Would you tell me which team you were favoring in the Series?

Secretary Kissinger: Well, as a Yankee fan I'm sort of an American League adherent.

Q. Mr. Secretary, with the new shipment of arms to Turkey, just what is the future of our bases over there now?

Secretary Kissinger: Well, it's always difficult to restore a relationship once it has been damaged. The issue of our bases in Turkey has now become a domestic issue in Turkish politics. We hope, and indeed we expect, that operations can be restored at our bases now that we have lifted at least the most irritating parts of the embargo. We also hope that progress can be made on negotiations on Cyprus.

We are in close contact with the Turkish Government on both of those issues.

Q. Mr. Secretary, I know it's a terrible choice, but which do you prefer: newsmen listening in on your private conversations or reading the garbage?

Secretary Kissinger: They found less in the garbage than they did in the talk.

Q. Mr. Secretary, you had a few minutes with Senator Gravel before you came to talk with the press. What were you discussing with the Senator?

Secretary Kissinger: Senator Gravel has been very helpful to us in the law of the seas negotiations, and I got his latest views on the subject.

Q. Mr. Secretary, in light of your earlier comment that the more oil that can go on the market it will bring pressure on the OPEC price setup—the Alaska oil has to be sold in the United States. Would it, perhaps in the future, be a good idea to change that legislation so that it could be—

Secretary Kissinger: No, because the Alaska oil that is sold in the United States means that we have to import less oil. To the extent that we import less oil, that means that oil will then go on the international market. So it doesn't really make any difference where the total pool of available oil is sold, just as long as the pool increases and the countries that are not prepared to cut production in order to sustain the price get it on the market.

Q. Mr. Secretary, the Alaska press corps appreciates very much you stopping to chat with us.

Secretary Kissinger: Thank you very much.

Secretary Kissinger Interviewed for Time Magazine

Following is an interview with Secretary Kissinger by Time diplomatic editor Jerrold Schecter and State Department correspondent Strobe Talbott, which was conducted at Washington prior to the Secretary's October 14–15 visit to Ottawa, as published in the October 27 issue of Time.

Press release 532A dated October 19

Q. Will the continuing tension between you and Congress affect American foreign policy?

Secretary Kissinger: I don't think that there is tension between me and the Congress on a personal basis. I have, I think, extremely good personal relationships with most members of the Congress. But personal relations are not the issue. We are going through a period right now where, in the aftermath of Viet-Nam and Watergate, the Congress is attempting to shift the balance between executive and congressional power. There is [also] a profound feeling of distrust in the Congress of executive discretion, which causes them to insist on a kind of documentary evidence which no congressional committee ever asked for before. At the same time, the structure of the committees has disintegrated to such an extent that the documentary evidence becomes public, creating new foreign policy problems.

To some extent, I favor [the tension]. I think the balance swung too far toward executive authority in the sixties. But there is a danger that it may swing too far toward congressional authority in the seventies. And this will tend to paralyze foreign policy.

Can this problem be solved by taking Congressmen into negotiations? I don't want to exclude this totally. But it is not enough, for example, to have somebody in on a negotiation unless he knows all of the strategy that went into it. And it raises the issue of what happens if there is not complete agreement as to tactics.

In foreign policy, unless you have an overall design, your behavior grows random. It is as if, when you are playing chess, a group of kibitzers keeps making moves for you. They may be better chess players than you are, but they cannot possibly get a coherent game developed. Especially if, at the same time, you have to explain each of your moves publicly so that your opponent can hear it.

I don't know exactly what the solution is. I know I am spending over half of my time now before congressional committees. And that, too, is getting to be a problem in policymaking. I spent 42 hours in testimony and in private conversations with Congressmen in a three-week period on the Sinai accord. That is a lot of time, and it is in addition to the normal congressional contacts.

Q. You talk about kibitzers. Isn't that part of an open democracy?

Secretary Kissinger: There is no parliament in the world that has the access to policymaking that the Congress of the United States has—not in Britain, not in France, not in any of the democracies. The key decisions have to be subjected to congressional approval. The democratic process involves an approval [by Congress] of the general direction in which a country is going as well as of specific individual steps. But to attempt to subject every single decision to individual approval will lead to the fragmentation of all effort and will finally lead to chaos and no national policy.

Q. In an article in the Public Interest, U.N. Ambassador Daniel Moynihan wrote that "liberal democracy on the American model tends to the condition of monarchy in the

19th century: a holdover form of government, one which persists in isolated or peculiar places here and there, but which has simply no relevance to the future. It is where the world was, not where it is going."

Secretary Kissinger: I don't agree at all. Where the world is going depends importantly on the United States.

In the 1950's every new country wanted to be democratic because we were impressive or looked impressive, powerful, and purposeful. In the 1970's, after all we have gone through, that condition no longer exists. This is not an inevitable result. It may well be that democracy is not going to make it. But if democracy isn't going to make it, this is going to mean such a monumental change in the American perception of the world and of itself that it will have the profoundest consequences within America over a period of time.

Democracy in the 19th century was an essentially aristocratic phenomenon. You had limited ruling groups in most countries. This was not true of the United States, although we did have restricted franchises. And you had, above all, a doctrine of limited government and relatively simple issues. Now the government is involved in every aspect of life. The issues become unbelievably complex.

Another problem is that in almost every democratic country so much energy is absorbed in getting into office that leaders are not always as well prepared as they could be and have to learn their job by doing it.

All of this has created a crisis of leadership in many democratic countries. But it is a crisis that we must solve.

Q. Do you think we are better off than European countries?

Secretary Kissinger: Far better. The American body politic is basically healthy. Our people are confident. They want to believe in their government. There is not the fundamental division you have in many foreign countries. Too often, the Communist vote reflects the fact that a significant segment of the population has opted out of the democratic process and has lost confidence in their government.

Q. Do the totalitarian countries have an advantage over us?

Secretary Kissinger: They are at an advantage over us with respect to any one decision they may want to make. However, they face a problem of initiative and creativity. Moreover, the quality of leadership in most totalitarian countries is worse, because they have a problem of how to replace leaders at the very top and how to rotate leaders at middle levels.

The Communist appeal in the Third World is not due to their own merit. Nondemocratic forms are gaining. Much of the world has its origin in some form of revolution. On the whole, revolutionaries don't make revolution in order to give up power after they have seized it. Therefore, in many parts of the world, there is a tendency toward totalitarianism simply because the generation that seized power did not go through all that suffering in order to yield it. Our revolution was very peculiar, [since] it was made by people who knew who they were to begin with, and who thought they were carrying out an existing tradition.

Q. Could we tolerate Communists in the government of Italy or in France?

Secretary Kissinger: If you deal with a modern complicated democratic state, like Italy and France, it is not directly in our power to prevent it. It must be the responsibility of the governments concerned to prevent it. The alienation from government cannot be remedied primarily by the United States.

At the same time, insofar as we can, it is necessary for the Western democracies to recapture the sense that they can control their own destiny—that they are not subject to blind economic forces that sweep across, that produce unemployment, that produce inflation. This is the reasoning behind the planned summit meeting in November.

Q. How do you think détente is perceived by the American public?

Secretary Kissinger: The détente debate suffers from a number of misconceptions and oversimplifications. One is that détente is a

favor we grant to the Soviet Union, or that we can withhold it as a punishment. The fact is that we are attempting to carry out a foreign policy geared to the realities of the period. One, that the Soviet Union is a nuclear superpower, whose military potential cannot be effectively wiped out in a surprise attack, any more than ours can. This being the case, any war between us will involve colossal, indeed catastrophic, damage.

Second, the United States is no longer predominant, though it is still probably the strongest nation.

Third, the prevention of Soviet expansion, which remains a primary objective of American policy, has to be carried out in a more complicated way than in the 1940's and 1950's.

Fourth, the world is no longer monolithic. It is not one in which we can give orders or in which we can dominate a Western group and the Soviets dominate an Eastern group.

And fifth, we have to consider what this country has gone through with Viet-Nam, Watergate, and the attendant congressional restrictions. For us to run the risks of a confrontation that will be considered by our people as unnecessary is to invite massive foreign policy defeats.

I believe that the policy we are carrying out with the Soviet Union has put us in the best position to resist Soviet pressures and in the best position to exploit possibilities of positive development in Soviet policies. Now, however, the debate gets carried on as if we are giving away things to the Soviet Union. Where has the Soviet Union made a unilateral gain?

Q. It has been charged that because of détente we gave the Russians too generous terms in the 1972 wheat deal and that at Helsinki we allowed the Soviet Union to ratify its dominant position in Eastern Europe.

Secretary Kissinger: The wheat deal is generally recognized today as a bureaucratic mistake. It had nothing to do with détente. In 1972 the decision was made to sell them wheat because it was considered a good thing for our farmers. And for that reason, it wasn't watched sufficiently at the political level. That was a mistake, but it was not a mistake of détente.

The so-called Helsinki issue has to be seen in the context of the evolution of East-West relationships. We used it as an incentive to get a Berlin Agreement and the start of mutual balanced force reductions in Europe by refusing to agree to a European Security Conference until after a Berlin Agreement. And that in turn quieted down an explosive situation, we hope for the foreseeable future.

With respect to the frontiers, Helsinki ratified nothing that had not been ratified before at Yalta, Potsdam, and in the peace treaties. The Soviet political position in Eastern Europe depends on military predominance and on history since 1950, which has made it clear that the Soviet Union would not tolerate a breakaway from its form of government and that the West would not intervene if the Soviet Union asserted itself militarily.

Q. If we don't have a SALT agreement this year or early next year, would that basically change the relationship between the United States and the U.S.S.R.?

Secretary Kissinger: I don't want to give a specific deadline for the SALT agreement. But if the SALT negotiation should fail, both sides will be forced to build their strategic forces in anticipation of what the other side might do.

In our case it would mean that rather than the Soviet Union reducing their strategic forces from the approximately 2,600 units they have now to 2,400, we would have to calculate that they will stay at 2,600—or maybe go on beyond that. To match this would involve a significant increase in our strategic defense budget. That, in turn, can only be justified on the basis of an increased danger. So the rhetoric of both sides will become more confrontational, and I would think that it would lead to a substantial chilling in the relationship—if not to a return of the cold war.

Q. Isn't there a basic difference between the Pentagon and the State Department on our SALT negotiating position?

Secretary Kissinger: If there is a basic difference, I know about it only from the newspapers. The last position that was given to Foreign Minister [Andrei A.] Gromyko was jointly worked out by the Secretary of Defense and myself. It was then approved by the President. If there should be a disagreement—and the disagreement is always much more in the press than in reality—then it will be settled by the President.

Q. Do you expect that there will be an agreement this year?

Secretary Kissinger: It's now getting rather late in the year. It would take about six to eight weeks, even after an agreement in principle, to work out all the technical details. So it may slip beyond the end of this year.

Q. Would it be possible for Brezhnev [Leonid I. Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union] to come to the United States before a SALT agreement is worked out?

Secretary Kissinger: I would think it's unlikely. I think his visit would be tied to a SALT agreement.

Q. Do you agree—as the Chinese have charged—that the danger of war between the United States and the U.S.S.R. is increasing?

Secretary Kissinger: I do not see the danger of war increasing with the Soviet Union. I think that in the next decade, as Soviet power grows—and it will grow not as a result of détente, but as a result of technology and economic development—the temptation to achieve political positions commensurate with that power may also grow. And in that sense there could be a danger of increased conflicts if we do not, prior to that event, regulate our relationships in some manner, and if we fail to keep up our defenses.

Q. Would it be in our strategic interest if there was war between the Soviet Union and China?

Secretary Kissinger: No. We are not stimulating the rivalry; we are doing nothing to encourage that conflict. It exists; it is a fact of political life. It is not anything in which we can ourselves get involved. But a war between those two countries would be unfortunate. We're trying to improve relations with both [countries]. Of course, each might prefer it if we did not have a relationship with the other. For our purposes, it is better to have a relationship with both.

Q. Why should the President go to China this year?

Secretary Kissinger: The President is going because the essence of our relationship with China depends on a mutual understanding of each other's perceptions of the world. That requires a periodic exchange [of views] at the highest level. There hasn't been a meeting between the top Chinese leaders and an American President for nearly four years. In a relationship in which so much depends on intangibles, an occasional meeting is quite important. [The trip] will certainly not be just ceremonial.

Q. Do you expect the question of normalization of relations—short of our breaking of relations with Taiwan—to be resolved?

Secretary Kissinger: The issue will certainly come up, and we'll discuss it in the spirit of the Shanghai communique, which provides that the purpose of our contacts is to achieve full normalization. We don't have a timetable right now. [As for the Chinese] well, they've stated publicly that they're patient.

Q. There have been reports that you will make a visit to Israel and Syria in December. Is that correct?

Secretary Kissinger: Absolutely not. Short of some crisis that I now don't see, I don't believe that I will visit Israel and Syria at that time.

Q. Do you feel that there will be a major reassessment of American commitment to Israel—and American policy in the Middle East in general—when the aid appropriations are presented to Congress?

Secretary Kissinger: The aid discussions take on a very curious form. The impression has been created that the aid requests for Israel and Egypt are caused by the Sinai agreement. Indeed, I saw it in your magazine that "Kissinger promised them certain things." The fact is that before the agreement the Israelis asked for $2.6 billion and were confident enough of getting it that they put it into their budget as a public figure. Seventy-six Senators urged us to meet that request.

Last year Israel received $3 billion of emergency and regular aid, and a substantial sum for Israel has been in every budget for the last 15 years. Similarly, we had allocated a certain amount for Egypt prior to the agreement. Aid levels were never discussed with Egypt during the agreement. We set the levels unilaterally after the agreement was completed. Aid to Israel and Egypt reflects our own interests; it is not a payment for the agreement.

Q. What about a reassessment in terms of our own domestic priorities—for example, the problems in New York?

Secretary Kissinger: This is not a fair choice; because if you sacrifice an ally abroad, even if it has no immediate consequences, the long-term consequences in terms of your international position are very severe. We must overcome the idea that when we deal with foreign governments it is a favor that we do them, that we can withdraw without penalty to ourselves. If we have a close relationship with a foreign government, it must be because we believe that we have permanent interests. If we don't, then that relationship is in trouble. But if we do have permanent interests, then we cannot choose between New York and, say, Israel.

Q. There's been considerable questioning and criticism—

Secretary Kissinger: If it's criticism, it was unfair. [Laughter.]

Q. —about the failure of the United States to speak out for trial by jury and the rights of the accused in the case of the summary execution of Basques and leftist terrorists in Spain. Why was that?

Secretary Kissinger: I don't have the impression that trial by jury is part of the Spanish legal tradition. Trial by jury isn't the case in France and Germany. It's not the case in any country that has the Napoleonic Code or the Roman law. Trial by jury is an Anglo-Saxon concept that exists only in countries within the Anglo-Saxon jurisprudence.

We did not take an official position on the legal proceedings that were carried out in Spain, and I don't think that was the objection of many of the Europeans. Rather it was a rallying point for a historical resentment of Franco Spain, which is rooted in the experience of the Spanish Civil War. The relationship between Spain and the West—bringing Spain back to the West—is one of the critical problems of our foreign policy over the next five to ten years.

Q. What are your top-priority items in foreign policy?

Secretary Kissinger: In foreign policy there are always periods of innovation and then there are periods of consolidation. We went through a period of innovation with respect to the Communist countries between '71 and '73. We are now in the process of consolidating this. We then went through a period of innovation in our relations with Western Europe and Japan in the period of '73 and '75. This is still going on. Although it has not been, in my view, adequately noted, I think our relationship with the industrial democracies is better and more creative than it has been at any time since the late 1940's. The things that were considered very ad-

vanced in '73, when I put forward the Year of Europe, are now accepted as a matter of course. At that time when we proposed that economic policies should be coordinated, this was rejected. Today it is made as a demand. This is a period I would put in the middle of its creative phase.

Then we have the relationship with the new countries in which we have just begun the process of construction with the seventh special session.

Those are the three areas which are in various states of evolution. Of course, you have critical problems like the Middle East, which must, in my view, in the next three to five years make a substantial advance toward peace—or maybe achieve peace.

One of the things we've often discussed is the vitality of Western institutions in the period of change. This is perhaps our deepest problem, to which a foreign policy maker can contribute by performance but not directly.

Q. Last week you met with the Portuguese Foreign Minister and the Administration has put forward to Congress the proposal for $85 million in aid. How do you now feel about the survival of pluralist democracy in Portugal?

Secretary Kissinger: My position has been that without a systematic effort to encourage the pluralistic forces in Portugal, they would be defeated. For a while there was a disagreement between us and the West Europeans, who thought that the forces of the government that was in office earlier this year would over a period of time produce pluralism. I was skeptical about this. During the summer the West Europeans came to the same conclusions we had earlier reached; namely, that pluralism had to be actively encouraged. And that has always been my position. I think it is still a very precarious situation in Portugal, the outcome of which is not clear. Recent trends are more encouraging.

Q. In your U.N. speech you suggested a conference between the concerned powers about the future of North and South Korea. That was rejected by the Chinese and the North Koreans.

Secretary Kissinger: Yes, but I'm not sure that is absolutely their last word on the subject. Even if there is no formal conference, we can have exchanges of views. We are not opposed to North Korea as such. What we don't want to do is have bilateral talks with North Korea to the exclusion of South Korea. We don't want to have South Korea maneuvered into the position of an international pariah while we settle the future of North Korea in negotiations with other countries. We would be prepared to participate in any negotiations or in any conference whose composition was reasonably balanced that included South Korea. Similarly, if the Soviet Union or the People's Republic were prepared to recognize South Korea, we would be prepared to recognize North Korea.

Q. In 1961 in "A World Restored," you wrote that "statesmen often share the fate of prophets"—that they're without honor in their own country. Do you feel that you're suffering this fate?

Secretary Kissinger: Well, the lead time for prophecy has shortened. I think in the country there's a general feeling that our foreign policy is reasonably effective. Some of the criticism is the natural result of an election year. Some of it is the inevitable consequence of having been in office for seven years, in which you accumulate a lot of mortgages on yourself.

Inevitably, after one is out of office, one's policies will be seen in clearer perspective, because then the alternatives will have to be tried or rejected by somebody else. But, on the whole, the criticism does not go to the central core of the policy and, therefore, I believe the central core of the policy will be carried on after I leave office—even if another Administration succeeds us.

Q. It sounds like you'll stay, if the President's elected.

Secretary Kissinger: Don't scare me like that. I'd lose at least my dog, and probably my wife. [Laughter.]

United Nations Day, 1975

Following are texts of a statement by Secretary Kissinger made at the U.N. Day concert at Washington on October 25, his toast at a U.N. Day dinner later that evening, and a proclamation signed by President Ford on October 13.

STATEMENT AT U.N. DAY CONCERT

Press release 542 dated October 25

Excellencies, distinguished guests, ladies and gentlemen: This 30th anniversary of the United Nations cannot be simply an occasion for celebration; it must be a moment of rededication. Those of us who value this institution as indispensable must help it meet its challenges—as we have done successfully in the past.

The events of the last few years have taught the world many new lessons: the lessons that our economic fortunes are interdependent, that the problems of global peace and security are indivisible, that concerns for human rights transcend international boundaries. This recognition of the collective destiny of the human race could mark the beginnings of what dreamers have dreamt for ages —the emergence of a true global community. For the United Nations, this could perhaps be the era of its greatest achievements.

But recent history has also seen other trends: the formation of new blocs, attempts at economic warfare, and ideological intolerance. Sadly, we have seen these also reflected in the United Nations in practices and actions that threaten the U.N.'s role as an instrument of conciliation. This bears no resemblance to the expectations of the American people when the organization was founded; it cannot continue without a price being paid.

We in this hall are dedicated to seek to preserve this institution. We have not forgotten, in the face of all the frustrations and challenges that the organization has confronted in 30 years, that the United Nations reflects and, indeed, embodies all our hopes. If nations can learn to act in concert and with responsibility and in awareness of our common future, this, too, will be reflected in the United Nations.

Therefore nothing is more welcome than this commitment of faith by those of you here. Nothing is more needed than this readiness to persevere to bring the goals of the United Nations to reality.

The great orchestra and great music we are about to hear should recall to us that man is not a creature of circumstance or of despair. Man is driven and ennobled by his dreams. Let us make the next 30 years of the United Nations the era of its fulfillment.

TOAST AT U.N. DAY DINNER

Press release 543 dated October 25

Excellencies, honored guests, and friends: We are gathered here, as every year, in tribute to the United Nations. We celebrate the 30th anniversary of its existence. But unlike every year, we meet now at a time of testing for this vital institution.

The birth of the United Nations at San Francisco 30 years ago was a moment of hope. It was a time when men and women of good will and good sense, sickened by war, depression, and persecution, seized upon a precious moment of international consensus and sketched out a vision of a better future.

Statesmen had tried a quarter century earlier to build a new world order and a lasting peace; that first effort had failed almost totally. Yet there could have been no better tribute to the indomitable spirit of man than the effort of a new generation of statesmen to embrace the same ideals and to found a new world organization—hoping this time for a different outcome, convinced that no other course gave any real hope to humanity.

Another generation now separates us from those events. On this anniversary we may appropriately ask how much those renewed hopes may be said to have succeeded.

The answer surely is that we have not done so badly. After 20 years of the League of Nations, the whole of the world was again at war. After 30 years of the United Nations,

we find ourselves at one of the rarest moments of modern international history—a moment when in all the world not one state is engaged in hostilities with another. In this tragic century, such moments are precious indeed.

And it is not simply a peace of exhaustion. There has been a genuine diminution of direct conflict among the great powers; there have been solutions to chronic problems; and there exist the elements for a balanced and secure international structure. In 30 years there have been wars, but no world war. There has been more than enough economic disorder, but no world depression—and indeed, a long-term trend of growth and strong institutions of international cooperation.

It cannot be denied that the organization we honor tonight has played a central part in this positive evolution. And such a past promises a hopeful future.

This promise was never more in evidence than at the recent seventh special session of the General Assembly, which met in September to answer the global challenge of economic development. The disparities of wealth and well-being to which we addressed our concern were hardly new; what was new was that the nations of the world, great and small, escaped the pointless and destructive exercise which had absorbed so much energy in international institutions in years past. For once there was peace in the world, and for once there was an appreciation of our common stake in the advance of the global economy and of all its participants. The unanimous agreement with which that session closed, to which the United States made a major contribution, may have moved us a step closer toward the goals of economic progress and economic justice.

Just last week the Security Council made another important contribution to strengthening world peace by extending UNEF [United Nations Emergency Force] one year and by entrusting Secretary General Waldheim with the urgent task of promoting a settlement of the Spanish Sahara dispute.

These are demonstrations of the potential of the United Nations. And it is those areas of international endeavor that increasingly define what the modern age of international relations is all about. For the United Nations, this could perhaps be the era of its greatest achievement.

But if that promise is to be fulfilled, the same spirit of mutual respect that marked that session must govern the conduct of states.

We have seen a disturbing contrary trend —ideological intolerance, procedural abuses, bloc majorities, one-sided voting—resulting in a one-way morality that clearly undermines the U.N.'s role as an instrument of conciliation. The resolution naming Zionism as a form of racism is an example; it undermines the U.N.'s necessary and valuable campaign against racial discrimination, and it threatens the U.N.'s capacity as mediator in the Middle East. We will work to defeat its passage by the General Assembly; we call on all nations to reconcile their vote with universal moral principles.

The U.N. Charter sets a standard for international cooperation. Implicit in it are basic truths:

—That diversity of principles and beliefs must be respected;

—That disputes are to be settled by fair and peaceful means;

—That international decisions must recognize the interests of all those involved, so that all will have a stake in their observance;

—That practical agreements, not rhetoric, are the only way to lasting progress; and

—That mutuality of benefit is essential to sustained cooperation.

This is the attitude of the United States.

As we Americans review our nation's past in this Bicentennial period, we are reminded anew that unity can be fashioned from the diversity of peoples and yet preserve it. The divisions of history, interest, and values which mark the international arena do not prevent cooperative action. Indeed, our times make it imperative. For in today's world, military conflict on any scale ultimately can endanger the survival of all; economic warfare, for whatever cause, jeopardizes the prosperity of all; injustice, wherever it occurs, diminishes all humanity.

Ladies and gentlemen: The American people want to see the United Nations fulfill the vision and faith of its founders. After three decades of challenge, it remains our opportunity for a better future. Its success is the world's success; its failure is the world's failure. Let us build on what it has achieved, and let us correct its shortcomings.

Ladies and gentlemen, I ask you, on behalf of the President, to join me in a toast to the United Nations on its 30th anniversary.

TEXT OF PROCLAMATION 4400 [1]

UNITED NATIONS DAY, 1975

Each year, throughout the world, nations commemorate October 24 as United Nations Day. This year is the 30th Anniversary of the United Nations Charter. Originally with 51 nations as members, the United Nations today includes 141 nations, thus membership is nearly universal.

The primary purpose of the United Nations is to maintain international peace and security. Had the work of the organization included nothing more than its efforts for peace in the Middle East—through truce observers, emergency forces, and mediation services—it would have justified its existence. But its record of achievement is far greater, and it continues to face new tasks with skill and imagination.

Today, the United Nations is adjusting to the new realities of economic interdependence. At the Seventh Special Session of the United Nations General Assembly in September of this year, great progress was made toward reaching agreements through which the interests of all nations—less developed as well as developed—can be promoted through cooperative action. In the field of economic development, as in peacekeeping, the United Nations has proved its usefulness to all its members.

The United Nations also has accelerated its efforts to stress the individual rights of women and the need to use their talents for the progress of society. By its designation of 1975 as "International Women's Year" the United Nations has recognized the importance of women's increasing contributions to the cause of peace and friendly relations among the Nations of the world.

Many important tasks are still before the United Nations. These include agreements on Law of the Sea, procedures to eliminate torture and efforts to control debilitating diseases. We cannot be satisfied until great progress has been made in these and other areas of international concern.

I ask the American people to look at the United Nations with true perspective—neither exaggerating its accomplishments nor ignoring its shortcomings, but seeing clearly its record and its potential for constructive action in the best interests of the United States and of all other members.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby designate Friday, October 24, 1975, as United Nations Day. I urge the citizens of this Nation to observe that day with community programs that will promote the United Nations and its affiliated agencies.

I have appointed H. J. Haynes to be United States National Chairman for United Nations Day and, through him, I call upon State and local officials to encourage citizens' groups and all agencies of communication to engage in appropriate observances of United Nations Day in cooperation with the United Nations Association of the United States of America and other interested organizations.

IN WITNESS WHEREOF, I have hereunto set my hand this thirteenth day of October, in the year of our Lord nineteen hundred seventy-five, and of the Independence of the United States of America the two hundredth.

GERALD R. FORD.

[1] 40 *Fed. Reg.* 48337.

U.S. and New Zealand Hold Economic Consultations

Joint Communique [1]

The Fifth United States/New Zealand Bilateral Economic Consultations were held in Washington on Monday, September 15, and Tuesday, September 16, 1975. The Governments of the two countries agreed in 1969 that such consultations should be held on a regular basis to provide an opportunity for senior economic policy officials of both countries to exchange views on major issues in an informal atmosphere. The last meeting was held in Wellington in February, 1974.

The discussions were cordial and useful to both sides. They covered items of mutual interest in international economic policy and bilateral economic and commercial relations. Among the items discussed were progress toward resuming the producer-consumer dialogue, particularly concerning energy and commodities, world food programs and policies, the view of both nations on cooperation

[1] Issued on Sept. 17 (text from press release 487).

with developing countries and on the Seventh Special Session of the United Nations General Assembly, the progress of GATT MTN negotiations [General Agreement on Tariffs and Trade multilateral trade negotiations] toward further liberalization of world trade, and some bilateral trade issues.

Regarding energy issues, the American delegation reviewed the United States position favoring an early reconvening of the Preparatory meeting to prepare for a multilateral dialogue with the oil-producing and developing countries on the broad range of economic issues we now face. The New Zealand delegation referred to the decision by New Zealand to join the International Energy Agency, and expressed its hope that the agreement which has emerged to resume the dialogue will lead to greater stability of oil prices and supply.

During a discussion of commodity policy, the United States representatives referred to Secretary Kissinger's statement to the United Nations Special Session on September 1 recognizing the serious problems for developing countries caused by fluctuations in commodity export earnings, and outlining specific proposals the United States is willing to support to help solve this problem. The United States delegation expressed its hope that constructive measures will emerge from the discussions and from consideration of these proposals.

The New Zealand delegation expressed its support for the United States proposals for a substantial increase in the compensatory financing facilities of the IMF [International Monetary Fund], supplemented from the proposed Trust Fund, to be made available for developing countries. The New Zealand delegation urged that IMF compensatory financing should continue to provide access for countries which are heavily dependent on primary products for their export earnings and which have made use of the facility in the past. The United States side expressed its willingness to explore in the IMF arrangements which would address this concern of the New Zealand delegation.

World food programs were discussed and the American delegation stated that, subject to Congressional authorization and sufficient support from other donors, the United States would make a direct contribution to the new International Fund for Agricultural Development. The New Zealand representatives said that New Zealand was a joint sponsor of the Fund and has announced its intention to make a contribution.

Concerning the current round of Multilateral Trade Negotiations in Geneva, both countries agreed that it is critically important to achieve significant liberalization of both industrial and agricultural trade during the course of these negotiations. Both sides stated they would work closely with each other to ensure that progress is made in the negotiations on both industrial and agricultural products.

Each delegation had the opportunity to present a review of its domestic economy and its international economic policy. The New Zealand delegation stressed the urgent need for an early expansion of economic activity in industrial countries to stimulate international trade. The United States delegation reported on the course of the recovery in the United States economy which has been underway since the second quarter of 1975.

The American delegation emphasized the importance it attaches to strengthening economic cooperation with countries in the East Asia and Pacific region.

The major bilateral issues discussed were New Zealand's export of meat to the United States, the market for New Zealand dairy products in the United States, United States import duties on raw wool and wool yarn, and the application of New Zealand's import policy to some products of interest to the United States, such as tobacco and poultry products.

In particular, the New Zealand delegation welcomed the recent United States decision to allocate an interim shortfall in beef imports, and expressed the hope that the United States would allocate a further shortfall as soon as possible. The American dele-

gation noted its intention to complete an assessment of prospects for a further shortfall when adequate data are available.

Both sides expressed their support for a general liberalization of international trade, and agreed that the United States Government and the Government of New Zealand would consult to the maximum extent possible to help resolve specific bilateral trade issues.

Both delegations were pleased to have this opportunity to exchange views. The consultations have given each country's representatives a better understanding of the other's policies and objectives.

The New Zealand delegation was led by Mr. Noel V. Lough, Deputy Secretary of the Treasury, and included Lloyd White, Ambassador to the United States, Mr. Henry C. Holden, Minister (Commercial), New Zealand Embassy, Washington, Mr. A. K. Robinson, Assistant Secretary (Export Services), Department of Trade and Industry, Mr. Gerald C. Hensley, Chief of Economic Division, Ministry of Foreign Affairs, Mr. Richard F. Nottage, Counselor, New Zealand Embassy, Mr. Donald M. Stracy, Counselor (Financial), New Zealand Embassy, and Mr. William E. Dolan, First Secretary (Commercial), New Zealand Embassy.

The United States delegation was led by Mr. Paul H. Boeker, Deputy Assistant Secretary of State for International Finance and Development, and included Ambassador Clayton Yeutter, Deputy Special Representative for Trade Negotiations, Mr. Maynard W. Glitman, Deputy Assistant Secretary of State for International Trade Policy, Mr. Lester E. Edmond, Deputy Assistant Secretary of State for East Asian and Pacific Affairs, Mr. F. Lisle Widman, Deputy Assistant Secretary of the Treasury for International Monetary and Investment Affairs, Mr. Richard Goodman, Associate Administrator, Foreign Agricultural Service, Department of Agriculture, and Mr. Clarence Siegel, Acting Director, Office of International Trade Policy, Department of Commerce.

U.S. Makes Contribution to UNITAR

USUN press release 102 dated September 25

Ambassador Daniel P. Moynihan, U.S. Representative to the United Nations, presented to the Secretary General of the United Nations on September 25 a check in the amount of $290,000. This check represents an initial and partial contribution from the United States to the U.N. Institute for Training and Research for 1975.

By making this contribution, the U.S. Government indicates its wish that UNITAR's traditional and more recent functions continue to evolve in a way which will provide benefits to the U.N. system and to the member nations of the United Nations. At the same time, the United States wishes to urge other countries who have not yet contributed in proportion to their resources to join it in providing funds.

Department Discusses Military Exports to Kuwait and Other Persian Gulf Nations

Statement by Sidney Sober
Deputy Assistant Secretary for Near Eastern and South Asian Affairs [1]

My statement will address, first, the general policy framework for our military exports to the nations of the Persian Gulf area; second, our policy toward Kuwait and its relation to our national interest; and finally, the specific relationship between those policies and our current or proposed foreign military sales (FMS) programs in Kuwait.

To begin with, however, I want to express our understanding of the concerns voiced by some Members of Congress regarding military sales to the gulf region. Congressman [Lee H.] Hamilton's statement, in introducing his resolution on the sale of aircraft missiles to Kuwait, indicated that that resolution was meant to bring about discussion of the broader implications of that sale. We welcome this opportunity to discuss those issues. We will be equally pleased to continue our discussion of other aspects of our relations with the states of the area. We believe that what we are doing is selective and rational and fits within a broader policy framework which supports our national interest. We welcome the chance to review these matters with the Congress.

As you know, the Persian Gulf is an area where developments affect the relationships among, and the policies of, major world powers. With the emergence of the oil-producing countries as a major power group, the application in 1973 of the oil embargo, and the quintupling of oil prices, the global strategic equation has been affected by what happens in the gulf. The increasing world focus on the gulf has been marked by a growing Soviet presence in the larger strategic region of which the gulf is a part, as the Soviets have sought to increase their position and military presence in the People's Democratic Republic of Yemen, Somalia, and Iraq. Since 1967 and particularly since the October 1973 war, the major Arab oil producers in the peninsula-gulf area have become the principal financial support for the Arab states most directly involved in the Middle East conflict. While they are not immediately part of the process of reaching a Middle East settlement, their views are very important, and their leaders are regularly consulted by the Arab parties to the negotiations as well as by the Palestinians.

Our main policy objectives for the gulf and Arabian Peninsula region have been consistent since we developed a comprehensive policy framework in anticipation of the termination of the special British role in the gulf in 1971. These objectives include:

—Promotion of collective security and stability in the region by encouragement of indigenous regional cooperative efforts and orderly economic progress;

[1] Made before the Subcommittee on International Political and Military Affairs of the House Committee on International Relations on Oct. 24. 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.

—Resolution by the states in the area, through peaceful means, of territorial and other disputes between them and widening the channels of communication between them;

—Expansion of our diplomatic, cultural, technical, commercial, and financial presence and activities; and

—With greater emphasis since 1973,

(a) Continued access to the region's oil supplies at reasonable prices and in sufficient quantities to meet our needs and those of our allies;

(b) Employment by the oil exporters of their rapidly growing incomes in constructive ways contributing to sound economic development and supportive of the international financial system.

Military exports to the gulf region need to be viewed in the broader context of a policy which combines important political, economic, financial, and strategic elements. Without this broader framework, military exports would make little sense; within that framework, they are an important factor in our ability to maintain close and productive relations with the gulf states in support of major U.S. interests. Those states view their military supply relationship with us as part of a total relationship which provides important mutual benefits. They see our willingness to consider their requests to us—as against other potential suppliers—for the sale of military equipment and services, which they perceive as reasonable and necessary in their circumstances, as an integral element of that relationship.

Criteria for Military Export Decisions

The Department of State carefully scrutinizes military export proposals, whether through commercial channels or under the Foreign Military Sales Act.

We do so on a case-by-case basis, not because the United States has no policy governing such exports, but for precisely the opposite reasons: the continuous evolution of military technology, of political circumstances, and of the strategic equation requires careful evaluations of each proposed transaction in the light of our policy goals. This could not be done by seeking to apply any rigid, mechanistic guidelines.

It is essential to bear in mind that in the Persian Gulf the phrase "military exports" does not equate to "arms sales." A large proportion of the military equipment and services exported to the Persian Gulf states consists not of weapons or arms, but of nonlethal services or support equipment. Specifically, in dollar terms, approximately 40 percent of total U.S. military exports consists of weapons systems, weapons, and ammunition. The remaining 60 percent consists of supporting equipment such as cargo aircraft, tugs, trucks, and radar equipment (19 percent); of supporting services such as construction, supply operations, training, and technical services (24 percent); and of spare parts (17 percent). Few of the items included in that 60 percent raise the same questions of appropriateness of release, impact on balance of forces, possible unauthorized transfer, and so forth, which are addressed in sales of arms *per se*. Thus the criteria we follow are mainly applied to that portion of our military exports whose value constitutes less than half of the total of what is generally lumped together as "arms sales"; i.e., the sale of weapons, weapons systems, and ammunition.

No criteria apply equally to our examination of all requests for military equipment and services, but some of the most common and most important are as follows.

1. *"Offensive" and "Defensive."* There is no purely "offensive" or purely "defensive" weapon. An offensive strategy will embody defensive phases, and vice versa. Nevertheless, certain weapons are inherently more suitable to offensive or defensive roles; for example, analysis of a proposal to sell tanks normally needs to be more rigorous than a proposal to sell antitank missiles.

2. *Foreign Political Impact.* The mere possession of a weapons system by a state, however justifiable in terms of legitimate defense needs and intentions, may raise the fears of neighboring states and therefore be destabilizing.

3. *Financial Implications.* The capacity of

the purchasing state to finance military imports, given its overall economic situation and requirements, must be taken into account.

4. *Absorptive Capacity.* The ability of the purchasing state to use proposed military imports effectively within its overall defense structure is a factor.

5. *Intended Uses.* Given the domestic and foreign political character of the purchasing state, the Department weighs its intentions in requesting the weapons. This consideration also involves a judgment with respect to the intention and ability of the recipient nation to avoid or prevent transfer to third countries without our approval.

6. *Security Responsibilities.* Obviously, the larger states in the gulf bear larger regional security burdens, and their requests are considered in light of these responsibilities.

7. *Alternative Sources.* The possibility of non-American sources of military weapons is a significant consideration. It is not so much a matter of competing with the British or the French or the Swedes or even Communist countries for exports or for the benefits of the political influence and presence that military exports afford. The United States would welcome sensible regional arms limitation agreements with other arms suppliers and purchasers, both Western and Communist, but in the absence of such agreements the United States has to arrive at its own decisions in the light of prevailing circumstances.

8. *American Productive Capacity.* To the extent that increased volume of production resulting from foreign requests lowers the per-unit cost of weapons in U.S. inventories, our own military needs are better served. However, our productive capacity often places serious constraints on our ability to respond to foreign military requests in a time frame acceptable to recipient governments because of the need to give priority to our defense needs.

9. *Arms Escalation.* It is important and necessary to do what we can to prevent or discourage an arms race by potential adversary nations of the Persian Gulf.

10. *Effect on Overall U.S. Interests.* The political impact of a refusal on our part to export military equipment or services must be weighed in terms of our total relationship with the country concerned and our broader interests in the area.

U.S. Policy Toward Kuwait

It has been our policy since Kuwait became independent in 1961 to encourage a close and cooperative relationship with that nation.

Politically, that policy has been beneficial to the United States because of Kuwait's support of moderate Arab regimes, but the political benefit has been moderated by the fact that Kuwait also maintains relations with the more radical states in the Arab world and, for that matter, throughout the world. This is a necessity, in Kuwait's view, as we understand it, because its small size and the relatively large number of Palestinians among its population make it vulnerable to political pressure. Kuwait maintains relations with most nations and seeks to balance its responses to political pressure from one on another of them. In these circumstances, Kuwait inevitably finds itself at odds with the United States from time to time; by the same token, it occasionally finds itself at odds with the Soviet Union or the so-called Third World or its OPEC [Organization of Petroleum Exporting Countries] partners or the United Kingdom or Japan.

Kuwait's leaders appear to believe that it can best remain viable by maintaining its independence and at the same time remaining a loyal and active participant in Arab causes. We in turn believe that the United States can find areas of political cooperation compatible with that outlook, that it is in our interest to do so, and that mature nations can seek such cooperation while agreeing to disagree on those issues which separate them.

Economically, our relations reflect the fact that Kuwait is a free market economy, with large oil reserves and revenues, dependent on imports from the industrialized world for many of its needs, and anxious to use its oil income in such a way as to contribute both to

the prosperity of the world economy and to that of Kuwait.

Our economic relations with Kuwait go back to the thirties, when major oil concessions there were awarded to the Gulf Oil Company in combination with British Petroleum. These two companies, operating the Kuwait Oil Company, have since been responsible for the bulk of Kuwait's production; and U.S. participation in the exploitation of Kuwait's oil has been mutually beneficial for many years.

In the field of investment, Kuwait has developed highly sophisticated banking and financial institutions, many of them closely related to similar institutions in the United States; and here, too, our relations have been mutually beneficial for some years. Kuwait has, incidentally, conducted its financial and investment affairs in a professionally responsible fashion.

In addition, our exports to Kuwait are growing and amounted to $209 million in 1974. We are providing the Kuwaitis with technical assistance, on a reimbursable basis, in a number of areas. And Kuwait's relatively large foreign aid programs are largely consistent with our objectives of helping to insure stability and development in the less developed world.

We do have some differences with Kuwait in the economic area, revolving largely around the question of oil prices. As you know, we regard the enormous and continuing increases in oil prices since 1973 as without justification, and have so told Kuwait. Within OPEC there are several different factions on the question of oil prices. Without in any way condoning the increases since 1973, I do believe it appropriate to note that Kuwait has been among those OPEC members who have recently taken a relatively moderate position on this question.

Kuwait's Defense Posture

Kuwait maintains, for a nation of about 1 million people, relatively small armed forces: an army of three brigades plus a few separate battalions, and an air force of fewer than a thousand. With these small forces, little land mass, and no natural barriers, and with its economic resources concentrated in a single industry and a single area, Kuwait has no pretensions to being capable of defending itself against a determined attack by one of its larger neighbors. Its armed forces are intended to provide a minimal deterrent against a potential attacker, to supplement internal security, and to slow an attacker until political means can be brought to bear. For in the final analysis Kuwait's real defense is political, not military. It lies in the perception of several of its more powerful neighbors that their interests are better served by an independent Kuwait and in the solidarity of the Arab nations.

The proximate threat to Kuwait's security is from its northern neighbor, Iraq. Iraq does not accept the present border with Kuwait; it has periodically encroached on Kuwait territory; and it has expressed a desire to control some part or all of two Kuwait islands (Warbah and Bubiyan) which border the tributary of the Tigris-Euphrates on which the Iraqi port of Umm Qasr is situated. Iraq's armed forces are of course a great deal larger and better equipped than those of Kuwait, and conflict between the two would be essentially one-sided.

The Kuwait-Iraq Border Dispute

To understand the current status of the Kuwait-Iraq border dispute, it is necessary to go back a bit into history.

In 1899, in response to a request from the ruler of Kuwait, the British agreed to extend protection to Kuwait; this was a manifestation of British and Ottoman rivalry in the area. In 1923, when Britain was still in control of Iraq, the British High Commissioner for Iraq established the present Kuwait-Iraq boundary by unilateral action. When Kuwait became independent in 1961, the Prime Minister of Iraq, which had gained its own independence in 1932, declared that Kuwait was an integral part of Iraq. Iraqi forces were massed on the Iraqi side of the border, and the British sent a contingent of troops to

Kuwait to forestall invasion. A new Iraqi regime in 1963 changed direction and issued a joint communique with Kuwait recognizing Kuwait's independence.

The communique did not, however, constitute a border settlement, and thus the question of sovereignty over the two disputed islands off Kuwait's coast was not settled. These islands cover access to the Iraqi port of Umm Qasr; and they, rather than the land boundary, are probably the heart of the dispute, although it is often expressed in terms of the land boundary. In 1973, in fact, Iraqi troops occupied a Kuwaiti police post near the border, and they appear to still be there. Various settlements with regard to the islands have been proposed, but none accepted by both sides; they generally revolve around the concept of Kuwait's granting some form of Iraqi control over all or part of the islands in return for Iraqi recognition of the land boundary.

In any event, the dispute between the two nations is real. From Kuwait's point of view it contains the seeds of open conflict, and it is primarily for that reason that Kuwait has sought in recent years to upgrade its defensive capability.

Kuwait's Military Relationship With the U.S.

As a holdover from the years when the British had an important political role in the country, Kuwait looks to the United Kingdom as its principal source of military advisory support. British officers and personnel are seconded to the Kuwait forces, and Kuwait looks to this longstanding relationship as fundamental to their effective operation and deployment.

Kuwait has sought U.S. assistance in the military field only in recent years and only in certain selected sectors. The first step in developing this relationship came in 1971, when Kuwait requested the United States to carry out a survey of its armed forces and of their present and future adequacy. We did so, and in 1972 produced a survey report which recommended a number of steps to upgrade Kuwaiti capabilities in certain fields. Kuwait then requested that we provide proposals for subsonic aircraft, antitank missiles, cargo vehicles, and antiaircraft missiles. It was clear from Kuwait's request that its principal concern was with its ability to defend against armor and air attack. We made certain proposals consistent with the survey we had conducted, and after almost two years of consideration the Kuwaitis in November 1974 entered into agreements with us on the two major weapons systems which they have purchased from the United States: several Hawk missile batteries and two squadrons of A–4 aircraft. Both of these programs are scheduled to be implemented over a four-year period. (Prior to November 1974, Kuwait had purchased a small number of antitank missiles and a variety of trucks and other transport equipment.)

The letter of offer which is currently before the Congress is for one element of the A–4 package which Kuwait bought; i.e., for the short-range air-to-air Sidewinder missiles designed as the major defense of the A–4's against attack by other aircraft. I want to emphasize that these missiles constitute an integral part of the A–4 sale which was basically agreed upon last year. (One additional letter of offer is still to be submitted, to cover contractor maintenance and support of the aircraft.)

The status of the Kuwait Hawk program is somewhat similar to that for the A–4's; the basic sales agreement for the equipment has been signed, and a number of follow-on FMS cases will be required to complete the package. We will in fact be submitting shortly two letters of offer covering contractor support and training in the United States for Kuwaiti personnel.

It is most important to note that, in both cases, we have already entered into firm commitments to provide the basic equipment; i.e., A–4 aircraft and Hawk antiaircraft missiles. Both programs are in midstream. Without the essential follow-on items, these programs would be so incomplete as to render the equipment useless.

Our political, economic, and other relations with Kuwait have improved a good deal over recent years, largely as a result of the general improvement in our relations with the

Arab world following the 1973 war and our efforts to bring about a just and lasting peace in the area. Kuwait's decision to broaden our relationship to include the sensitive area of national defense was a political gesture and, as such, was symptomatic of Kuwait's desire for closer cooperation with the United States.

From our point of view, it is in the U.S. interest to continue to work with Kuwait in such areas of mutual concern, having in mind the political and economic weight which Kuwait wields both in the Arab world and, in the economic sense, in the world at large.

In summary, then, we see our selective military exports to the Persian Gulf region, and specifically to Kuwait, as serving the U.S. national interest in several important ways.

—Support for the vital interests of the nations of the region is an integral part of our overall policy of encouraging friendly and mutually productive relations with those nations, relations which are indispensable to achievement of U.S. goals in the area.

—To the degree that these nations are able and willing to assume responsibility for their own security, and the stability of the gulf region, through the development of appropriate force structures, our own worldwide security posture is strengthened, because we and they share many of the same strategic goals.

—Conversely, our refusal to meet requests for assistance in the vital area of national defense, when the nations concerned clearly prefer U.S. assistance to that of other countries, would seriously jeopardize our larger political and economic objectives in the region.

Department Discusses International Economic Policy

Statement by Julius L. Katz
Deputy Assistant Secretary for Economic and Business Affairs [1]

I welcome this opportunity to appear before your subcommittee to discuss international economic policy. The subcommittee has posed provocative questions about our foreign economic policy objectives, our priorities, the coherence of our policies, and their interaction with other foreign policy goals. I will address each of these questions.

The postwar period has been a period of radical change in international economic and political life. Throughout this period certain fundamental objectives of our foreign economic policy have persisted. The coherence and continuity of these basic objectives over the past 30 years is, I think, remarkable.

Our continuing objectives can be stated briefly.

We want an open world economy that permits market forces to operate with minimum restrictions on the flow of goods, services, capital, and technology across national boundaries. We want an international monetary system that facilitates trade and investment. We want a concerted and sustained effort by the economically advanced countries to improve the prospects for economic and social progress in the developing countries. We want international and regional economic institutions for consultation and cooperation governed by rules for

[1] Made before the Subcommittee on International Economic Policy of the House Committee on International Relations on Oct. 23. 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.

economic relationships and the orderly resolution of conflicting interests.

These are and have been the central elements of our foreign economic policy. They rest on the proposition that an open world economy operating under agreed rules enables countries to maximize the economic gains from international exchange. It is also the most felicitous environment for international cooperation.

These objectives guided us in the immediate postwar period. Profiting from the bitter lesson of the interwar years, when each nation sought—without success—to better itself at the expense of its neighbors and international economic life was strangled by controls, we took the leadership in developing new international institutions and rules to free trade and payments of encumbrances and to encourage international investment:

—The GATT [General Agreement on Tariffs and Trade] to reduce barriers to trade and eliminate discriminatory treatment in international commerce.

—The International Monetary Fund (IMF) to establish a multilateral system of payments and eliminate foreign exchange restrictions that hamper the growth of trade.

—The World Bank to encourage international investment, including importantly private foreign investment, for economic development.

The purpose common to all three institutions was the promotion of high levels of employment and real income and the development of the productive resources of their members.

The world economy flourished under this regime. We enjoyed an unparalleled expansion of world trade, an unparalleled expansion of private international investment flows, rising employment, rising production, rising levels of personal consumption and well-being, the longest period of sustained and rapid economic growth in history.

The foreign economic policy objectives that animated us 30 years ago persist today. But the policies, programs, and institutional structures needed to give effect to these objectives change, as they must, in response to changing needs and circumstances. The economic and political contours of the world have altered radically. New nations have been born; old nations have recovered and surged forward; the relative economic power of the United States has diminished. Countries have become more interconnected, more exposed and dependent on each other. Inflation and recession coexist and have spread throughout the world. The supply of oil is tightly controlled, and its price is escalating.

Clearly, institutions and rules must be modernized to take account of these and other changes. This is the case for the trading and the monetary system. New institutions and new programs must be developed to meet new problems—notably those of energy and food supply. The needs of the developing countries for increased opportunities for growth and participation must be heeded. Foreign economic policy is not lacking in coherence—the basic objectives give it coherence—but policies must evolve in a continuing and necessary process of adaptation and renewal.

The subcommittee has asked, and I quote, "What is in fact current U.S. international economic policy? What are its major short-term and long-term objectives?" I would like to respond to this inquiry by looking at certain major constituent elements of our foreign economic relations and indicating succinctly what we are doing and why.

Trade and Monetary System

Trade. We are deeply engaged in the Tokyo round of multilateral trade negotiations, the seventh major such effort to reduce barriers to trade. Our objectives are twofold: the reciprocal reduction of barriers to industrial and agricultural trade and the improvement of rules governing international trading relations. We are here continuing a familiar and historic process of trade liberalization, a process that is especially important now because of the resurgence of protectionist sentiment both here and abroad.

Tariffs, although low on average, are not negligible; and "tariff escalation"—that is,

higher duties on processed and manufactured goods than on the raw materials from which they are made—is an obstacle both to industrialization in developing countries and to the efficiency of the world economy. The need to reduce barriers to agricultural trade is especially important. New rules are needed on nontariff trade barriers; we are giving priority attention in this connection to export subsidies and government procurement practices. And we propose to negotiate rules—and commitments—governing the use of export restraints much along the lines of existing rules governing import restraints.

To improve the trade prospects of the poor countries and therewith their economic development, we expect to put into effect a general system of tariff preferences on January 1. In the multilateral trade negotiations we will seek early agreement on reducing barriers to tropical products that are the major source of LDC [less developed countries] export earnings.

We want also to expand trade and normalize economic relations with the Communist countries of Eastern Europe, the U.S.S.R., and the People's Republic of China.

Monetary System. The rigidities that developed in the Bretton Woods system impeded rather than facilitated international trade and investment, and radical changes have taken place in that system. Intensive work on comprehensive reform was checked by the energy crisis and galloping inflation. We are, however, participating in examination of certain amendments to the IMF charter and other immediate steps in order to begin an evolutionary process of reform. Of particular importance are the amendments on exchange arrangements, reserve assets, and the structure and decisionmaking apparatus of the Fund.

With respect to exchange rate arrangements, we recognize that these are matters of international concern, but we want greater flexibility in the choice and operation of the exchange arrangements of individual members, provided the members observe agreed policies and guidelines and accept the surveillance of the Fund. We oppose any commitment to a return to a par value system, although we recognize the right of any country to establish and maintain a par value for its currency if it wishes. For our part we prefer that our exchange rate be determined essentially by market forces.

We have for some time sought to reduce the status and role of gold as one of the most important reserve assets—which it has under the present articles of the Fund. Progress has been made in reaching understanding on how this should be effected. We want care taken to avoid the restoration of gold to its former position and a new pegged price. We believe the SDR [special drawing rights]—which we took the lead in creating—should take over many of the functions and the role performed by gold.

We favor the creation in the Fund of a permanent council at ministerial level with decisionmaking authority. In this regard, it is important that the United States retain a voice commensurate with its role in economic and financial affairs.

Foreign Investment Issues

Investment. Foreign investment is a dynamic and contentious issue in our international relations. Our traditional policy is to provide maximum freedom for our investors to invest abroad and for foreign investors to invest in the United States and to enjoy nondiscriminatory treatment. The policy is based on the proposition that world output will be greater if capital and management skills go where they can be employed most efficiently—from areas of low return to areas of high return.

This policy is not universally endorsed. Private foreign investment, and in particular the transnational company, which is the major instrument today for foreign investment, is a highly emotional issue. Countries want foreign investment for the benefits it brings, but they fear it because it is foreign. We believe it would be beneficial for the international community to develop a body of basic balanced principles, of standards of conduct, to guide transnational enterprises and governments in their mutual relations.

We are participating in such efforts in the OECD [Organization for Economic Cooperation and Development] and the United Nations. The guidelines should be indicative rather than mandatory. An internationally agreed set of guidelines would give governments and enterprises a better understanding of the expectations each has regarding the other's behavior. We also strongly favor the development of mechanisms for the settlement of investment disputes. Such mechanisms are a desirable means of depoliticizing and resolving disagreements between foreign investors and host governments.

Concern about the inflow of private investment into the United States, especially by the major oil-producing nations, has been evident. Following an intensive review of U.S. policy on foreign investment in the United States, we have concluded that we should continue our traditional commitment to national treatment for, and noninterference with, most foreign investment in the United States, consistent with existing laws and regulations. We will, however, maintain closer oversight of those investments through a new Office and Interagency Committee on Foreign Investment in the United States. In addition, we will seek assurances from those governments capable of making large investments that they will consult with us prior to undertaking major investment in this country.

Energy and Raw Materials

Energy. The oil embargo in 1973 and the staggering price increases that followed put enormous strains on the world economy and made clear the dangerous vulnerability that we and our allies had incurred by our growing dependence on imported oil. Neither the supply nor the price of a central factor in our economies was any longer under our control.

Our response was to develop a comprehensive strategy to deal with both the immediate problems and dangers and the longer term implications of the new energy situation. We joined with other major consuming countries in the newly created International Energy Agency. To cope with the shortrun dangers such as a new embargo and oil-related balance-of-payments problems, we and our partners in the IEA joined in a plan for mutual assistance in the event of embargo, involving emergency oil stocks, reduced oil consumption, and oil sharing; agreed on a $25 billion support fund to provide assurance of financial assistance in the event of severe balance-of-payments difficulties; and at U.S. initiative, proposed that the International Monetary Fund create a trust fund for concessional loans to developing countries hit hardest by oil price increases.

To deal with the fundamental longer term problem of excessive dependence on insecure sources of oil and exposure to arbitrary increases in the price of oil, we and our IEA partners are developing a comprehensive program of measures to conserve energy and increase energy investment and production. It is only by reducing consumption and increasing supply that consuming countries can end OPEC's [Organization of Petroleum Exporting Countries] monopoly power over the oil market.

A third element in our strategy is to have consumers and producers join in a dialogue on energy that will emphasize our common interests and encourage a more positive relationship. At the Paris preparatory conference last week, it was agreed to hold a Ministerial Conference on International Economic Cooperation in December. At that conference, there will be established commissions on energy, raw materials, development problems, and related financial questions. The oil producers and the industrialized and the developing-country consumers will pursue their dialogue in these commissions.

Commodities. Two problems are of particular concern to us in this area.

One is the need for sustained investment in raw material development, especially mineral development to meet rising world needs. Capital requirements are enormous, and technology is complex; but the unfavorable political environment facing private foreign

investment in many countries threatens to discourage the flow of private capital and technology into natural resource development. While capacity is adequate now, future shortages could throttle world growth when the world economy moves out of recession. It is in the interest of the consuming, as well as the producing, countries that these resources be developed in ways that take account of the sensitivity of countries to ownership rights over their subsoil resources. We believe that an initiative by the World Bank and its affiliates, the IFC [International Finance Corporation] in particular, in concert with private investors, would be an excellent means of encouraging investments in raw materials in developing countries.

The second problem is the instability of commodity markets. A number of commodities are subject to wide swings in price because of cyclical variations in demand in industrialized countries and variations in supply because of weather. Such instability wastes resources, impedes the development efforts of the poor countries, and is destabilizing in the industrial countries, adding to inflationary pressures. High prices in periods of commodity shortage enter irreversibly into the wage and price structure of industrial countries and persist after the commodity market has turned around. Thus we are prepared to consider buffer stocks or supply management arrangements in cases where such arrangements are feasible and appropriate.

The problem of some commodity markets may not be price instability. In some cases prices may be stable but at levels which result in very low earnings for producers. Such situations might be due to chronic overproduction, to competition with synthetics, to foreign trade barriers, to inefficient production techniques, or to poor marketing practices. Thus we believe it is wrong to think solely in terms of price stabilization arrangements. We believe it is necessary to analyze commodities case by case to determine the root cause of the problem and to consider measures appropriate to the particular problem at hand. Such solutions might involve diversification, product improvement, better marketing techniques, or efforts to improve competitiveness through increased efficiency.

Finally, we believe it desirable to have available an effective international financial mechanism to deal with problems of unstable commodity earnings. Developing countries depend on the sale of primary commodities, especially agricultural commodities, for the bulk of their export earnings. When the market sags, their export earnings fall off, and their ability to maintain development imports is curtailed. We have proposed a new development security facility in the International Monetary Fund that would substantially increase the compensatory financing made available to developing countries which sustain shortfalls in their export earnings for reasons beyond their control.

Seeking Adequate and Secure Food Supplies

Food. Production shortfalls and high prices for food during the past three years have heightened international concern about assuring the production and availability of food supplies worldwide. Since the World Food Conference in November 1974, we have stressed the development of policy in three areas: (1) increasing food production in the developing countries; (2) providing a reasonable level of food aid until a major expansion of food production is brought about; and (3) establishing a world food security reserve system. The liberalization of agricultural trade, our fourth objective, is being pursued in the multilateral trade negotiations.

The widening disparity between food production in the developing countries and the requirements of their still rapidly growing population is of international concern. Developing countries cultivate more land but produce less food than the industrial countries. They have the greatest capacity for increased crop yields and output over the next several decades. We are encouraging high priority for LDC agricultural development in existing bilateral and multilateral aid programs and the mobilization of new

financial resources for this purpose in a new institution—the International Fund for Agricultural Development.

Until a major expansion of LDC production is achieved, food aid will continue to be a necessary program both to meet emergency and disaster requirements and to reduce the financial burden of commercial imports for poor countries. We support a global target of 10 million tons of food aid annually and will make every effort to provide at least 4 million tons of that total on a continuing basis.

Over the past three years, poor harvests in some key countries and the resulting drawdowns of traditional grain stocks have sharpened the world's awareness of its vulnerability to food emergencies. We have taken the lead in seeking establishment of an effective international system of nationally held grain reserves to alleviate world shortages in bad crop years and reduce pressure on supply and markets. We believe reserves should be adequate in size, fairly allocated, and subject to agreed guidelines on release and acquisition. We are actively engaged in the process of negotiating such a reserve system.

Conclusion. I have tried to highlight policies and priorities in six major functional areas of our economic relations. One could, of course, look at foreign economic policy from a different perspective, the perspective of our relations with groups of countries—with the rich countries and the poor. On this subject I will be quite brief. One of the remarkable features of postwar life is the success we have had in cultivating the habit of consultation among the industrialized countries. Our relations have become more intimate, the process of collaboration more intense, the need for coordination of policy more evident. The summit meeting in November will be an occasion to strengthen this process. As to the poor countries, it is in our political and economic interest to try to make trade, aid, and investment normal cooperative elements in our relations with these countries rather than exercises in confrontation.

Secretary Kissinger in his speech to the U.N. special session on September 1 of this year laid out in detail the policies and programs that should guide us in this effort. It is a positive statement on which we can build. I commend the speech to you.

Department Discusses Arrangements With U.S.S.R. on Grain and Oil

Statement by Charles W. Robinson
Under Secretary for Economic Affairs [1]

I welcome the opportunity to appear here today to describe new arrangements with the Soviet Union on trade in grains which I believe will significantly benefit the United States.

U.S.S.R. production and trade in grain currently are the two most unstable elements in the world grain economy, accounting for about 80 percent of the annual fluctuation in world trade in wheat—the principal food grain. Variations in Soviet imports of grain have been particularly marked in this decade. In the 1971 crop year, the Soviet Union imported about 8 million metric tons of grain, of which 2.9 million tons were from the United States. In the following crop year, imports totaled about 21 million tons, of which 13.7 were from the United States.

It is this extreme variation which makes planning production for the Soviet market by U.S. farmers difficult and which affects the availability of supplies not only for our other foreign customers but also American consumers—not just homemakers but our meat producers as well. In view of this situation, the President announced on September 9 that he had directed me to explore a long-term agreement with the Soviet Union, which

[1] Made before the House Committee on International Relations on Oct. 28. 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. 20420.

was subsequently signed and announced on October 20.

The U.S.-U.S.S.R. agreement on grain sales primarily aims at reducing this heretofore unpredictable massive intervention in our market. The agreement:

—Unconditionally commits the Soviet Union to purchase a minimum of 6 million metric tons of wheat and corn annually.

—Permits the U.S.S.R. to purchase an additional 2 million tons annually without government-to-government consultation.

—Obliges the U.S. Government to facilitate Soviet purchases and not to exercise its authority to control shipments of these amounts unless the total U.S. grain supply (beginning stocks of all grains except rice plus the U.S. Department of Agriculture's estimate of production) falls below 225 million metric tons. In this event, the U.S. Government may reduce the amount which the Soviet side may purchase to less than 6 million tons.

The agreement also provides for consultation by the two governments in advance of purchases in excess of 8 million tons of wheat and corn in any one crop year. Shipment of grain under the agreement is to be in accord with the U.S.-U.S.S.R. maritime agreement.

The Soviets have assured us that their additional purchases of grain in the current crop year will not be in a volume which could disrupt the U.S. market. As Secretary [of Agriculture Earl L.] Butz noted at the time this agreement was announced, we view this volume as 7 million metric tons.

In announcing the grain agreement, the President outlined its benefits to our economy. The agreement:

—Provides for a relatively stable long-term major market for U.S. grain, valued at about $1 billion annually.

—Increases the incentive for American farmers to maintain full production.

—Reduces fluctuations in U.S. and world markets by smoothing out Soviet purchases of U.S. grain.

—Stimulates not only agriculture but such related enterprise as farm machinery and ocean transport.

I will now turn briefly to the letter of intent to negotiate an agreement on sales of Soviet oil to the United States, which was also signed on October 20.

The Soviet Union is the world's largest producer of crude oil, at about 9.5 million barrels per day, having recently surpassed U.S. production. The United States is the world's largest consumer of petroleum with domestic production of about 8.9 million barrels per day and imports about 6 million barrels per day. The U.S.S.R. exports about 2.3 million barrels per day, mainly to Eastern and Western Europe.

The U.S. and Soviet Governments have agreed to commence negotiation promptly of an agreement under which:

—The U.S.S.R. would offer for sale to the United States 10 million metric tons of crude oil and petroleum products annually (about 200,000 barrels per day) for five years.

—The U.S. Government would be free to purchase the oil for its own use; or by agreement, oil could be purchased by U.S. firms for resale, including in agreed areas outside the United States.

Prices are to be agreed at a mutually beneficial level, and efforts are to be made toward expanding technical cooperation in energy in ways to be agreed upon.

The volume of potential U.S. purchases under such an agreement is small, but their significance lies in the diversification of sources of supply it opens for the United States.

Such an agreement could also be an incentive to the Soviet Union to expand its production capacity more rapidly than would otherwise be the case.

This brief description highlights the main features and effects of the arrangements we have concluded with the Soviet Union. I welcome your questions, not only on these arrangements but on our foreign economic policy and current initiatives in general.

United States Reaffirms Position on Southern Rhodesia

Following is a statement by Congressman Donald M. Fraser, U.S. Representative to the U.N. General Assembly, made in Committee IV (Trusteeship) on October 9.

USUN press release 112 dated October 9

Madam Chairwoman [Fama J. Joka-Bangura, of Sierra Leone]: The U.S. delegation wishes to congratulate you and the other members of the bureau on your election and to assure you of our cooperation during the work of the committee in the days ahead.

It is especially appropriate that you should be elected to chair this committee during International Women's Year, but I would like to add my voice to that of the distinguished Representative of Australia, who suggested yesterday that the election of a woman chairperson should become a frequent occurrence, not confined to particular years of commemoration.

The U.S. delegation would also like to note with pleasure the presence in the committee this year of the representatives of Cape Verde, Mozambique, and Sao Tome and Principe. The United States was pleased to vote in favor of their admission into the United Nations and looks forward to working with these nations in this committee and others in the United Nations.

Only three weeks ago Secretary of State Henry Kissinger delivered a major U.S. policy statement on Africa before a dinner in honor of the Organization of African Unity Foreign Ministers and Permanent Representatives to the United Nations. In this speech the Secretary sounded the overall theme that strengthening the relationship between the United States and Africa is a major objective of U.S. foreign policy. Madam Chairwoman, it is in this spirit that my delegation intends to participate in the work of this committee in the days ahead.

On the question of Southern Rhodesia in particular, the Secretary noted the sympathy with which the United States has viewed the attempt to negotiate a peaceful solution in Southern Rhodesia over the past year. He specifically cited the statesmanlike efforts of the leaders of African countries—especially President Kaunda [of Zambia], Prime Minister Vorster [of South Africa], President Khama [of Botswana], President Nyerere [of Tanzania], and President Machel [of Mozambique]—to avert bloodshed and violence. The United States strongly supports the efforts of these leaders to bring the parties together in negotiations.

To maintain pressure on the minority regime in Southern Rhodesia, the United States intends to adhere scrupulously to the economic sanctions against the Smith regime. President Ford and his entire Administration remain committed to repealing the Byrd amendment, despite the recent failure of the House of Representatives to pass a bill repealing the amendment. This action by the House of Representatives was particularly disappointing to me because I had the responsibility for managing the bill on the floor of the House.

We recognize the need to repeal the Byrd amendment not only for the intended effect in Southern Rhodesia but also in the interest of our own self-esteem in upholding our international obligations.

As a member of the House of Representatives who has worked long for the removal of the Byrd amendment, I can assure you that Congressional support for repeal is increasing. When the amendment was first passed in 1971, 100 members of the House of Representatives voted in favor of maintaining full compliance with the sanctions. When the measure was taken up again in

1972, that number had increased to 140. And this year, it reached 187. A change of only 12 in this year's vote would have been decisive in favor of repeal. In the Senate, a majority for repeal exists and was demonstrated by a vote of 54 to 37 in 1973.

Earlier this week this committee heard an allegation that some U.S. citizens are fighting as mercenaries under the Rhodesian army. There are no U.S. military personnel in Rhodesia. My government does not approve of participation by any American citizen in the forces of the Ian Smith regime. Our laws provide that any citizen enlisting in the armed forces of another country runs the risk of losing his U.S. citizenship. In addition he could be subjected to criminal prosecution under existing U.S. laws which provide fines and prison terms for those found guilty. If there is any specific evidence that Americans are serving in military forces under Ian Smith, my government wishes to be made aware of it in detail in order that appropriate legal action may be considered under our laws. Madam Chairwoman, I want to reiterate in this committee again this year that the United States does not collaborate in military matters in any way with the Smith regime in Rhodesia.

The United States is an active participant in the Security Council's Sanctions Committee. We are prepared to consider seriously recommendations in that committee for further tightening of enforcement of the sanctions.

In conclusion, I would like to quote from the statement Secretary Kissinger made on the question of Rhodesia in his speech before the General Assembly on September 29. He said:

> The differences between the two communities in that country, while substantial, have been narrowed significantly in the last decade. Both sides in Rhodesia and Rhodesia's neighbors—black and white—have an interest in averting civil war. We will support all efforts to bring about a peaceful settlement.

This statement illustrates the importance which the U.S. Government attaches to the peaceful resolution of the Rhodesian problem. The United States remains firm both in support of U.N. resolutions which have condemned the illegal Smith regime and in our commitment to the implementation of the principles of self-determination and majority rule in Rhodesia. The United States strongly favors and looks forward to the creation of a government in Rhodesia which is elected freely by all of the people of that country.

Self-Determination for Namibia Urged by United States

Following is a statement made in Committee IV (Trusteeship) of the U.N. General Assembly by U.S. Representative Barbara M. White on October 22.

USUN press release 124 dated October 22

Nine years have elapsed since the U.N. General Assembly, in Resolution 2145, terminated South Africa's League of Nations mandate to administer Namibia and itself assumed direct responsibility for the territory. It has been over four years since the International Court of Justice concluded in an advisory opinion that South Africa's mandate over Namibia was legally terminated by the United Nations and that South Africa's continued occupation of the territory was illegal. Despite numerous calls by the United Nations, its member states, and other international and private groups, South Africa remains today firmly entrenched in its illegal occupation of Namibia.

Madam Chairperson, the U.S. position of support of Resolution 2145 and the conclusions of the International Court of Justice is well known. So also is our support for Security Council Resolution 366 of December 17, 1974, in which the Council unanimously demanded that South Africa make a clear statement that it will comply with U.N. resolutions, withdraw from Namibia, and transfer power to the people of that territory. This committee also is well aware of the joint tripartite U.S., U.K., and French demarche to South Africa on Namibia on April 22. The three nations made this demarche to present their own positions on

the future of the territory and to reaffirm to the South African Government the need for a clear and unambiguous statement of policy on Namibia. We have made our views on this subject very clear and are continuing to do so.

Like other U.N. members, we did not consider the South African Government's response to Security Council Resolution 366 adequate. While we welcomed Prime Minister Vorster's May 20 statement that South Africa was prepared to negotiate with a mutually acceptable representative of the U.N. Secretary General and to meet with the chairman and members of the Organization of African Unity Committee on Namibia, we were particularly disappointed that Prime Minister Vorster stated that South Africa could not accept U.N. supervision of Namibia.

The subsequent meeting of the Security Council on the problem of Namibia during the first week of June this year ended with a vote on a resolution which stated that the illegal South African occupation of Namibia constituted a threat to international peace and security and called for the institution of a mandatory arms embargo against South Africa as provided for in chapter VII of the U.N. Charter. The United States voted against this resolution because we did not believe that mandatory sanctions were justified by the existing situation in Namibia. We continue to believe that the situation, while of very deep concern to us, does not justify a call for mandatory chapter VII action by U.N. member states.

The U.S. position on the future of Namibia is embodied in three principles which we have conveyed on numerous occasions to the Government of South Africa. These principles are:

a. All Namibians, within a short time, should be given the opportunity to express their views freely and with U.N. supervision on the political future and constitutional structure of the territory;

b. All Namibian political groups should be allowed to campaign for their views and to participate without hindrance in peaceful political activities in the course of self-determination; and

c. The territory of Namibia should not be fragmented in accordance with apartheid policy contrary to the wishes of its people.

It is against these three principles that the United States will measure progress toward the fulfillment of the right to self-determination for the people of Namibia. In the past month, the South African Government has made much of the constitutional conference convened in Windhoek on September 1 and the declaration of intent issued by this conference on September 12.

The United States does not regard this conference, as presently constituted, or its declaration of intent as capable of representing the views of all elements of the Namibian population or of providing definitive legitimate guidance on their constitutional preferences. First of all, certain significant political groups, such as SWAPO [South West Africa People's Organization] and the Namibian National Convention, are not represented at the conference. Secondly, the conference is taking place under the auspices of a state whose administration of Namibia we do not regard as legitimate. Concerning the declaration of intent itself, I would only reiterate the principle which I have just stated: The territory of Namibia should not be fragmented in accordance with apartheid policy contrary to the wishes of its people.

The United States has noted with deep concern that the conference is taking place against a background of repression of political activity, illustrated by the present detention of an estimated 30 Namibians under the Terrorism Act and other illegal and repressive legislation. In line with our policy of making clear to the South African Government our concern over violations of human rights, we have raised the matter of these recent detentions with the South African Government and are awaiting particulars on them.

The United States has during the past year contributed $50,000, specially earmarked for Namibians, to the U.N. Educa-

tional and Training Program for Southern Africa. In addition, we have indicated our willingness to support the Institute for Namibia. We presently are awaiting budget estimates with a view toward making a contribution to the Institute.

Madam Chairperson, the Namibians have already been kept waiting too long to exercise their right to self-determination. We condemn the continued illegal occupation of Namibia and the persistent refusal of South Africa to heed U.N. resolutions and implement a policy of prompt self-determination. The people of Namibia have waited long enough for the opportunity to express freely their views on the future of their territory. They have languished long enough under the repressive racial policies of the South African Government. Madam Chairperson, the United States calls again on South Africa to move quickly to grant political freedom and basic human rights to the people of Namibia.

United States Reiterates Opposition to Apartheid

Following is a statement made in the Special Political Committee of the U.N. General Assembly by U.S. Representative Clarence M. Mitchell, Jr., on October 23.

USUN press release 125 dated October 23

Throughout its history, the U.N. General Assembly has rightly concerned itself with the problem of apartheid. We agree with the Organization of African Unity that there are few social or political systems which are as offensive to men and women throughout the world as South African apartheid. This system of legislated racial discrimination—I emphasize the words "legislated racial discrimination" because, unhappily for the human race, members of the human race may have personal prejudices, but they do not usually write them into the law which would control those who may or may not have racial prejudices—so compounds the South African brand of prejudice by having it written into the statutes of that unhappy country as apartheid. It is a continuing affront to the spirit and principles of the U.N. Charter. Despite some alterations made by the minority regime in South Africa, apartheid remains today as repugnant to those who cherish the principles of justice and equality as it did 30 years ago when the United Nations was established.

The United States has enunciated our strong opposition to apartheid in numerous debates in successive sessions of the General Assembly. As a democratic nation committed to the principle of equality of all men and women, the United States finds the system of apartheid odious and abhorrent. We have condemned many times over both the philosophical premises of the apartheid system and the brutalizing effects it has on all people of South Africa; not just the blacks or the "coloreds," as they classify people in South Africa, but whites as well—those of British heritage or Dutch heritage or whatever—are brutalized by the system which is in effect in that country. Indeed, my government adheres to the Universal Declaration of Human Rights, which condemns such racism as apartheid fosters.

Further, as the Assembly will recall, the United States has maintained an arms embargo against South Africa since 1962.

The U.S. Government has pursued a policy of actively seeking to encourage in South Africa a peaceful change from the policies of apartheid to policies which will provide for the attainment of basic human rights by *all* South African citizens, regardless of race. To this end, we have adopted a policy of communication—to impress upon the Government of South Africa our opposition to apartheid, to signal our unequivocal support for changes in the political and social system in South Africa, and to maintain contacts with all members of the South African population, including those not permitted to participate in the governing of that country. It is the belief of my government that South Africa should be exposed to the relentless and unceasing demands of the world community to eradicate the apartheid system.

The United States deplores the detention of persons whose only act is outspoken opposition to the system of apartheid. The South African Government is courting disaster when such repressive measures have the effect of closing off all avenues for peaceful change.

Mr. Chairman, on September 23, Secretary of State Kissinger addressed a dinner in honor of the Organization of African Unity Foreign Ministers and Permanent Representatives to the United Nations. In his speech, Secretary Kissinger restated U.S. opposition to apartheid, characterizing it as a system contrary to all that Americans believe in and stand for.

As those who may have the printed text of what I have just read may note, there is one remaining paragraph, but before I state that paragraph, I would like to take this opportunity to speak, as I believe the people of my country would want me to speak, from the heart to those who are here. It is with respect to the attempt to add Zionism to our items that we reject—and any effort to equate it with apartheid.

I speak to you from the heart because I know so much about the struggles of the countries that all of you represent—that you have made through the years.

I would say to my distinguished friends from the Soviet Union: although we have different approaches to economic matters, the hearts of our people are still warm with appreciation for your gallant efforts to stem the tide of an invader who was seeking to impose upon the world a doctrine of racism. The snows of Russia may cover their bodies, but they can never erase the gallant stand that they made on behalf of the defense of their country, which in turn had the collateral effect of stamping out tyranny in the world as it was evidenced by the invader.

I would speak to the people of Latin American countries, whose spokesman from Honduras yesterday indicated that as early as 1821 that country abolished human slavery as a matter of law. I am happy to say that grand tradition is well known in our country, and we cherish all the examples that you have set.

I would say to the people who represent the Arab states that the world owes your ancestors, and indeed many of your contemporaries, a great debt for your contribution to science and to the study of astronomy and others of the great sciences.

And so I come to the people of Israel. I think that it would be a terrible mistake historically to attempt to assign to Zionism a place of recent origin in human history. If we go back 2,500 years or more, we will see in ancient writings that some of you who follow the same religious faith that I follow the magnificent words:

> By the rivers of Babylon, there we sat down, yea, we wept. . . . We hanged our harps upon the willows in the midst thereof. For . . . . How shall we sing the Lord's song in a strange land?

They had been deported from their land to ancient Babylon, and yet in their hearts they carried the memory of where they came from through all the long years of persecution in early history and in the history of the Middle Ages, right down to the gas ovens at Dachau and other places where the people of the Jewish faith were persecuted simply because of their religion. They held on to the noble ideal that at some point they would reconvene in a homeland and enjoy what that homeland could offer to them in the way of memories and other advantages.

They did not go as overlords to that place on the map. They went there as people who would be willing to work with their hands, to till the fields, to espouse the doctrine of human equality. Throughout their long history, from what I know of the people who are the descendants and the past persons identified with Israel, they never permitted human slavery. They gave to us the great historical doctrine of what is required of man—that he do justly and love mercy, which, it seems to me, would be a philosophy that all could handle and adhere to.

So I make a plea to all persons of all countries here that we do not attempt to equate a religious objective, no matter how critical we may be of those who espouse that religious objective, with an odious scheme which, under law in South Africa, consigns to a place of degradation members of the

human family who may be of mixed blood, who may be black, and in some cases, who may be white but disagreeing with the policies of the nation.

I make a special plea to the new nations of Africa that they do not become a part of this effort. I plead with them, if they are disposed to consider the arguments of those who seek to equate Zionism and apartheid, I plead with them to put this over at least until the next session of this Assembly in order that it might be then considered in a mature way.

I make this plea primarily because in our country there are thousands of black and white people who have looked forward to the day when the nations of Africa would take their place in the world family, and we have believed that because these nations have suffered so long under the yoke of colonialism that they would be the great exponents of fairness, that they would believe in the orderly process of discussion and disposition of problems.

So I plead with you not to disappoint those, of whom I am one, who look to you for a new brand of statesmanship that will be a credit to the whole world.

I say further that there is a tremendous outpouring of world opposition to apartheid. It is an argument that is clearly defined. Do not divide our supporters by injecting an element on which there is disagreement, which in the end, if we should incorporate a principle that equates Zionism with apartheid, we may well be performing a service for those who are the exponents of apartheid, because they can then divide our ranks and, as was said in ancient Rome, divide and conquer. We all know that this is a technique of those who are the exploiters.

So I plead with you to keep these issues distinct in order that we may have a constructive and effective fight against the evil of apartheid which pollutes the world.

The U.S. Government calls on the Government of South Africa to bend before the winds of change that are blowing through Africa and, indeed, throughout the world, as we can see from the new nations that became a part of this body, and to accept the fact that a racially repressive system is indefensible, to bring to an end apartheid and racial injustice. The United States calls on the South African Government to realize that such a change is not only inevitable but it is in the interest of all South Africans and, indeed, it is in the interests of the whole world.

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. Entered into force March 26, 1975. TIAS 8062.

Ratification deposited: Bolivia, October 30, 1975.

Coffee

Protocol for the continuation in force of the international coffee agreement 1968, as amended and extended, with annex. Approved by the International Coffee Council at London September 26, 1974. Entered into force October 1, 1975.

Senate advice and consent to ratification: October 28, 1975.

Defense—Reciprocal Assistance

Protocol of amendment to the inter-American treaty of reciprocal assistance (Rio Pact). Done at San José July 26, 1975. Enters into force when two-thirds of the signatory states have deposited their ratification.

Signatures: Argentina, Bolivia,[1] Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador,[2,3] Guatemala,[3] Haiti, Honduras, Mexico,[2] Nicaragua, Panama,[2] Paraguay,[3] Peru,[3] Trinidad and Tobago, United States,[3] Uruguay, and Venezuela, July 26, 1975.

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, 8086.

Acceptance deposited: Viet-Nam, Democratic Republic, October 22, 1975.

[1] With declaration.
[2] With statement.
[3] With reservation.

Amendments to articles 34 and 55 of the Constitution of the World Health Organization of July 22, 1946, as amended (TIAS 1808, 4643, 8086). Adopted at Geneva May 22, 1973.[4]
Acceptances deposited: Bolivia, El Salvador, October 17, 1975; Dominican Republic, October 16, 1975; Nigeria, October 15, 1975.

Maritime Matters

Convention on the Intergovernmental Maritime Consultative Organization. Done at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.
Acceptance deposited: Congo (Brazzaville), September 5, 1975.
Amendments to the convention of March 6, 1948, as amended, on the Intergovernmental Maritime Consultative Organization (TIAS 4044, 6285, 6490). Adopted at London October 17, 1974.[4]
Senate advice and consent to ratification: October 28, 1975.

Meteorology

Convention of the World Meteorological Organization. Done at Washington October 11, 1947. Entered into force March 23, 1950. TIAS 2052.
Accession deposited: Cape Verde, October 21, 1975.

Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971. Entered into force October 7, 1975.
Notification from World Intellectual Property Organization that accession deposited: Union of Soviet Socialist Republics (with a declaration), October 3, 1975.

Safety at Sea

Convention on the international regulations for preventing collisions at sea, 1972. Done at London October 20, 1972.[4]
Senate advice and consent to ratification: October 28, 1975.
Amendments to chapters II, III, IV, and V of the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 20, 1973.[4]
Senate advice and consent to ratification: October 28, 1975.
Acceptance deposited: Canada, October 7, 1975.
Amendment to chapter VI of the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 20, 1973.[4]
Senate advice and consent to ratification: October 28, 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.[4]
Senate advice and consent to ratification: October 28, 1975.

Tonnage Measurement

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969.[4]
Accession deposited: Austria, October 7, 1975.

United Nations Charter

Charter of the United Nations and Statute of the International Court of Justice. Signed at San Francisco June 26, 1945. Entered into force October 24, 1945. 59 Stat. 1031.
Admission to membership: Cape Verde, Mozambique, September 16, 1975; Papua New Guinea, October 10, 1975; Sao Tome and Principe, September 16, 1975.

BILATERAL

Brazil

Agreement concerning shrimp, with annexes, agreed minutes, and exchange of notes. Signed at Brasilia March 14, 1975.[4]
Senate advice and consent to ratification: October 28, 1975.

Egypt

Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income. Signed at Washington October 28, 1975. Enters into force 30 days after the exchange of instruments of ratification.
Agreement on health cooperation, with annex. Signed at Washington October 28, 1975. Entered into force provisionally October 28, 1975, and definitively on the date of exchange of notes between the countries notifying the completion of the constitutional procedures required in each country.
Agreement for sales of agricultural commodities, relating to the agreement of June 7, 1974 (TIAS 7855). Signed at Washington October 28, 1975. Entered into force October 28, 1975.
Agreement concerning the exhibition in the United States of the "Treasures of Tutankhamun" and of other items of Pharaonic art. Effected by exchange of notes at Washington October 28, 1975. Entered into force October 28, 1975.

Union of Soviet Socialist Republics

Agreement on the supply of grain by the United States to the Union of Soviet Socialist Republics. Signed at Moscow October 20, 1975. Entered into force October 20, 1975.

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[4] Not in force.

Name Index

Check List of Department of State Press Releases: Oct. 27–Nov. 2

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

No.	Date	Subject
*544	10/28	Advisory Committee on Transnational Enterprises, Nov. 17.
†545	10/28	Announcements of U.S.-Egypt agreements.
*545A	10/28	Kissinger, Simon, Fahmy: remarks at signing ceremony.
†546	10/28	Kissinger, Sadat: toasts.
*547	10/29	Dean sworn in as Ambassador to Denmark (biographic data).
*548	10/29	Atherton honored by National Civil Service League.
*549	10/30	Secretary's Advisory Committee on Private International Law Study Group on International Sale of Goods, Nov. 22.
*550	10/31	Overseas Schools Advisory Council, Dec. 10.
551	10/31	Kissinger: House Select Committee on Intelligence.

* Not printed.
† Held for a later issue of the BULLETIN.