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# THE DEPARTMENT OF STATE BULLETIN

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# THE DEPARTMENT OF STATE BULLETIN

VOL. LXXIV, No. 1915

March 8, 1976

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*The BULLETIN includes selected press releases on foreign policy, issued by the White House and the Department, and statements, addresses and news conferences of the President and the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information included concerning treaties and international agreements to which the United States is or may become party and on treaties of general international interest.*

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## Secretary Kissinger's News Conference of February 12

Press release 64 dated February 12

*Secretary Kissinger:* I would like to make a brief statement on Guatemala.

This is my first opportunity to express publicly our government's and my personal sympathy for the people of Guatemala in the unparalleled tragedy which has befallen them and their country.

Americans have always traditionally responded generously in thought and deed to the needs of the suffering. Reflecting that humanitarian spirit, our government, joined by its citizens and charitable organizations, is mounting a major effort to assist the government and people of Guatemala to ease the suffering caused by the earthquake.

I will visit Guatemala on February 24 in connection with my Latin American trip.

*Q. Mr. Secretary, the State Department spokesman has this week consistently refused to comment on the reports of the microwave bugging of the Embassy in Moscow. Will you now tell us the facts and what action you have taken to get the Russians to cease this activity, which has been going on for years? Also, could you discuss the radiation hazard that is involved in this?*

*Secretary Kissinger:* This issue is a matter of great delicacy which has many ramifications. Our overwhelming concern is of course the health and welfare of State Department and other personnel in Moscow. We have made unilateral efforts to reduce the dangers, and we are also engaged in discussions on the subject. But I do not believe it would serve these purposes if I went into any greater detail.

*Q. May I follow it up, please, because radiation in the minds of many Americans*

*means radioactivity? Can you rule out that this is radioactivity?*

*Secretary Kissinger:* I do not know exactly. These matters have to be related to accepted health levels, and they have to be related also to the safety standards over a period of time. I would not use the word "radioactivity."

*Q. Mr. Secretary, in light of the diplomatic and military successes of the Popular Movement in Angola, is the United States prepared to follow the OAU [Organization of African Unity] line and recognize the MPLA [Popular Movement for the Liberation of Angola] as the legitimate government of Angola or at least open diplomatic contacts with them?*

*Secretary Kissinger:* The United States has declared consistently that its objection was not to the MPLA as an organization nor to its political views as such. Our objection has been to the imposition of a minority government by what is now 12,000 Cuban troops and nearly 300 million dollars' worth of Soviet equipment. Since January alone the Soviet Union has introduced over 100 million dollars' worth of military equipment into Angola.

Those facts will not be changed by the military victory that will inevitably result when one side is deprived of restraint and the other is given no opportunity to resist.

What the United States will do when a de facto situation exists, we will decide under those circumstances. But I have said before our objection is to the outside imposition of a government and not to the African component of the government itself.

*Q. Mr. Secretary, last year you spoke eloquently of the principles that give purpose to our strength—*

*Secretary Kissinger:* I beg your pardon?

*Q. Last year you gave a number of speeches dealing with the principles that give purpose to American strength. In your opinion, what are these basic principles of American constitutional democracy, and how do you conform your official conduct and that of the State Department to the dictates of these principles?*

*Secretary Kissinger:* I haven't seen this gentleman in over a year and a half, and I think we will go to another question.

*Q. Mr. Secretary, if I could ask another question.*

*Secretary Kissinger:* Certainly.

*Q. Specifically, in a government such as ours, which functions by the consent of the governed, do you feel that public officials such as yourself have a duty to fully, currently, and truthfully inform the public, their employers, so that the consent will be informed and not blind?*

*Secretary Kissinger:* What was the last?

*Q. —consent of the governed will be informed consent and not blind consent.*

*Secretary Kissinger:* In a democracy the government has an obligation to keep the public informed and to get support by the existing constitutional processes. In a democracy also, it is not possible to have effective government unless there is a minimum of restraint and a minimum of decency in the public debate so that the essential element of confidence that must exist if a society is to get through its difficulties is preserved.

#### **Developments in SALT Talks**

*Q. Mr. Secretary, can you tell us what the status of the SALT talks [Strategic Arms Limitation Talks] is, the prospects for your return to Moscow?*

*Secretary Kissinger:* As we have pointed out, in the SALT talks there were a number of propositions made in Moscow, and a number of proposals were made by the Soviet Union in reply to the propositions that we have advanced. These moved matters forward somewhat.

We are now studying the Soviet reply, and we are developing a position to transmit to the Soviet Union within the next week or so. After we have a Soviet reply, we will be able to judge how close we are to an agreement and what the next step should be.

#### **Charges of Business Corruption Abroad**

*Q. Mr. Secretary, on the question of the Lockheed reports, could I ask you a three-part question, please?*

*What effect do you think these revelations will have on both the diplomatic and economic interests of the United States abroad?*

*Two, could you tell us about a letter that was published in the New York Times yesterday which says that you supported publicly by Lockheed that the names of officials whom it had made payoffs, along with the names of their countries, be kept secret?*

*And three, could you tell us when the Department first became aware of these matters?*

*Secretary Kissinger:* I do not have an exact answer to your last question. We became aware of these matters some months ago when we were asked about the foreign policy implications of some of these revelations. And we pointed out that the implications for the domestic stability and the domestic situation of other countries could be extremely serious.

The impact of these revelations has been serious. On the other hand, we not only do not condone these actions; we strongly condemn them. We think it is an inappropriate way to conduct business, and we regret very much that these actions, if they are true, in fact took place.

*Q. Could I take you back to part two of that, sir, as to why you thought not revealing*

ing the names, that the names be kept secret, was in the interest of the United States?

*Secretary Kissinger:* Because the revelation by a congressional committee of the names of senior officials of other countries is bound to have serious consequences in those countries. And that is a matter that we thought the committee should keep in mind.

But I repeat: This has nothing to do with our approving or condoning the actions that are revealed in those reports, if they are true—which I do not know.

*Q. Mr. Secretary, on the same point, sir, does it disturb you at all that an American company was engaging in activities involving foreign officials, including in many cases rightwing officials, that from your statement was apparently unknown to U.S. intelligence officials or the State Department?*

*Secretary Kissinger:* It disturbs me. I think it is a matter that should not take place and we must make every effort to prevent in the future.

#### **Middle East Negotiations**

*Q. Mr. Secretary, what are your future plans for any sort of negotiations regarding the Middle East situation, and also can you confirm reports of meetings between Israeli and Jordanian officials concerning the West Bank?*

*Secretary Kissinger:* I think other governments have to confirm or deny meetings that they may be having. We are not involved in any such activities.

We have had full and, on the whole, satisfactory talks with Prime Minister Rabin. We will have some more exchanges with the Israeli Government, and then we will bring back our Ambassadors from the Middle East, from the Arab countries, for consultation to discuss what the next move should be. And we will then convey our best judgment of the various opportunities that are available to all of the parties within the course of the next month.

Mr. Lisagor [Peter Lisagor, Chicago Daily News].

#### **Angola and African Concerns**

*Q. Mr. Secretary, a representative of Zaïre has been here talking to the President and yourself. Does this Administration plan some overt course of policy in relation to those countries that surround Angola?*

*Secretary Kissinger:* With respect to overt actions as they apply to Angola, I do not think it has been generally understood—the difficulty that any overt request would have from a legal point of view because it would in effect say that the United States is asking for funds for some country to intervene in a civil war in some other country. So that part of it is a matter of extreme legal and political difficulty.

The second problem we now face is that, as a result of this war and of the Cuban and Soviet intervention, there is grave concern in countries like Zaïre and Zambia and other countries of Africa that this pattern might be repeated or that the weapons that have been accumulated there might be used for purposes beyond the borders of Angola.

We are talking to the Governments of Zaïre and Zambia, and we will be talking to other governments, to make sure that we understand what they consider their necessities and to do the best that we can to prevent the pattern of Angola from setting a precedent for the rest of Africa. And when I go to Africa later this year, this is one of the subjects that I plan to discuss.

*Q. Can I follow that up by asking if they are requesting specific American actions now?*

*Secretary Kissinger:* If they request specific American action now, we would take it very seriously and we would of course discuss it fully with the Congress.

#### **Relations With the Soviet Union**

*Q. Mr. Secretary, you have gone to quite a bit of trouble in the last few weeks to set forth your views about the kind of debate on foreign policy that ought to take place in 1976, particularly with reference to the*

*Soviet Union. How do you feel, having done that, about the statements which have recently been made that the only result of détente is advantages to the Soviet Union and the ability of the United States to sell some Pepsi-Colas in Siberia?*

*Secretary Kissinger:* I think that there are a lot of candidates and they all have a problem about getting into the headlines. I cannot spend my time answering every candidate making some political charge.

I believe that the Administration has attempted to set forth our overall philosophy, tied to our interpretation of realities. I believe that a debate ought to deal with some other version of reality, with some other concepts, and not with slogans. And I think that the relationship between the United States, the Soviet Union, and the People's Republic of China is too delicate, too important for the peace of the world, to be used for simply partisan sloganeering.

*Q. Mr. Secretary, the president of an outfit called Hudson Engineering in New Jersey claims that he has seen Soviet trawlers using sonic equipment testing for oil off the Jersey coast. Mr. Hudson claims to have been in touch with the State Department and to have heard from the State Department that the Soviets have tried to begin talks on this subject and that such talks are in fact underway. Would you respond, please?*

*Secretary Kissinger:* I never heard this, and I will have to check into it. I have never heard this argument.

*Q. Mr. Secretary, would you comment, please, on two things—Angola and the Moscow Embassy affair? Do these have a cumulative effect which at least affects the climate in which the other aspects of détente, such as SALT, proceed?*

*Secretary Kissinger:* The Moscow Embassy affair, I have tried to point out, is a matter of great complexity and sensitivity.

Angola, we have stressed since November, is a pattern of behavior that the United States will not accept—that if continued it will have serious consequences for any possibility of easing of relations with the

Soviet Union, and if continued, and if it becomes a pattern, must affect other relationships.

#### **U.S.-P.R.C. Relations**

*Q. Mr. Secretary, would you comment on recent changes in Peking and on what effect this might have on U.S.-China relations?*

*Secretary Kissinger:* We were not previously consulted before these changes were made. Indeed, at the risk of undermining our reputation for foreseeing things, we were surprised by the changes.

We believe that the basic foreign policy of the People's Republic of China, as well as ours, depends on the basic conception of the national interests of both countries. Those interests will determine the policies; and their personalities, in this sense, play a secondary role. So we expect that the basic lines of our foreign policy, as the basic lines of Chinese policy, will continue.

*Q. Mr. Secretary, you saw former President Nixon in San Clemente before it was announced that he was going to go to China. What do you think of his trip, and what does it mean for American-Chinese relations? What are the Chinese trying to tell us by that invitation?*

*Secretary Kissinger:* When I saw President Nixon he did not tell me that a trip by him to the People's Republic of China was imminent. He talked in very general terms of his intentions eventually to take a trip but not that it was as imminent as it turned out to be.

President Nixon was responsible for the opening to China, and I believe this to have been one of the major American diplomatic initiatives of the recent period. The Chinese are undoubtedly attempting to underline the importance they attach to this relationship by their invitation.

This Administration has repeatedly made clear that we attach very great significance to the relationship with the People's Republic of China, and therefore we consider anything that symbolizes this to be, on the whole, helpful. On the other hand, President Nixon

is going there as a private citizen, and what the intentions of the Chinese were, beyond what I have stated, is really a matter that they have not discussed with us.

*Q. Mr. Secretary, going back to Angola, now that the MPLA seems to have won a military victory, how serious a setback do you think this is for the United States, and what lessons does this tell the rest of the world about the attitudes and divisions in Washington?*

### **Cuban Forces and Soviet Arms in Angola**

*Secretary Kissinger:* The MPLA did not score a military victory. Cuba scored a military victory, backed by the Soviet Union. Almost all of the fighting was done by Cuban forces.

What it should make clear is that we can conduct foreign policy only as a united people, that these victories and setbacks that I am being asked about are not victories and setbacks for the Administration, they are setbacks for the United States—and not so much for the United States as for those who have to make the decision what to do in similar circumstances when similar pressures appear again.

It cannot be in the interest of the United States to establish the principle that Soviet arms and Cuban expeditionary forces can appear in situations of turmoil. As we look around the world at areas of potential conflict, it cannot be in the interest of the United States to create the impression that, in times of crisis, either threats or promises of the United States may not mean anything because our divisions may paralyze us.

So, leaving aside the merit of the particular argument as between one branch or the other, the absolute requirement of the United States is to come together on a unified position, and this cannot wait for our electoral process to work itself out.

*Q. Following up on that, Mr. Secretary, there is a catchphrase that has been kicking around the hemisphere for about 12 years—the export of revolution—with reference to Cuba. Premier Castro denies that he is ex-*

*porting revolution. The Soviets deny they are exporting revolution. Premier Castro this week in Havana was saying this. Do you feel that the Soviet Union and Cuba are attempting to export, if not revolution, at least their system in the Angola matter?*

*Secretary Kissinger:* I do not care what label you give it. There are 12,000 Cuban troops and hundreds of millions of dollars of Soviet equipment in a situation that, had it been left alone, would have led to some African solution of a coalition of all of the factions in which over a period of time one or the other might have prevailed, but in a local context.

This is a pattern which, as one looks at other parts of the world, would have the gravest consequences for peace and stability, and it is one which the United States treats with indifference only at the risk of buying graver crises at higher cost later on.

*Q. Well, if you had your “druthers,” what would you do vis-a-vis Cuba?*

*Secretary Kissinger:* We stated our preferences in December, when the situation, in our judgment, was manageable and negotiable. It did not get out of hand until our domestic divisions deprived us of diplomatic leverage.

What we will do in the future is not for me to say right now, except that we cannot leave the impression that we will be indifferent to a continuation of these efforts.

And if we continue to speak about Angola it is not because we have any illusions about what is going on in Angola, but because we want the American public to understand—we want other countries to understand—that at least the executive branch understands what the problem is and that it will exercise its responsibilities in a democracy to try to bring home to the public and to the Congress what our future obligations may be.

*Q. Mr. Secretary, there has been a published account of the Pike committee report, including dozens of charges against you, ranging from the allegation that your policy resulted in a willful massacre of Kurds, and also that your practices of withholding in-*

formation on the SALT talks produced comments by you which are at variance with the facts, which of course is a euphemism for lying. Can you direct yourself specifically to any of these charges so that we can run through them?

*Secretary Kissinger:* Well, of course, it is extremely difficult to reply to charges in a leaked document. And I do not know what version of the Pike committee report is now being circulated.

The Pike committee report presents two problems. One, the use of highly classified information in violation of an agreement between the executive branch and the legislative branch. Secondly, the use of classified information in a manner that is so distorted, so geared to preconceived ideas, that the total impact is to produce a malicious lie.

And therefore, even where documents in themselves are correct, they are taken so out of context and they are so fitted into a preconceived pattern that we are facing here a new version of McCarthyism.

*Q. Mr. Secretary, may I ask a question? It is indicative of the general interest that until now no question has been asked about Latin America. Why are you going to Latin America? And in connection with the previous discussion on Angola and the role of Cuban troops, are you going to take this up and possibly propose putting Cuba back into the hemispheric diplomatic doghouse?*

*Secretary Kissinger:* The trip to Latin America has been planned for a long time, and it had to be postponed on a number of occasions because overwhelming other events occurred. It is designed to discuss primarily hemispheric problems: the relationship of Latin America to the United States; the relationship of the Western Hemisphere in which we are facing the problems of the traditional hemispheric pattern in a world of interdependence, in which the regional concerns of some of the countries are now competing with the interests in the developing world in general, and in which in Latin America we deal with countries of similar backgrounds, similar histories, but a different economic development. So that how we

manage this relationship is of very great importance.

What is happening in Angola may or may not come up. It is not the primary purpose of my trip. I am not traveling through Latin America in order to line up Latin Americans on the Cuban problem.

It is clear that the evolution toward normalization of relations with Cuba, which had started last year and with which we had been prepared to cooperate, has been interrupted. But we are not going to Latin America on a crusade against Cuba.

*Q. Mr. Secretary, did the United States encourage the Kurds to expect our support and then suddenly doublecross them?*

*Secretary Kissinger:* That is a total falsehood. But it is impossible in these covert operations to explain the truth without creating even more difficulties. But the charges that have been made are utterly irresponsible.

*Q. Mr. Secretary, on the U.N. resolutions concerning Namibia, what would be the U.S. position if the military operations now in Angola extend through the frontier to Namibia and involve now South African troops against Cubans or against Angolans?*

*Secretary Kissinger:* This is a problem that we have not yet had to face. But I can only say we cannot look with equanimity to the sending of Cuban expeditionary force around the world.

*Q. Mr. Secretary, the West German Republic and the United States have just concluded an international treaty on social security matters. Before this treaty was signed about 1 billion dollars' worth of insurance policies held by American citizens were canceled by the West German Government. These people are now in suspense. Can some pressure be borne on the West German Government to reinstitute them into their contractual rights?*

*Secretary Kissinger:* At the risk of undermining public confidence, I do not know what you are talking about. [Laughter.] We will look into this.

*Q. Mr. Secretary, referring to your characterization of the Pike committee leaks, would you tell us to what extent they will affect your conduct of the foreign policy of this country?*

*Secretary Kissinger:* I believe that the misuse of highly classified information in a mendacious, misleading, and totally irresponsible fashion must do damage to the foreign policy of the United States and has already done damage to the foreign policy of the United States. As far as my conduct of foreign policy is concerned, the best I can do is to recommend what I believe to be in the national interest, to defend it within the government and to the public as best as I can, and then let the democratic process and history sort it out.

*Q. Mr. Secretary, given the irreconcilable clash between your enemies, those who attack you, and your own determination to continue foreign policy as you best see fit, at which point—and I hope you won't dismiss it again with a joke—at which point does it become necessary for you to consider whether you should step down in the interest of American foreign policy?*

*Secretary Kissinger:* If I should conclude that it is in the interest of American foreign policy, I would step down.

But what one also has to consider is whether the style of public debate should be that any public figure can be destroyed by the most irresponsible and flagrant charges, and that then the argument should be made that the effectiveness is affected because totally irresponsible and essentially untrue charges are made. That, too, has to be weighed.

*Q. Mr. Secretary, did you receive a gift from General Barzani [Gen. Mullah Mustafa Barzani, Kurdish leader], and if so where is it?*

*Secretary Kissinger:* This is a question—

*Q. Following up Mr. Marder's [Murrey Marder, Washington Post] question. He asked you in generalities; I'm asking you for details.*

*Secretary Kissinger:* General Barzani sent a gift to the White House which was never in my possession, which I have never received, which I never in any way dealt with, which was kept in the White House in some regular procedure. And I have never received a gift either from General Barzani or a gift I kept from any other foreign leader.

And I think it is a disgrace to believe, and to imply, that the United States would conduct foreign policy because of gifts that senior officials may receive.

*Q. Mr. Secretary, what is the status of the negotiations with the Soviet Union on our buying oil from them?*

*Secretary Kissinger:* We are negotiating the purchase of 10 million tons of oil a year, which is about 3 percent of our total imports. This involves a number of issues—price, shipping rates, and related matters. There is a particular interest in it because our shipping is going to the Soviet Union anyway, delivering grain, and could therefore be advantageously used on the return trip carrying oil.

The negotiations are still in process. There is an agreement that 10 million tons a year will be available if we can agree on a price that is advantageous to the United States or surrounding benefits that will make this competitive with other purchases.

*Q. Don't you think the price is below what the OPEC countries are charging?*

*Secretary Kissinger:* One has to look at the overall package, including all the related matters, before one can make a judgment whether it is a competitive deal.

*Q. Mr. Secretary, at the initiative of the Soviet Union, the press credentials of the Radio Free Europe correspondents in Innsbruck were lifted by the International Olympic Committee. I wonder whether or not you think that is a violation of the Helsinki agreement?*

*Secretary Kissinger:* I have not considered this. But of course as you know we support Radio Free Europe, and we have always encouraged it.

## President Ford Announces Plans for Reorganization of Intelligence Community

*Following is the opening statement from a news conference held by President Ford on February 17, together with the text of a message transmitted to the Congress on February 18.*

### NEWS CONFERENCE OPENING STATEMENT, FEBRUARY 17<sup>1</sup>

For over a year the nation has engaged in exhaustive investigations into the activity of the CIA and other intelligence units of our government. Facts, hearsay, and closely held secrets—all have been spread out on the public record.

We have learned many lessons from this experience, but we must not become obsessed with the deeds of the past. We must act for the future.

Tonight I am announcing plans for the first major reorganization of the intelligence community since 1974.

First, I am establishing by Executive order a new command structure for foreign intelligence.<sup>2</sup> Henceforth, overall policy directions for intelligence will rest in only one place: the National Security Council, consisting of the President, the Vice President, the Secretary of State, and Secretary of Defense. Management of intelligence will be conducted by a single new committee. That committee will be chaired by the Director of Central Intelligence, George Bush. To monitor the performance of our intelligence operations,

<sup>1</sup> For the transcript of questions and answers which followed, see Weekly Compilation of Presidential Documents dated Feb. 23.

<sup>2</sup> For text of Executive Order 11905, signed Feb. 18, see Weekly Compilation of Presidential Documents dated Feb. 23.

I am creating a new, independent Oversight Board to be made up of private citizens. Former Ambassador Robert Murphy will chair the Board and two other distinguished citizens—Steve Ailes and Leo Cherne—will be the members. All of these units, the National Security Council, the Committee on Foreign Intelligence, and the Oversight Board, will be responsible to me, so that the President will continue to be ultimately accountable for our intelligence activities.

Second, to improve the performance of the intelligence agencies and to restore public confidence in them, I am issuing a comprehensive set of public guidelines which will serve as legally binding charters for our intelligence agencies. The charters will provide stringent protections for the rights of American citizens. I will soon meet with congressional leaders to map out legislation to provide judicial safeguards against electronic surveillance and mail openings. I will also support legislation that would prohibit attempts on the lives of foreign leaders peacetime.

Third, tomorrow I will send to the Congress special legislation to safeguard critical intelligence secrets. This legislation would make it a crime for a government employee who has access to certain highly classified information to reveal that information improperly.

I have been guided by two imperatives. As Americans we must not and will not tolerate actions by our government which would abridge the rights of our citizens. At the same time, we must maintain a strong and effective intelligence capability in the United States. I will not be a party to the dismantling of the CIA or other intelligence agencies.

To be effective, our foreign policy must l

based upon a clear understanding of the international environment. To operate without adequate and timely intelligence information will cripple our security in a world that is still hostile to our freedoms.

Nor can we confine our intelligence to the question of whether there will be an imminent military attack. We also need information about the world's economy, about political and social trends, about food supply, population growth, and certainly about terrorism.

To protect our security diplomatically, militarily, and economically, we must have a comprehensive intelligence capability. The United States is a peace-loving nation, and our foreign policy is designed to lessen the threat of war as well as aggression. In recent years we have made substantial progress toward that goal, in the Middle East, in Europe, in Asia, and elsewhere throughout the world.

Yet we also recognize that the best way to secure the peace is to be fully prepared to defend our interests. I believe fervently in peace through strength. A central pillar of our strength, is, of course, our armed forces. But another great pillar must be our intelligence community—the dedicated men and women who gather vital information around the world and carry out missions that advance our interests in the world.

The overriding task now is to rebuild the confidence as well as the capability of our intelligence services so that we can live securely in peace and freedom.

## MESSAGE TO THE CONGRESS, FEBRUARY 18

White House press release dated February 18

*To the Congress of the United States:*

By virtue of the authority vested in me by Article II, Sections 2 and 3 of the Constitution, and other provisions of law, I have today issued an Executive Order pertaining to the organization and control of the United States foreign intelligence community. This order establishes clear lines of accountability for the Nation's foreign intelligence agencies. It sets forth strict guidelines to control the activities of these agencies and specifies as well those activities in which they shall not engage.

In carrying out my Constitutional responsibilities

to manage and conduct foreign policy and provide for the Nation's defense, I believe it essential to have the best possible intelligence about the capabilities, intentions and activities of governments and other entities and individuals abroad. To this end, the foreign intelligence agencies of the United States play a vital role in collecting and analyzing information related to the national defense and foreign policy.

It is equally as important that the methods these agencies employ to collect such information for the legitimate needs of the government conform to the standards set out in the Constitution to preserve and respect the privacy and civil liberties of American citizens.

The Executive Order I have issued today will insure a proper balancing of these interests. It establishes government-wide direction for the foreign intelligence agencies and places responsibility and accountability on individuals, not institutions.

I believe it will eliminate abuses and questionable activities on the part of the foreign intelligence agencies while at the same time permitting them to get on with their vital work of gathering and assessing information. It is also my hope that these steps will help to restore public confidence in these agencies and encourage our citizens to appreciate the valuable contribution they make to our national security.

Beyond the steps I have taken in the Executive Order, I also believe there is a clear need for some specific legislative actions. I am today submitting to the Congress of the United States proposals which will go far toward enhancing the protection of true intelligence secrets as well as regularizing procedures for intelligence collection in the United States.

My first proposal deals with the protection of intelligence sources and methods. The Director of Central Intelligence is charged, under the National Security Act of 1947, as amended, with protecting intelligence sources and methods. The Act, however, gives the Director no authorities commensurate with this responsibility.

Therefore, I am proposing legislation to impose criminal and civil sanctions on those who are authorized access to intelligence secrets and who willfully and wrongfully reveal this information. This legislation is not an "Official Secrets Act", since it would affect only those who improperly disclose secrets, not those to whom secrets are disclosed. Moreover, this legislation could not be used to cover up abuses and improprieties. It would in no way prevent people from reporting questionable activities to appropriate authorities in the Executive and Legislative Branches of the government.

It is essential, however, that the irresponsible and dangerous exposure of our Nation's intelligence secrets be stopped. The American people have long accepted the principles of confidentiality and secrecy in many dealings—such as with doctors, lawyers and the clergy. It makes absolutely no sense to deny this

same protection to our intelligence secrets. Openness is a hallmark of our democratic society, but the American people have never believed that it was necessary to reveal the secret war plans of the Department of Defense, and I do not think they wish to have true intelligence secrets revealed either.

I urge the adoption of this legislation with all possible speed.

Second, I support proposals that would clarify and set statutory limits, where necessary, on the activities of the foreign intelligence agencies. In particular, I will support legislation making it a crime to assassinate or attempt or conspire to assassinate a foreign official in peacetime. Since it defines a crime, legislation is necessary.

Third, I will meet with the appropriate leaders of Congress to try to develop sound legislation to deal with a critical problem involving personal privacy—electronic surveillance. Working with Congressional leaders and the Justice Department and other Executive agencies, we will seek to develop a procedure for undertaking electronic surveillance for foreign intelligence purposes. It should create a special procedure for seeking a judicial warrant authorizing the use of electronic surveillance in the United States for foreign intelligence purposes.

I will also seek Congressional support for sound legislation to expand judicial supervision of mail openings. The law now permits the opening of United States mail, under proper judicial safeguards, in the conduct of criminal investigations. We need authority to open mail under the limitations and safeguards that now apply in order to obtain vitally needed foreign intelligence information.

This would require a showing that there is probable cause to believe that the sender or recipient is an agent of a foreign power who is engaged in spying, sabotage or terrorism. As is now the case in criminal investigations, those seeking authority to examine mail for foreign intelligence purposes will have to convince a federal judge of the necessity to do so and accept the limitations upon their authorization to examine the mail provided in the order of the court.

Fourth, I would like to share my views regarding appropriate Congressional oversight of the foreign intelligence agencies. It is clearly the business of the Congress to organize itself to deal with these matters. Certain principles, however, should be recognized by both the Executive and Legislative Branches if this oversight is to be effective. I believe good Congressional oversight is essential so that the Congress and the American people whom you represent can be assured that the foreign intelligence agencies are adhering to the law in all of their activities.

Congress should seek to centralize the responsi-

bility for oversight of the foreign intelligence community. The more committees and subcommittees dealing with highly sensitive secrets, the greater the risks of disclosure. I recommend that Congress establish a Joint Foreign Intelligence Oversight Committee. Consolidating Congressional oversight in one committee will facilitate the efforts of the Administration to keep the Congress fully informed of foreign intelligence activities.

It is essential that both the House and the Senate establish firm rules to insure that foreign intelligence secrets will not be improperly disclosed. There must be established a clear process to safeguard these secrets and effective measures to deal with unauthorized disclosures.

Any foreign intelligence information transmitted by the Executive Branch to the Oversight Committee, under an injunction of secrecy, should not be unilaterally disclosed without my agreement. Respect for the integrity of the Constitution requires adherence to the principle that no individual member, nor committee, nor single House of Congress can overrule an act of the Executive. Unilateral publication of classified information over the objection of the President, by one committee or one House of Congress, not only violates the doctrine of separation of powers, but also effectively overrules the actions of the other House of Congress, and perhaps even the majority of both Houses.

Finally, successful and effective Congressional oversight of the foreign intelligence agencies depends on mutual trust between the Congress and Executive. Each branch must recognize and respect the rights and prerogatives of the other if anything is to be achieved.

In this context, a Congressional requirement to keep the Oversight Committee "fully" informed is more desirable and workable as a practical matter than formal requirements for notification of specific activities to a large number of committees. Specifically, Section 662 of the Foreign Assistance Act, which has resulted in over six separate committee briefings, should be modified as recommended by the Commission on the Organization of the Government for the Conduct of Foreign Policy, and reporting should be limited to the new Oversight Committee.

Both the Congress and the Executive Branch recognize the importance to this Nation of a strong intelligence service. I believe it urgent that we take the steps I have outlined above to insure that America not only has the best foreign intelligence service in the world, but also the most unique—one which operates in a manner fully consistent with the Constitutional rights of our citizens.

GERALD R. FORD.

THE WHITE HOUSE, February 18, 1976.

## United States Economic Relations With Africa

*Address by William E. Schaufele, Jr.  
Assistant Secretary for African Affairs<sup>1</sup>*

Assistant Secretaries of State for African Affairs customarily focus their maiden speeches before the African-American Chamber of Commerce on the state of our economic relations with Africa even if, as in my case, they are weak in that field. However, even I recognize that our primary long-term interests in Africa are—and will undoubtedly remain—economic. We must not let the present political problems in southern Africa distort our perception of that reality.

Recent progress on the three major facets of our economic relations with Africa—trade, investment, and development assistance—is certainly encouraging. But problems still persist.

Our latest data indicate that 1975 was a good year for U.S. trade relations with Africa. Africa's share of U.S. trade continued to grow. During the first nine months of 1975, the value of our exports to Africa increased by 42 percent, but the value of our imports grew by only 27 percent. On an annual basis, this trend would result in a \$200 million reduction in our trade deficit with Africa in 1975—the first such reduction since 1972, when our balance-of-payments deficits with Africa started.

As far as we can determine, this is not a temporary phenomenon caused either by depressed import demand within our own economy or by increased exports of food or other goods needed because of drought or other disasters. We are particularly encouraged that the growth in our exports to

Africa last year was primarily in manufactured goods. There was only a small increase in U.S. exports of agricultural commodities in the first nine months of 1975. Moreover, the decrease in value of our coffee and copper imports from Africa—due to supply disruptions and reduced market demand, respectively—was more than offset by the increased value of our imports of African petroleum, diamonds, cocoa, manganese, and aluminum. Although this is small solace for African exporters of coffee and copper, on a continental scale these facts lead us to conclude that the favorable shift in our trade relations with Africa during 1975 may well represent a sustainable trend.

We also welcome the fact that our growth in exports was spread over most of our 17 principal trading partners in sub-Saharan Africa. Seven countries (Nigeria, Zambia, Ivory Coast, Tanzania, Gabon, Cameroon, and Guinea) increased the value of their imports from the United States by more than 50 percent. Five others (Zaire, Ghana, Sudan, Liberia, and Ethiopia) registered 20–50 percent increases. These increases cannot be explained merely as the result of inflation. Clearly, there is growing demand for U.S. exports in Africa, particularly from the newly rich oil producers.

Unfortunately, there is a disturbing obverse to our improved trade account. Except for the oil producers, most of our principal trading partners in sub-Saharan Africa are under varying degrees of pressure in their balance-of-payments accounts. Moreover, commercial means for financing balance-of-payments deficits cannot exceed prudent

<sup>1</sup> Made before the African-American Chamber of Commerce at New York, N.Y., on Feb. 18.

levels of risk assumption. For these reasons the United States took a leading role in the recently approved liberalization of IMF [International Monetary Fund] compensatory financing mechanisms. African countries should greatly benefit from this increased borrowing power to sustain their development efforts. The new IMF Trust Fund, in particular, can offer substantial concessional financing to the 26 sub-Saharan African countries deemed by the United Nations to be "most seriously affected" by the recent increase in oil prices.

### **Pragmatic Approach to Commodity Problems**

Our support of this liberalized IMF financing reflects our recognition of the importance of commodity earnings to developing countries which are significantly dependent on raw material exports and the problems that excessive price fluctuations pose for their development.

African countries, however, share the contention of their LDC [less developed country] brethren everywhere that they have not received fair prices for their commodity exports. They seek commodity arrangements designed to raise commodity prices and to prevent disastrous price declines such as recently occurred with copper. Our response to these demands is pragmatic. We seek assured supplies at reasonable prices permitting adequate investment in new productive capacity.

Our specific planned or proposed measures in the commodity field include the following:

—We have proposed that the World Bank Group, especially the International Finance Corporation, take the lead in bringing together private and public capital as well as technical, managerial, and financial expertise to finance new minerals development.

—In the multilateral trade negotiations we are seeking LDC commitments to provide us with nondiscriminatory access to their raw materials.

—Because no one formula will apply to all commodities, we propose the establishment of producer-consumer forums for every key

commodity, including coffee, and will be discussing new arrangements for individual commodities on a case-by-case basis.

—We participated in the recent coffee agreement negotiations and are now considering within the Administration whether or not to sign.

—We will sign the new tin agreement, and it will be submitted to the Senate for its advice and consent.

—We do not propose to sign the new International Cocoa Agreement in its present form. We consider the Agreement to be cumbersome, if not unworkable, in a number of respects and have suggested that certain of its provisions be renegotiated. We are awaiting the reaction of other countries.

Clearly, U.S. relations with sub-Saharan Africa during the next few years will be significantly conditioned by our joint willingness and ability to avoid ideological confrontations in seeking mutually acceptable pragmatic solutions to commodity problems.

### **Investment Trends**

Prospects for the investment aspect of U.S. economic relations with sub-Saharan Africa are more uncertain. During the decade ending in 1974, U.S. investment in the region almost tripled, to just under \$3 billion. Most of this increase occurred during the eight-year period ending in 1972, when our investment in black Africa grew faster than in South Africa.

Investment growth leveled off in 1973 to a greater degree in black Africa than in South Africa. During 1974 the 25 percent increase in U.S. investment in South Africa was partially offset by a 15 percent reduction in U.S. investment in black Africa. This reduction was entirely accounted for by a \$220 million decrease in U.S. direct investment in Nigeria as a result of the transfer of equity in U.S. petroleum firms to the Nigerian Government. Excluding this net disinvestment in Nigeria, there was a small increase of \$26 million in U.S. investment elsewhere in black Africa. As a consequence of these developments, South Africa's share

of U.S. direct investment in sub-Saharan Africa increased from 38 percent in 1972, to 47 percent in 1973, and to 56 percent in 1974.

It seems likely that the future trend in the overall level of U.S. investment in black Africa will reflect to a large extent what happens in the extractive sector, which accounts for over two-thirds of U.S. direct investment in the region. There could be additional U.S. disinvestment in this sector, for instance, as governments seek greater direct participation. At the same time, U.S. firms are exploring for petroleum and minerals in a number of African countries; and new discoveries could lead to new U.S. investment.

Investment in other sectors will probably continue to expand. There is no indication, however, that it could expand rapidly enough outside the extractive sector to reverse the recent trend toward an increasing proportion of U.S. investment in South Africa compared to black Africa. At present much of black Africa enjoys neither the market demand nor related infrastructure required for a substantial expansion in U.S. investment in manufacturing.

We believe that African countries must exercise the political will to establish viable regional markets as their only hope for eventual economic independence. Most African countries individually lack sufficiently large populations to justify manufacturing plants of the minimum efficient size. In the meantime, their development will depend on increased trade relations with developed countries to buy what they need and finance what they buy.

If trade is the vehicle of development, the transnational corporation can undoubtedly be its most efficient potential engine. As the national version of the corporation reduced the distortion arising from the separation of regional markets within the United States at the end of the last century, so the international version offers the only proven effective means for reducing similar distortions on a global basis. It is clear that the creation in Africa of a more favorable environment for U.S. investment, particularly

in the extractive sector, can enlarge the contribution U.S. investment can make to African development.

Africans place great weight on technology transfer and the training of their human resources. The U.S. Government is actively engaged in the transfer of publicly owned technology to African countries and in the training of African nationals through our development assistance programs. Nevertheless, we see no way to respond fully to African desires in the absence of a mutually acceptable role for U.S. private investment. The bulk of U.S. technology is the private property of U.S. firms. These firms also possess the pool of managerial talent required to apply corporate technology and to train others in its use.

#### **Development Assistance**

It is appropriate to consider the development assistance aspect of U.S. economic relations with sub-Saharan Africa last. Income from trade and investment is substantially larger than aid receipts. Sub-Saharan African export receipts from the United States now reach almost \$6 billion per year. New U.S. investment, which plays an important role in promoting sub-Saharan African exports, now totals between \$100 million and \$200 million per year.

Compared to these combined trade and investment receipts, U.S. bilateral AID [Agency for International Development] and Public Law 480 [Food for Peace] assistance to the region is modest, averaging about \$250 million per year over the past three fiscal years. To obtain a complete picture of our concessional assistance to black Africa, there should be added the approximately one-third U.S. share of IDA [International Development Association] credits. Our share of such credits last year was about \$140 million.

This comparison of commercial and concessional dollar flows does not mean aid is unimportant. To the contrary, concessional assistance is urgently required by the poorest states in sub-Saharan Africa. These

states generally lack the export potential to finance their development through trade.

Sub-Saharan Africa contains 18 of the world's 29 poorest states. They benefit from the new congressional mandate that requires our bilateral assistance to be concentrated on the welfare of the poorest people in the poorest countries. Thus, black Africa's share of our assistance has been growing in recent years, and we expect this trend to continue. Furthermore, U.S. support of the International Fund for Agricultural Development, a major proposal of the World Food Conference, demonstrates our willingness to seek new multilateral approaches to African problems.

One development assistance problem has increasingly concerned the African Bureau in recent years. The congressional aid mandate requires a global shift away from capital transfers for infrastructure. However, compared with other parts of the developing world, infrastructure deficiencies in Africa, particularly in transportation, are relatively more important and intimately related to problems of rural development and trade promotion. An abrupt deemphasis of aid for infrastructure is not consistent with the needs in this sector.

We perceive the issue to be one of insuring that a critical gap is not created in development assistance for sub-Saharan Africa. In their own development plans and priorities, African countries necessarily give a very high priority to remedying their infrastructure deficiencies. Unless we—that is, the United States and other donor countries—can find an appropriate response to Africa's infrastructure needs, especially as they relate to agriculture, we are risking failure in efforts in development in other sectors.

In general we believe multilateral solutions may be the most promising approach, given the huge costs involved in transportation infrastructure. Our proposed membership in the African Development Fund, the soft-loan affiliate of the African Development Bank, constitutes one integral element in this strategy. The House has already approved legislation authorizing a \$25 mil-

lion U.S. contribution to the Fund, and we expect the Senate to follow suit shortly. We will then seek appropriation authority for membership during the current fiscal year. I urge you to support our efforts in the Congress in this regard.

### **Role of Government and Business**

In conclusion, increased trade in both directions is the core reality of the growing interdependence between the United States and Africa. We believe that increased investment is a prerequisite to increased and more diversified trade relations. Trade and investment are essentially your business. We in government must strive to translate the trade goals we share with the African into mutually acceptable means to achieve them.

In this regard, we are pleased to note that Nigeria is recovering from an attempted coup in a fashion which demonstrates the viability of Nigerian institutions. The United States continues to attach great importance to strengthening relations with this important country and does not intend to allow the attempted coup to affect our policies or attitudes toward Nigeria.

The Overseas Private Investment Corporation is also actively encouraging investment in black Africa, particularly in the countries which have defined a role for private investment in their development process and those where basic infrastructure is in place. OPIC is taking a group of 15-20 U.S. executives to four West African countries—Cameroon, Nigeria, Ghana, and Ivory Coast—in late March to survey firsthand investment opportunities in the area. The group will be composed of executives from agribusiness, textiles, forestry, and light manufacturing companies, plus a few minerals companies new to West Africa. This will be a first for OPIC in Africa and supplements OPIC's traditional project financing and insurance activities.

Development assistance, which is essentially government's business, clearly has an essential supporting role to play in these efforts. Business and government working

together must insure that sufficient development assistance is made available in the form required to render our growing economic interdependence mutually beneficial to both the United States and Africa.

I am convinced of Africa's growing importance to American commercial interests. Therefore I urge you to redouble your efforts to expand American commerce with that vast continent. The reciprocal advantage which both Americans and Africans can derive from it will assuredly help provide a firm basis for the friendly relations we seek there.

## **U.S. Makes \$188 Million Pledge to World Food Program for 1977-78**

*Following is a statement made in the 1976 pledging conference of the U.N.-Food and Agriculture Organization World Food Program (WFP) at U.N. Headquarters on February 4 by U.S. Representative Richard E. Bell, who is Assistant Secretary of Agriculture for International Affairs and Commodity Programs.*

USUN press release 16 dated February 4

As nations today make their pledges to the World Food Program, we launch the 15th year of service under its auspices. In those years we have witnessed unparalleled growth in world agricultural trade. Increases in production and trade must continue as world population rises to new levels and as economic growth generates increases in per capita consumption.

Events of the past two years have done much to focus world attention on the need to expand production. With recognition of the fact that long-range solutions to the problem of feeding a growing world must be faced on a global level, a first positive step has now been taken which may correct the imbalance in production between developing and developed nations. A new emphasis is being given to the development of a world food strategy, and we are hopeful that all

nations will effectively support this effort.

The World Food Program, with its record in providing multilateral food assistance, has been given new responsibilities as a result of the World Food Conference in Rome in 1974. The program's Intergovernmental Committee has been reconstituted as the Committee on Food Aid Policies and Programs and now will assume greater responsibilities in dealing with critical world food needs. To assure that the WFP can accomplish this task, it has a 1977-78 biennium resource target of \$750 million, a large increase over the 1975-76 pledge target. When this target is achieved, more than \$2.5 billion will have been committed for the program's use since the beginning.

The decision to increase substantially the World Food Program's biennium resource target for the 1977-78 period challenges the program itself to make even greater efforts to insure that these resources are used in the most efficient way. We would therefore encourage every effort to improve the management of the program's projects. We greatly appreciate the work done so far in evaluating these projects; such evaluations help both the World Food Program managers and the donor countries. We would like to see the program continue and strengthen these evaluations. These, plus other reports from the program, are necessary if donors are to react constructively in helping to improve the program.

Our current food assistance program places great stress on the need to help the neediest people in the poorest countries. These people, often in hard-to-reach rural areas, are the ones most likely to be left out of the development process. We suggest that the World Food Program as well might focus greater attention on the most needy. While we realize that these groups are the most difficult to reach, this fact must not deter us.

We recognize that there is a role for WFP to play in emergencies, but we think the bulk of emergency assistance will still need to be handled on a government-to-government basis. Too great a focus on emergency aid in WFP could detract from the program's

ability to favorably influence economic development through sound, well-conceived projects which are a part of the overall development aims of recipient nations.

The pledges today, then, must support our willingness to accept this challenge. The level of the 1977-78 biennium pledging target has increased significantly; and all nations, both traditional donors and new donors, must respond if this effort is to prove successful.

The United States today makes just such a pledge. For the 1977-78 biennium, the United States pledges commodities, shipping services, and cash totaling \$188 million toward the \$750 million pledge target for the 1977-78 period. This pledge includes \$155 million in commodities.

The United States also will provide shipping services to transport one-half of the commodities provided by the United States to the World Food Program. The value of such services is presently estimated at \$30 million for the 155 million dollars' worth of commodities. The United States also will contribute \$3 million in cash, which may be utilized, together with cash pledges of other nations, to provide services and administrative direction of the program's 1977-78 biennium. This pledge is subject to congressional appropriation and to the condition that the U.S. contribution cannot exceed approximately 25 percent of the total contributions of all governments.

For planning purposes, the World Food Program may assume that the kinds of commodities provided by the United States will likely be essentially the same as those being provided for the 1975-76 biennium. The kinds and quantities of commodities to be supplied are to be worked out with the Executive Director of the World Food Program on the basis of requirements and availabilities at the time the commodities are needed and in accordance with the applicable U.S. laws and regulations. The pledge will be subject to the availability of funds and commodities.

We are looking forward to continued cooperation with other participating nations as the World Food Program implements the

objectives of meeting basic food requirements. The support of the United States like that of other contributing nations, consists of more than commodities, services, and cash provided. It also includes a commitment to the basic objective of the program—to provide food aid for economic and social development.

This effort cannot be undertaken by one nation or by a small group of nations. This must truly be a multilateral effort. The interdependence of nations also must mean a joint sharing of responsibilities. Once it may have been an act of generosity to make a pledge to the World Food Program; today a nation's pledge of assistance signals that it takes seriously its responsibilities as a member of the family of nations.

## United Nations Documents: A Selected Bibliography

*Mimeographed or processed documents (such as those listed below) may be consulted at depositary libraries in the United States. U.N. printed publications may be purchased from the Sales Section of the United Nations, United Nations Plaza, N.Y. 10017.*

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Secretary Kissinger Urges Approval of Nuclear Fuel Assurance Act

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

I am pleased to have this opportunity to testify on behalf of the Department of State in support of the Nuclear Fuel Assurance Act of 1975.

Since its creation in 1946, the Joint Committee on Atomic Energy has played a unique and highly constructive role not only in the establishment of nuclear power as a major, viable energy source but also in enabling the United States to provide leadership in international nuclear cooperation under effective guarantees and safeguards. Senate Resolution 221, which you cosponsored, Mr. Chairman [Senator John O. Pastore], calling for further strengthening of safeguards and other measures against proliferation, is a timely and important addition to our nonproliferation policy. The legislation you are considering now can be another milestone in the development of our peaceful nuclear program.

The Department of State attaches the highest importance to the earliest possible passage of this measure which will enable the United States to reassert its traditional leadership in international nuclear cooperation.

From our foreign policy standpoint, nuclear cooperation obtains a number of important benefits to the United States, the most significant of which are:

—Strong support to our efforts to stem further proliferation of nuclear weapons and other military uses of the atom.

—Relieving the pressures on both ourselves and our partners abroad for increasing dependence on imported oil.

—Contributing to the economy of the United States and strengthening our balance-of-trade position.

In this nuclear cooperation, the ability of the United States to supply uranium enrichment services for power reactor programs abroad—as well as for itself—on a dependable long-term basis is, I believe, the key ingredient. The proposed Nuclear Fuel Assurance Act will fill an indispensable role in pursuit of our foreign policy objectives by maintaining the United States in its longstanding position as the world's foremost supplier of such enrichment services.

Our policy of sharing the peaceful benefits of nuclear energy with others has been the key factor in the development of an unprecedented network of international agreements, arrangements, and institutions which have, to an encouraging degree, enabled us to avoid the unrestrained proliferation of nuclear weapons. Because of our position of leadership, other key international suppliers of nuclear equipment and material have been influenced to follow the U.S. example and require peaceful-use guarantees and safeguards on their exports. Since the technology available from these suppliers is the most highly advanced, nations embarking on nuclear power programs have generally

<sup>1</sup>Made before the Joint Committee on Atomic Energy on Feb. 6 (text from press release 53). 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. 20520.

been willing to accept such safeguards and controls as an adjunct to obtaining this technology, rather than developing indigenous programs which would not be subject to safeguards.

It is not an overstatement that effective application of this policy, including our bilateral cooperative arrangements, the creation of the International Atomic Energy Agency, the development and acceptance of international safeguards, and the widespread adoption of the Nonproliferation Treaty have all been made easier by our capability and willingness to furnish uranium-enriching services along with other elements essential to peaceful nuclear development.

In foreign policy terms, however, the benefits of U.S. nuclear cooperation, in which our enrichment supply capability has been the key ingredient, go beyond even the crucial issue of advancing our nonproliferation objectives. I have already noted the importance of nuclear power to fulfilling our own energy needs, as well as those of our partners. We are fortunate that nuclear power has become a reality as an alternative energy source at this time, when not merely our economic well-being but our very independence of judgment and action are threatened by an excessive and growing dependence on imported energy sources whose availability and price are not within our control. In the near term, there are limited options available to avoid further dependence on imported oil, and nuclear power will have to play a vital role if we are to avoid having U.S. policies subject to intolerable outside pressures.

I want to stress that these additional benefits are secured not at the expense of, but in parallel with, the primary objective of advancing our nonproliferation policy. We do not trade off our nonproliferation goals to advance other political or economic objectives, and there is no inconsistency between the two.

Just as nuclear energy is important to us, so it is to our partners abroad, whose well-being is closely tied to our own and who often draw for their essential energy needs on the same limited resources as do we. Out of the energy crisis has emerged an enhanced

understanding of the benefits—in fact, the absolute necessity—of interdependence if we are to avoid the stultifying effects of distorted prices and insecurity of energy supply on our economic health and our political well-being.

One of the outcomes of this understanding has been the formation of the International Energy Agency (IEA). By 1985, the members of this group are expected to be obtaining about 400,000 megawatts of their vital power needs from nuclear power sources. In seeking alternatives to ever-expanding dependence on imported oil, expanded use of nuclear power is a major element of the IEA's strategy. But this plan will be viable only if adequate supplies of nuclear fuel can be made available. Thus the United States is serving its own interests by creating a framework which will enable it to return to the international enrichment services market, offering such services abroad under comparable terms and conditions to those available to domestic customers.

Today, unfortunately, our ability to influence worldwide nuclear development in directions favorable to our own interests is being gravely limited by our inability to assure the supply of enrichment services for additional nuclear projects abroad.

We should not underestimate the implications of this fact. The image of the most advanced industrial power in the world, which was responsible for the very development of nuclear energy, no longer able to meet its own or other nations' future enrichment needs is hardly calculated to generate confidence in our economic strength, our political resolve, or our decisionmaking processes.

Beyond this, our current inability to provide enrichment services has prevented us from consolidating our early leadership in this market, which can contribute significantly to our economic health and strengthen our balance-of-trade position, while serving to advance our nonproliferation objectives. U.S. foreign exchange revenues to date from the sale of enriched uranium and enrichment services have reached \$1.1 billion, and overseas contracts now in force are expected to

generate revenues in the order of \$17.6 billion over their lifetime, at present price levels.

The economic benefits of our uranium enrichment supply arrangements are not confined to these contractual revenues alone, since our ability to provide nuclear fuel is vital to the sale of U.S. reactors and related goods and services abroad. To date, such sales are estimated to have brought us revenues of over \$2 billion. Over the next two and a half decades, these sales could—if we are able to take advantage of the opportunities presented—total \$140 billion. In the process, thousands of jobs to support these overseas sales will be created and maintained. The implications of this for our economic well-being in an increasingly competitive world are enormous. But these expectations are threatened unless U.S. reactor vendors are in a position to assure a long-term supply of enrichment services for the plants which they are seeking to sell.

The characteristics of the enrichment service industry do not allow mistakes to be easily reversed or lost opportunities to be easily recovered. The enormous investment in nuclear reactors themselves, as well as in enrichment facilities, dictates the use of long-term contracts which create both an assured supply for reactor operators and an assured market for the enrichment plant operator. Thus, opportunities not initially secured are lost forever.

Until a few years ago, the United States was essentially the world's only supplier of enriched uranium for nuclear power reactor fuel. Today, the U.S.S.R. is actively in the market, a British-Dutch-German group, and another group headed by the French are constructing commercial-scale enrichment facilities, and major programs which could lead to such facilities are underway in as many as three or more other nations.

There is no question that these developments, while responsive in part to nationalistic motivations and a desire by enrichment producers to diversify their sources of supply, have been spurred by uncertainty over the adequacy and availability of supply from the United States. Their scale and rate of

growth will therefore respond in the future to uranium enrichment developments in the United States. Failure to bring new U.S. enrichment plants into being on a timely basis would do significant damage to our nonproliferation objectives by giving further impetus to alternative sources of enrichment supply and forcing customers to turn away from the United States.

I have concentrated so far on the need to expand our enrichment capacity at a rate which will insure that future capacity keeps up with domestic and foreign demand. This is the fundamental objective of the proposed Nuclear Fuel Assurance Act and is of overriding importance both to our domestic and international goals. I should like to turn now to several additional features of the proposed program which are of direct international significance.

The proposed Nuclear Fuel Assurance Act is far more than a plan for the next increments of uranium enrichment capacity in the United States, important as that aspect is. Like other landmark U.S. legislation in the nuclear field, the Nuclear Fuel Assurance Act involves a policy decision which is essential to the future growth and development of the nuclear industry. That decision is that uranium enrichment, like every other activity of the civil nuclear industry—with exception of radioactive waste management—and in keeping with the fundamental nature of our economy, should henceforth be undertaken in the United States by private industry. While this decision may appear to involve fundamentally domestic considerations, it has important implications for our international nuclear cooperation as well.

Under our private enterprise system, capacity expansion in response to increased demands normally is provided with few transitional problems, given adequate economic incentives. This capability to respond to growing needs without resort to our complex governmental procedures can serve our foreign policy—including nonproliferation objectives—as well as our domestic interests.

Knowledgeable private and governmental authorities responsible for nuclear power developments abroad are well aware that in the

United States the continuity needed to assure that the requirements of an expanding market are met is best provided by industry rather than by government. I am convinced, therefore, that the earliest possible establishment of a private enrichment industry will greatly enhance the credibility of the United States as a reliable source of enrichment. Based on the current state of our technical and economic knowledge and the schedule on which new enrichment demands must be filled, this will require commercialization of both the gaseous diffusion and centrifuge processes. The Nuclear Fuel Assurance Act will serve this purpose.

Another key feature of the proposed legislation is the governmental guarantees and assurances to insure the early and successful launching of a viable private enrichment industry. This factor should rapidly rebuild confidence on the part of both foreign and domestic users of enrichment services in the reliability of the United States as a nuclear fuel supplier.

From this standpoint, the most important aspects of the proposed legislation are those enabling the government to supply and warrant its technology and to assume the assets and liabilities of the private venture should it be threatened with failure. These features, coupled with the President's pledge that orders placed with a private entity will be filled as the services are needed, are necessary to instill that confidence.

A third important feature is that foreign investment is not precluded for either the gaseous diffusion or centrifuge enrichment facilities whose construction the act will bring about. Aside from the importance of such investment in facilitating the successful execution of any of the uranium enrichment projects under consideration, we consider it important to encourage foreign investment in private U.S. uranium enrichment facilities within the limits, of course, defined by the Atomic Energy Act. We plan to reasonably limit foreign investment and access to enrichment services both on an individual nation and overall participation basis. To discourage or exclude foreign participation

would be inconsistent with our tradition support for freedom of investment opportunities and with the necessity for interdependence in meeting the challenges of the energy crisis. There can be no more effective assurance both of the reliability of our supply undertakings and their international acceptability than the existence of a healthy level of foreign investment in U.S. uranium enrichment facilities.

In connection with at least one of the contemplated projects—the UEA [Uranium Enrichment Associates] gaseous diffusion plant—foreign investment is expected to be an essential ingredient in enabling the project to go forward. Several countries have indicated an interest in participation in the undertaking. Their final decision will depend on a number of complex issues, including expected requirements for enrichment services, available financial resources, and the attractiveness of alternative means of meeting these needs. This committee can exert a positive influence on these deliberations by expressing at the earliest possible date support for the program as a whole, including the element of foreign investment in the projected enterprises.

I should like to emphasize that the question of foreign investment in any U.S. enrichment facilities under the Nuclear Fuel Assurance Act is a separate issue from the transfer of sensitive enrichment technology. The act authorizes no such transfer, and foreign participation will take place without any governmental commitment whatsoever for the transfer of enrichment technology. Access to U.S. enrichment technology by partners abroad may, under certain carefully controlled circumstances, serve U.S. foreign policy interests, but any proposals toward this end would be dealt with as a separate issue which would be subject to congressional review.

Similarly, the establishment of a private enrichment industry in the United States will have no adverse effect on existing U.S. policies and programs designed to avoid proliferation. Appropriate agreements for operation would continue to be required

transfers of the uranium-enriching services abroad, and all of the normal guarantees and safeguards controls would be applied to such transfers. Given the benefit to U.S. nonproliferation objectives discussed previously, our national security will be enhanced, rather than endangered, by the earliest possible passage and implementation of the Nuclear Fuel Assurance Act.

In proposing this legislation [on June 26, 1975], President Ford described the nation as at a crossroads. The Congress and this committee have shown strong leadership in the past in support of the development of a strong, competitive private nuclear industry capable of asserting America's nuclear leadership throughout the world. The challenge today—in the face of an energy crisis that will remain with us for the indefinite future—is greater than ever. I urge the committee to continue its leadership by giving prompt approval to the Nuclear Fuel Assurance Act.

## **Second Progress Report on Cyprus Submitted to the Congress**

*Message From President Ford*<sup>1</sup>

*To the Congress of the United States:*

Pursuant to Public Law 94-104, I am submitting the second report on the progress of Cyprus negotiations and the efforts this Administration is making to help find a lasting settlement. In my first report, on December 8, 1975, I outlined the Administration's policy toward the complex Cyprus problem, and indicated in detail the major effort we have made to encourage a resumption of the Cyprus negotiations between the Greek and Turkish Cypriot communities.

In that report, I also stated that Secretary Kissinger planned to place special emphasis on Cyprus during his meetings with the Greek and Turkish Foreign Ministers at the

NATO Ministerial meetings in Brussels in December. He did this, and in the course of these meetings, he found a desire on the part of both sides to move forward. Indeed, the constructive spirit which characterized those discussions was translated on December 12 into an agreement by the Foreign Ministers of Greece and Turkey to seek the prompt resumption of the intercommunal talks. Acting on instructions from their governments, the Greek and Turkish permanent representatives to the U.N. thereupon called on Secretary General Waldheim to begin a discussion aimed at resolving questions relative to the timing, venue, and content of intercommunal talks. Subsequently, discussions between United Nations officials and the two Cypriot communities were initiated, and have been sustained over the past month. The task of resolving the existing differences was not an easy one, but the efforts of the Secretary General have resulted in the parties indicating their agreement to a resumption of the intercommunal talks in Vienna on February 17.

Throughout December and January the United States has urged upon all the parties the earliest possible resumption of Cyprus negotiations. We have been joined in this effort by our European allies. Major assistance was also provided by Chairman Morgan and members of the House Committee on International Relations who visited Athens and Ankara in mid-January. On January 23 in Brussels Secretary Kissinger again saw the Turkish Foreign Minister who confirmed Turkey's support for the resumption of the intercommunal talks.

The decision to resume the intercommunal negotiations is encouraging, and there have been other positive developments during the past sixty days. The Turkish government announced on January 31 that during the first week in February an additional 2,000 Turkish troops will be withdrawn from Cyprus, thus bringing Turkish troop presence down approximately 12,000 since mid-1974 to a figure below 30,000. Meanwhile, Greece and Turkey have begun a process of reconciliation.

<sup>1</sup> Transmitted on Feb. 5 (text from White House press release).

Meetings have been organized at various levels in December and January to discuss outstanding Greco-Turkish bilateral differences, including the problems of air space and of resource development in the Aegean. An improved climate between Greece and Turkey will surely have a beneficial effect on the Cyprus question.

Developments in December and January have convinced us that the process of bringing a lasting and just solution to the island of Cyprus is moving in the right direction, though the pace has been slower than any of us desire. The knowledge that thousands of refugees are enduring a second winter in temporary shelters is reason enough to move faster—and try harder. This we intend to do.

I believe it important that the talks which begin later this month provide the basis for the development of a negotiating atmosphere conducive to prompt consideration of all the key issues. I intend to stress this point in the weeks ahead. In this regard I am looking forward to meeting with Foreign Minister Caglayangil of Turkey on February 11. His visit to Washington will provide us with a timely opportunity to review bilateral issues as well as the Cyprus question.

I know that during the recent Congressional recess, members of both Houses visited the Eastern Mediterranean, and came away with a greater appreciation of the complexities of the Cyprus situation and the attitudes and concerns of all the parties. At the same time, these legislators were able to convey our shared conviction that no more time should be lost in the search for a solution.

The action of the Congress on October 2, easing restrictions on military shipments to Turkey, has proved valuable in restoring momentum toward a negotiated Cyprus settlement. If we are to continue to play a key role with the parties, the support and understanding of the Congress is essential. Continued cooperation between the Executive Branch and the Congress on this critical

issue will serve the common quest to ensure that the people of Cyprus can build a prosperous future in a secure and stable environment.

GERALD R. FORD.

THE WHITE HOUSE, *February 5, 1976.*

## **U.S.-Egypt Income Tax Convention Transmitted to the Senate**

*Message From President Ford*<sup>1</sup>

*To the Senate of the United States:*

I transmit herewith, for Senate advice and consent to ratification, the Convention signed at Washington on October 28, 1975, between the Government of the United States of America and the Government of the Arab Republic of Egypt for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income.

There is no convention on this subject presently in force between the United States and Egypt.

The Convention is similar in most essential respects to other recent United States income tax treaties.

I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

Conventions such as this one are an important element in promoting closer economic cooperation between the United States and other countries. I urge the Senate to act favorably on this Convention at an early date and to give its advice and consent to ratification.

GERALD R. FORD.

THE WHITE HOUSE, *February 11, 1976.*

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<sup>1</sup> Transmitted on Feb. 11 (text from White House press release); also printed as S. Ex. D, 94th Cong 2d sess., which includes the texts of the convention and the report of the Department of State.

## Department Discusses U.S. Relations With Canada

*Statement by Richard D. Vine*

*Deputy Assistant Secretary for European Affairs<sup>1</sup>*

I am delighted to have the opportunity to review with you today the current state of U.S.-Canadian relations. Considerable attention has been devoted to the relationship in the press in recent weeks, which has tended to focus, not surprisingly, on some of the differences at issue between the two countries. I would like to discuss these bilateral questions in order to clarify what is—and is not—at issue and also to place these questions into the larger perspective of U.S.-Canadian relations.

Secretary Kissinger, during his visit to Ottawa last October, agreed with the Canadian Secretary of State for External Affairs that "the special relationship" between the United States and Canada was probably unique. On the other hand they quickly agreed that relations between our two countries had to be characterized as unique. This exchange illustrates that, while it may be difficult to define the relationship, both governments recognize that the unparalleled interdependence between Canada and the United States calls for close and coordinated management of our affairs.

Canada and the United States probably interface and interact more extensively and to greater depth than any other two countries of the globe:

—We are the world's greatest trading partnership and each other's best customer, in commerce now approaching \$50 billion annually.

—The United States is the primary source of foreign investment for Canada and the principal recipient of Canadian foreign investment in return.

—The comings and goings across our 5,500-mile frontier now number more than 70 million crossings each year.

—There is a network of relationships—personal, family, business, financial, local, state, law enforcement, interagency, formal and informal—which affects virtually every aspect of life in both countries.

This interaction is generally appreciated; the degree to which it is carried out with ready ease, good will, and full cooperation is not. The areas where differences do arise bilaterally are relatively few. They cause concern, attract attention, and tend to obscure the fundamental good health the relationship enjoys. As the United States deals with the differences that arise, we must do so in ways that preserve the healthy environment that generally surrounds them.

In international affairs as well as bilateral relations, U.S. and Canadian action is generally complementary and coordination close. Each country independently pursues its national interests as we deal with the global political, security, and economic challenges that confront us. Sometimes our priorities and responsibilities differ, occasionally they conflict; but most often, given the similarity

<sup>1</sup> Made before the Subcommittee on International Political and Military Affairs of the House Committee on International Relations on Jan. 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. 20402.

of our societies and of the values and goals each of us is pursuing, our international interests are parallel, and the United States finds in Canada an ally and friend whose actions reinforce our own to the advantage of our mutual objectives.

Canada is one of the big seven industrial democracies, a major trading nation, a leading donor of foreign assistance. With us, it is a member of NATO [North Atlantic Treaty Organization], the OECD [Organization for Economic Cooperation and Development], and the International Energy Agency. It is serving as the industrial-country cochairman in the Conference on International Economic Cooperation.

In all of these undertakings our major interests are parallel and mutually reinforcing. This is true as well in such vital areas as the multilateral trade negotiations, nonproliferation efforts, and significant issues before the United Nations. I cite this setting merely to recall, without belaboring the point, that in our international affairs as in our bilateral relations, U.S. and Canadian interests tend to coincide, our representatives work closely together, and as each country pursues its own objectives, the United States regularly finds that Canadian activities support our own to a significant degree. Here again, the United States must keep this perspective in mind as we approach the solution of specific issues.

### **The U.S.-Canadian Defense Relationship**

I would like to cite one area of significant cooperation in more detail, for I think it will be of particular interest to this subcommittee. This is the U.S.-Canadian defense relationship, bilaterally and in NATO.

The year 1975 was a watershed for Canadian defense policy; for the basic agreement for North American air defense was scheduled to expire, and Canada carried out a comprehensive defense structure review to reassess its security priorities and the resources, organization, and equipment needs to achieve them. Canada is no less subject to competing economic and political pressures than is the United States, but by its defense

decisions in 1975 Canada in effect has affirmed its continuing commitment to the critical role it plays in hemisphere defense, in multilateral security, and in keeping peace in troubled areas.

In 1975 Canada renewed its bilateral agreement with the United States for joint North American air defense for an additional five-year period. As a result of its defense review, Canada decided to maintain and diminished its land and air forces assigned to NATO and to modernize their equipment; it adopted a comprehensive long-range program of military modernization involving substantial annual increases in equipment expenditures (including purchase of patrol aircraft from the United States at a total cost approaching \$1 billion) as well as real annual growth in the defense budget for a number of years to come; and it renewed its forces in U.N. peacekeeping activities.

These decisions were taken at a time of severe budgetary restraint and reduced government expenditure in Canada. They represent a solid commitment to stand firm in the free-world defense effort which is extremely gratifying to the United States.

### **Improvement in Bilateral Relationship**

With this background in mind, I would like to focus on more recent development in the bilateral relationship.

First, Ambassador Porter's supposed remarks in Ottawa a month ago created quite a storm. It is, however, true that much of the press discussion was based on things he did not say rather than remarks he made. In context, the only point the Ambassador was trying to make was that some Canadian measures to protect their economy or their cultural identity were producing uneasiness in business and congressional circles in the United States. Some reporters chose to portray this as the American Ambassador asserting that U.S.-Canadian relations were deteriorating. This was surely not what the Ambassador intended, for in fact the reverse is true. Relations between the United States and Canadian Governments are very good indeed, and have improved markedly over the last

year or more, as has the ability of the two countries to address the problems we share in an effective and constructive manner.

A number of factors have contributed to this change. First, excellent personal relations have developed between government leaders. This direction was set by President Ford and Prime Minister Trudeau when they met in December 1974. In that and subsequent meetings, they established a personal rapport to an extent which had not existed for some time. They reviewed some of our nagging problems, like the then-existing reciprocal controls on meat imports, and dictated that these be resolved at the working levels.

Secretary Kissinger and the Canadian Secretary of State for External Affairs, Allan Rock, have also established a very close working relationship. The Secretary has had MacEachen down here and visited Ottawa himself in mid-October. The two go out of their way to see each other at international conferences. They met again in Brussels last Saturday [January 24].

This quickened pace of interchange has been reflected throughout the government. In 1975 the Secretary of the Treasury, the Secretary of Defense, the FEA [Federal Energy Administration] Administrator, the Social Trade Representative, and other senior officials visited Ottawa for consultations, while Canadian Finance Ministers Turner and Macdonald, Minister of Commerce and Industry Gillespie, Minister of Agriculture Melan, and Environment Minister Sauvé all visited Washington. This was in marked contrast to the previous year, when high-level contacts between our two governments were at a low ebb.

The tone of the relationship has also improved as the result of changes in other areas which had served to irritate relations. For example, the import surcharge and devaluation of the dollar imposed by the United States in August 1971 marked the first time in recent history that there was neither advance consultation with, nor a special exception for, the Canadians in such a major move. The U.S. action heightened Canadian concern at their perceived vulner-

ability to the United States, and it has taken some time for this sensitivity to begin to abate.

A separate, very positive factor has been the end of the U.S. involvement in Viet-Nam, which had alienated considerable Canadian opinion.

Finally, the onset of a major recession in both countries has served to remind Canadians of the continued interdependence of our economies; and although this common threat could have led to beggar-thy-neighbor reactions, in fact it reinforced bilateral cooperation.

### **Progress on Agenda of Problems**

Perhaps the most important consequence of this improved atmosphere has been the clear net improvement in the management of the agenda of problems between us. Independently and together, our two Secretaries of State have stressed the need for open and frank consultation in advance of any action by one country that might affect the other. This joint commitment to seek together ways in which the objectives of one country can be met at the least cost to the other is beginning to be implemented as we deal with specific issues.

For example, after some initial problems in communication, we have consulted closely with Canada on its cutbacks of oil supplies in the face of diminishing Canadian production and rising Canadian demand.

One result is an agreement to facilitate private oil-exchange arrangements to meet the supply problems of northern-tier refineries. We have also received assurances from the Canadians that should they need to phase out natural gas exports, they will work closely with us to mitigate the impacts in the United States. They have also assured us that every effort will be made to avoid gas cutbacks during the current heating season.

The initialing yesterday of an ad referendum agreement covering transit pipelines for oil and gas, and the close consultations we have maintained as each government continues to review alternatives for transmission of Arctic gas, illustrate the extent to

which the two countries can continue to cooperate closely even in areas where our priorities and needs may differ or sometimes conflict.

Other areas where consultation is being actively pursued include:

—Joint studies of the long-term outlook in the North American automobile industry in light of changed circumstances such as environmental and energy considerations.

—An end to the exceptional controls in both countries on meat exports after nearly 18 months, and a return to normal trade patterns.

—After several years of poor communication, the recent initiation of bilateral consultations on the border TV problem and on alternative means of achieving Canadian goals while reducing the adverse impact of Canada's policy of deleting commercials from cable transmissions of U.S. broadcasts.

In other problem areas as well we have made considerable progress:

—The United States, after considerable delay has moved toward completion of pollution control measures as agreed under the Great Lakes Water Quality Agreement, virtually removing that problem as a source of friction.

—We have achieved joint agreement submitting the potential transboundary impacts of the Garrison Diversion Project for consideration and recommendations by the International Joint Commission. This has materially improved the prospect of reaching a mutually acceptable solution to this emotionally charged issue.

—Many of the longstanding differences between the United States and Canada on law of the sea issues have been resolved or narrowed and we are working increasingly in terms of perceived common interests on fisheries and law of the sea matters.

### Areas of Concern

Despite these signs of progress, on the other side of the ledger bilateral problems remain which have not lent themselves to easy solution.

One such is bill C-58, which is still under discussion in the Canadian Parliament and which will withdraw tax deductions from Canadian advertisers in foreign (i.e., U.S.) publications published in Canada, in particular Time magazine and Reader's Digest, well as for advertisers on commercial U.S. radio and TV stations.

This is a sensitive issue in Canada since it goes to the question of heavy U.S. cultural influence. Since the matter essentially involves the nondiscriminatory application of internal revenue laws, we have no grounds for objection. The rather vague and seemingly shifting administrative determination of what might constitute the required Canadian content under this law caused some rancor, however, since this administrative judgment, even more than the legislation itself, could force the affected periodicals to cease doing business in Canada after a long history of publication there.

A separate area of concern involves legislation introduced by the Province of Saskatchewan in November which would authorize the provincial government to purchase or expropriate some or all of the assets of the potash-mining companies in the province. Six of these firms are American owned. Some 70 percent of all the potash processed into fertilizer for use in American agriculture is supplied by Saskatchewan. The threat of this expropriation and the possibility of cartel-like manipulation of potash exports have caused considerable unease in the American business and agriculture communities.

It was problems of this nature that Ambassador Porter had in mind in the remarks I mentioned earlier. While there are some difficult issues here, I am confident we will be able to work out reasonable solutions with the Canadians.

We must also recognize that similar bilateral issues will continue to arise between our two countries. This is inevitable in a relationship as extensive as ours. The surprising thing is that differences between us do not occur more, rather than less, frequently. There is widespread concern in Canada at the extent of U.S. ownership a

ontrol of Canadian industry, even as the benefits which U.S. investment has brought are recognized. There is also considerable preoccupation in Canada with the omnipresence of U.S. books, periodicals, movies, and TV broadcasts—in a word, fear of U.S. cultural dominance. These two threats interwine with many of our problems and often raise prickly sensitivities.

The preoccupation with a distinct Canadian identity and the fear of dominance by their massive neighbor to the south is a reality in present-day Canada which U.S. policy must take account of, just as Canadian policy cannot be indifferent to the impact in the United States of the actions it takes to protect and promote Canadian economic and cultural objectives.

Of the many facets of our Canadian relations, the area most likely to give rise to bilateral differences over the foreseeable future is this Canadian effort to promote expanded economic and cultural autonomy. This is a legitimate national objective which the United States can understand and sympathize with. To the extent the process takes place without contravening international and bilateral commitments or discriminating against U.S. interests, there is little basis for U.S. protest in any event. Nonetheless, national controls can rarely be expanded without some impact, usually adverse, on established interests in the areas of control. The U.S. Government has a responsibility to protect the American interests affected to the extent possible and appropriate. We will continue to encourage Canadians to view our extensive interdependence less as a threat of encroachment than as a process which has brought real benefits to both our nations and which should continue to serve both countries well. We will continue to encourage the regular process, which Canada appears to have come more and more to accept, of working closely together in an effort to mitigate the adverse impact of national policies.

The United States is no less committed to this process than we would wish Canada to be. In this spirit of consultation and accommodation, I am confident the United

States and Canada will continue to be able to manage the differences between our two countries constructively and in a way that enables the larger interests we share to prosper.

## TREATY INFORMATION

### Current Actions

#### MULTILATERAL

##### Labor

Instrument for the amendment of the constitution of the International Labor Organization. Done at Montreal October 9, 1946. Entered into force April 20, 1948. TIAS 1868.

*Admission to membership:* Saudi Arabia, January 12, 1976.

##### Phonograms

Convention for the protection of producers of phonograms against unauthorized duplication of their phonograms. Done at Geneva October 29, 1971. Entered into force April 18, 1973; for the United States March 10, 1974. TIAS 7808.

*Notification from World Intellectual Property Organization that ratification deposited:* Kenya, January 21, 1976.

##### Telecommunications

International telecommunication convention with annexes and protocols. Done at Malaga-Torremolinos October 25, 1973. Entered into force January 1, 1975.<sup>1</sup>

*Accessions deposited:* Albania, January 5, 1976, with reservations and declaration; Guinea-Bissau, January 15, 1976.

##### Tin

Fifth international tin agreement, with annexes. Done at Geneva June 21, 1975. Open for signature at U.N. Headquarters from July 1, 1975, to April 30, 1976, inclusive. Enters into force definitively as soon after June 30, 1976, as instruments of ratification, approval, acceptance, or accession have been deposited by governments representing at least six producing countries holding together at least 950 votes as set out in annex A and at least nine consuming countries holding together at least 300 votes as set out in annex B.

<sup>1</sup> Not in force for the United States.

## Trade

Protocol for the accession of the People's Republic of Bangladesh to the General Agreement on Tariffs and Trade, with annex. Done at Geneva November 7, 1972. Entered into force December 16, 1972. TIAS 7552.

*Acceptance deposited:* New Zealand, January 23, 1976.

Arrangement regarding international trade in textiles, with annexes. Done at Geneva December 20, 1973. Entered into force January 1, 1974, except for article 2, paragraphs 2, 3, and 4, which entered into force April 1, 1974. TIAS 7840.

*Accession deposited:* Thailand, February 4, 1976.

## BILATERAL

### Chile

Agreement relating to relief from double taxation on earnings derived from the operation of aircraft. Effected by exchange of notes at Santiago December 29 and 31, 1975. Entered into force January 30, 1976; effective January 1, 1975.

### France

Agreement extending the agreement of May 7, 1973, as amended and extended (TIAS 7617, 7815), relating to travel group charter flights and advance booking charter flights. Effected by exchange of notes at Paris December 29 and 31, 1975. Entered into force December 31, 1975.

## PUBLICATIONS

## GPO Sales Publications

*Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.*

**Finance—Housing.** Agreement with Portugal. TIAS 8095. 11 pp. 50¢. (Cat. No. S9.10:8095).

**Fisheries in the Western Region of the Middle Atlantic Ocean.** Agreement with the Polish People's Republic. TIAS 8099. 61 pp. 75¢. (Cat. No. S9.10:8099).

**Privileges and Immunities.** Agreement with the Union of Soviet Socialist Republics. TIAS 8115. 4 pp. 25¢. (Cat. No. S9.10:8115).

**Aviation—Joint Financing of Certain Air Navigation Services in Iceland and in Greenland and the Far Islands.** Agreement with Other Governments amending the agreements done at Geneva September 2, 1956, as amended. TIAS 8122. 3 pp. 25¢. (Cat. No. S9.10:8122).

## Checklist of Department of State Press Releases: February 16—22

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

| No. | Date | Subject   |
|-----|------|---|
| †66 | 2/16 | Kissinger: arrival, Caracas.  |
| †67 | 2/17 | Kissinger: U.S.-Venezuelan Symposium II.  |
| *68 | 2/17 | Shipping Coordinating Committee (SCC), Subcommittee on Safety of Life at Sea (SOLAS), working group on safety of navigation, Mar. 10. |
| *69 | 2/17 | Willard A. De Pree sworn in as Ambassador to Mozambique (biographic data).  |
| *70 | 2/17 | SCC, SOLAS, working group on standards of training and watch-keeping, Mar. 10.  |
| *71 | 2/17 | U.S. Advisory Commission on International Educational and Cultural Affairs, Mar. 15.  |
| †72 | 2/18 | Kissinger: news conference, Caracas, Feb. 17.   |
| †73 | 2/18 | U.S.-Venezuela joint press release.   |
| *74 | 2/18 | Kissinger: departure, Caracas.  |
| *75 | 2/18 | U.S. and Greece terminate textile agreement.  |
| *76 | 2/19 | U.S.-Soviet fisheries talks begin Feb. 17.  |
| *77 | 2/19 | Regional foreign policy conference, Memphis, Tenn., Mar. 10.  |
| *78 | 2/19 | Anne L. Armstrong sworn in as Ambassador to the U.K. (biographic data).   |
| †79 | 2/19 | Kissinger: toast, Lima, Feb. 18.  |
| †80 | 2/19 | Kissinger: news conference, Lima.   |
| *81 | 2/19 | Kissinger: departure, Lima.   |
| †82 | 2/19 | Kissinger: toast, Brasilia.   |
| 83  | 2/19 | Department to study role of science and technology in foreign affairs   |
| *84 | 2/19 | Kissinger: arrival, Brasilia.   |
| †85 | 2/20 | International Coffee Agreement 1976.  |
| *86 | 2/20 | SCC, SOLAS, working group on ship design and equipment Mar. 17.   |
| †87 | 2/21 | U.S.-Brazil memorandum of understanding.  |
| †88 | 2/21 | Kissinger: remarks at signing ceremony.   |
| †89 | 2/21 | Kissinger: news conference, Brasilia.   |
| †90 | 2/21 | Sonnenfeldt: Bicentennial Conference on German-American Relations, Eichholz, Federal Republic of Germany, Feb. 20.                    |

\* Not printed.

† Held for a later issue of the BULLETIN.

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