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

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

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Secretary Kissinger's News Conference of February 25

Press release 103 dated February 25

Secretary Kissinger: We will go straight to the questions. Mr. Davis [Spencer Davis, Associated Press].

Q. Mr. Secretary, the reports coming from Cambodia and Viet-Nam are becoming very bleak. One of your top aides estimates only two more months of survival for Cambodia if they do not receive supplemental assistance. The question is: What good would further supplemental assistance be when so many billions in past assistance has not helped; and, secondly, what is your appraisal on a new American peace initiative that might stop the fighting?

Secretary Kissinger: Let me first separate the problem in Cambodia from the problem in Viet-Nam. In Cambodia, we have an immediate emergency. We have a situation where, if a supplemental is not voted within the next few weeks, it is certain that Cambodia must fall because it will run out of ammunition. Therefore the decision before us is whether the United States will withhold ammunition from a country which has been associated with us and which, clearly, wishes to defend itself. This is a serious responsibility to take.

With respect to Viet-Nam, we are facing a more long-term situation of the same order. The long-term problem in Viet-Nam is this: Throughout the period of the American involvement in Viet-Nam and during the negotiations that were going on, it was never suggested that Viet-Nam would be able to stand by itself without American assistance; the argument at that time was to withdraw American military forces and to enable Viet-Nam, without assistance, to stand on its own. There are many situations in the world which have no outcome as long as there are neighbors that continue to pursue aggressive designs.

If you go around the world and ask whether the United States can give support only where there is a clear terminal point, there will be many countries that will be in the most severe jeopardy.

Now, in Cambodia the situation is imminently critical. In Viet-Nam, the situation will be critical over a long period of time if we do not give adequate support. If we do give adequate support, then there is the possibility of Viet-Nam defending itself.

With respect to negotiations, the United States has engaged in, and is supporting now, efforts at negotiations both in Cambodia and Viet-Nam. It has been our experience, however, that negotiations cannot be a substitute for a situation on the ground but that they will reflect a situation on the ground. And therefore we have urged the Congress to look at the problem, recognizing the many pressures to which they are exposed—recognizing that the American people may well be tired of many years of exertions but keeping in mind also that sometimes to give in to the mood of the moment may lead to profound regrets later on.

And I would also like to say that this debate, which is a rather solemn one, should be conducted without reference to motives—which seems to become so much of a staple of the Viet-Nam debate.

Lifting the Arms Embargo in South Asia

Q. Mr. Secretary, I'd like to ask you a question which appears to concern not only the relations with the subcontinent of India but the détente between the United States and

Russia, if you could put it in that context, and that is the somewhat bitter criticism that India has made at the decision to lift the 10-year-old arms embargo out there and the allegations that this would start an arms race and the implication that you somehow are guilty of bad faith in this whole thing.

Secretary Kissinger: I think there are two types of comments that have been made from India. One is the comments of the Indian Ambassador in Washington; and the second, the statement of the Foreign Minister of India in the Indian Parliament. We believe that the statement of the Foreign Minister is restrained and statesmanlike and continues the basis for the improving relationship that has characterized Indian-American relations in recent months. The statements made yesterday by the Ambassador are unacceptable.

Now, with respect to the relationship between India and the United States, in a speech in New Delhi last October I pointed out that India, because of its size and its position, has a special role in South Asia which the United States recognizes.

I have also pointed out that the United States has no interest and will not support or engage in an arms race in South Asia.

We maintain both of these statements. It seemed to us, however, that to maintain an embargo against a friendly country with which we have an allied relationship, while its neighbor was producing and acquiring nearly a billion dollars' worth of arms a year, was morally, politically, and symbolically improper.

I repeat, the decision to lift the arms embargo does not mean that the United States will engage in a massive supply of arms to Pakistan or that the United States will engage in arms deliveries that can affect the underlying strategic balance. But it seemed to us an anomaly to embargo one country in the area, to be the only country in the world to be embargoing this country, when its neighbor was not exercising a comparable restraint. But, even with this, we will not engage in massive deliveries of arms.

And, secondly, we place great stress on the improving relationship with India. We maintain all the principles that we have asserted with respect to India, and we believe that with wisdom and statesmanship on both sides, the natural friendship between these two great democracies can not only be maintained but be strengthened. This is certainly our attitude.

Q. Are you going to ask for the recall of the Ambassador who made the unacceptable remarks?

Secretary Kissinger: No, we will not ask for his recall.

Consultations With Congress

Q. Mr. Secretary, in recent months the Administration has been conducting foreign policy in one way, in one manner, and Congress has been conducting foreign policy in another. And wherever there appears to be a conflict, Congress usually wins. How are you adjusting to this reality?

Secretary Kissinger: Well, it is inherent in our system that the Congress, having the power of the purse, can impose its will. I believe that in a conflict between the executive and the legislative neither side wins. I believe, as I pointed out in Los Angeles [on January 24], that it is imperative for a new consensus to develop on American foreign policy because nobody wins these conflicts. The difficulties have arisen for a variety of reasons—the effects of Watergate, the internal changes in the Congress, the legacy of many years in which Congress feels that perhaps the executive had been granted too wide-ranging authority.

We are prepared to work out a new relationship with the Congress to avoid these conflicts. We believe that is essential in the national interest. And we believe that there can only be an American foreign policy, not an executive or a legislative foreign policy.

Q. I'd like to follow up. Are you prepared to take Congress into your confidence on the initiation of foreign policy from the outset, or will you continue to put—

Secretary Kissinger: Mr. O'Leary [Jere-

miah O'Leary, Washington Star-News], I think there is a misconception about the degree of congressional consultation that has previously taken place. Since I've become Secretary of State, I have met in 17 months —I've testified over 40 times before congressional committees, met over 25 times with congressional groups outside the formal testimony and over 75 times with informal congressional groups.

The difficulties exist, in part, because the nature of congressional leadership has also changed in the recent year so that the traditional relationship between the executive and the legislative, exercised through the organized leadership of the Congress, has to be modified so that there is a more wide-ranging consultation than previously. I'm prepared to undertake this, and I have been in touch with various congressional groups and various senatorial groups asking for their advice—with whom it is possible to consult and in what manner—in order to achieve this partnership.

The question of advance consultation is easy. Of course we will do this.

In the past, my practice has been before every trip to appear before the Senate Foreign Relations Committee and the House Foreign Affairs Committee to tell them about what I was planning to do and to report to them within a week of my return. I recognize that these forums are no longer sufficient and that a wider range must be found.

I have been meeting regularly, for example —I plan to meet regularly; I've met twice— with a group headed by Congressman [Donald M.] Fraser that is particularly interested in the problem of human rights. But it is partly a question of congressional organization as well. And I'm prepared, and the Administration is prepared, to work this out in a cooperative spirit and with the attitude that "Of course we will consult ahead of time." But there are also some matters that must be left to the executive, with full knowledge of the Congress, but the day-to-day tactics are very difficult to handle by congressional decisions.

Q. Mr. Secretary, if I understood your previous answer correctly, you were saying that as long as North Viet-Nam continues its agressive policy, the United States should give a billion or a billion and a half dollars a year to South Viet-Nam and Cambodia in aid in an open-ended way. One, is that correct, and, two, what would be the consequences if Cambodia did fall, or if South Viet-Nam did fall?

Secretary Kissinger: As I pointed out, I made a distinction between the situation in Cambodia and the situation in Viet-Nam.

In Cambodia, as I have pointed out, we face an immediately critical situation. What will be the consequences if Viet-Nam and Cambodia did fall? It is a debate which has been going on for a long time. I believe, and the Administration believes, that if Viet-Nam falls as a result of an American decision to cut off its aid that this will have, over a period of time, the most serious consequences for the conduct of our foreign policy. This will not be immediately apparent, but over a period of years it must raise the gravest doubts in the minds of many countries that have been associated with us, or of many countries to which the threat cannot be given a terminal date.

Middle East Diplomacy

Q. Mr. Secretary, do you believe that the statement in an interview by Syrian President Asad that he would be willing to sign a formal peace treaty is helpful to your step-by-step approach? And if I may just follow that up with one question, do you necessarily exclude an additional step after the one that you are about to leave on, on the Golan Heights between Syria and Israel?

Secretary Kissinger: I think the statement by Syria that it is willing to sign a peace agreement with Israel is a major step forward. I remember the first time I visited Syria in December 1973, the newspapers reported that the Secretary of State arrived from occupied territory, "occupied territory" at that time being Tel Aviv. So I think that this is a hopeful sign.

With respect to negotiations between Syria

and Israel, we have always believed that a peace, to be lasting, must involve all the fronts and must involve a general settlement, and I am certain that Israel shares this view.

Cyprus Negotiations

Q. Mr. Kissinger, the United States has been involved for some time now in the efforts to achieve a settlement on Cyprus. Can you tell us where you think those efforts are now, and what the possibilities are for reconvening a negotiating session between the two sides?

Secretary Kissinger: Well, it is important to remember that the communal talks only began effectively on January 14, so that there were only three weeks of negotiations before the aid cutoff to Turkey that led to an interruption of these negotiations.

The United States strongly supports these communal talks. The United States has offered all the assistance it can to the parties to bring about a settlement that all parties can live with. We believe that progress is possible. It is our impression, based on very frequent exchanges, that it will be very difficult for the United States to play a useful role in Ankara as long as the aid cutoff continues. And therefore we have urged the Congress to give us the possibility to continue these negotiations by suspending the aid cutoff.

In addition, I have to stress that aid to Turkey and the security of the eastern Mediterranean transcends the Cyprus problem and that the security of the eastern Mediterranean is being jeopardized by the cutoff of aid to Turkey.

But with respect to the Cyprus negotiations, we favor the resumption of these negotiations, with or without the resumption of aid. We strongly support a settlement, but our own influence is being weakened by the aid cutoff.

Ethiopian Request for Assistance

Q. Mr. Secretary, there have been some reports that the request by the Ethiopian Government for ammunition was on the point of being accepted by the U.S. Government. Can you comment on that?

Secretary Kissinger: Well, I read an article today that said that tomorrow there will be a meeting of the Washington Special Action Group which will make a decision. The Washington Special Action Group doesn't make decisions. It analyzes options and submits them to the President for consideration.

The issue that is presented to us by the Ethiopian request is that we have had a military relationship with Ethiopia since 1953. The Eritrean rebellion or independence movement has been going on since 1962. And the United States takes no position on the merits of the particular conflict.

The problem that we have to decide is whether a country whose military establishment has been based on American arms should be cut off from support at the precise moment that it most needs it. It is a difficult decision for us, and we have not come close to making it. And tomorrow's meeting is not to make a decision. Tomorrow's meeting is to sort out what the issues are.

Mr. Kraft [Joseph Kraft, Field Enterprises syndicated columnist].

Proposals To Restrict Petroleum Imports

Q. Mr. Secretary, a major issue in the various energy proposals that are being surfaced now is that some of them propose restricting imports by a tariff—imports of petroleum—and others propose restricting imports by a quota. From the foreign policy standpoint, which of those two avenues does the Department favor and why?

Secretary Kissinger: Well, the Department has not been formally asked to take a stand on the difference between a tariff and a quota.

The basic position of the Department from a foreign policy point of view is that conservation of a certain quantity is essential in order to achieve the long-term objective of our energy policy. And within the In-

ternational Energy Agency (IEA), the United States has supported goals to which it must make a major contribution that would achieve those general objectives.

Obviously, as a member of the Cabinet, I support the President's energy plan. I have not personally studied the quota proposal, and therefore I don't feel that I should comment on that. Of the plans that I have seen, at the time that they were being considered, it seemed to me that the fee system seemed the most efficient.

U.S.-Soviet Relations

Q. Mr. Secretary, two questions on U.S.-Soviet relations. Are U.S.-Soviet relations impaired by the breakdown of the trade agreement? And, secondly, are there new obstacles to a SALT [Strategic Arms Limitation Talks] agreement in the verification negotiations?

Secretary Kissinger: The state of Soviet-American relations is that in the political negotiations that are now going on and in the arms control negotiations that are going on, progress is about what one would have expected.

The SALT negotiations are in a very preliminary phase, and therefore it is too early to tell whether there are any unusual obstacles. My impression is that they are going along in a normal way, but it is a little too early to make a conclusive judgment.

The difficulty that is caused by the interruption of the economic relationship, or by the jeopardizing of the economic relationship, is that the political relations must carry a perhaps undue burden and that therefore the incentives for restraint that might otherwise exist in particular negotiations are being weakened. So, in the long term, I feel that the removal of the economic pillar of our relationship cannot but weaken the long-term trends of détente. In the immediate present, it has not yet visibly happened.

Q. What are your plans for repairing the damage?

Secretary Kissinger: Well, I have had preliminary discussions with Members of the Senate and the House to see what the congressional attitude would be. I also had some preliminary discussions with Foreign Minister Gromyko when we met in Geneva. I think we should move carefully and thoughtfully in order to avoid another misunderstanding arising between the two branches of our government and between our government and the Soviet Union.

Q. Mr. Secretary, there have been a number of reports in recent weeks that you might consider resigning by the end of the year to avoid becoming a focal point of a partisan debate as the '76 campaign gets underway. Are these reports correct?

Secretary Kissinger: I think this is a permanent story that appears every year. I believe that one's service should be tied to the period in which one can be useful, and that is a decision that has to be made largely by the President. And I have not made any such decision as these reports indicate.

Q. Mr. Secretary, it was reported after your recent meeting with Soviet Foreign Minister Gromyko in Geneva that he raised the possibility at this meeting of an accord to limit arms to the Middle East. Are the Russians prepared to cooperate in restraining the flow of arms to the Middle East? And if so, are we going to talk to them about it?

Secretary Kissinger: Well, I do not believe that this report is exactly accurate. But, in principle, the United States has been willing to discuss the principle of a limitation of the flow of arms into the Middle East. Given the interconnection, however, of the Arab world, one now would have to draw the line rather widely, and one could not confine the limitation of arms imports only to the states neighboring Israel, but one would have to include all the states that could possibly transfer their arms into areas where a confrontation might be possible. But as part of a settlement, we would be prepared to explore this, yes.

Q. What is the Russian view toward that possibility?

Secretary Kissinger: As I understand the Soviet view, they are prepared to discuss this as part of an overall settlement. They are not prepared to discuss it at the moment.

Southeast Asia and American Commitments

Q. Mr. Secretary, of the vast amount of aid we have sent to Southeast Asia and our own involvement, why would any country in the world ever have grave doubts about American commitments?

Secretary Kissinger: Because if the collapse of Southeast Asia is caused by an American decision to withhold aid under conditions in which such a decision can have only one outcome, the conclusion will be inevitable that it was the United States which has the responsibility. There is no possible way that Viet-Nam can acquire the arms that are needed to defend itself until its economy has reached a point where perhaps there is sufficient surplus from oil income or other economic developments. And there are many other countries in the world that find themselves in analogous circumstances.

Q. Mr. Secretary, is it reasonable to talk about any finite period of time—the three years, for example, that has been suggested by the Administration?

Secretary Kissinger: It is the second-best course. Very often, in these exchanges between the executive and the legislative, one is driven into positions which reflect the best that may be attainable. There is an argument that can be made that if aid is contained for three years at a sufficiently high level that at that period the economy of Viet-Nam could develop to a point where it would have enough surplus revenues to pay for the import of arms by itself.

I have seen these arguments. They seem plausible to me, and I would support them. I must say, quite candidly, that the preferable course is to go the route that I indicated. But, if necessary, we will accept a three-year term with adequate sums.

Question of Guarantees in Middle East

Q. Mr. Secretary, when you were in Israel on this last trip you said that Israel couldn't be expected to give up its territory without a quid pro quo. Did you come away from your talks with President Sadat [of Egypt] feeling that he acknowledges this principle?

Secretary Kissinger: The fact that I am returning to the Middle East indicates that I believe there is a chance to implement this principle, yes.

Q. Mr. Secretary, following up on that, do you think that it will be necessary for there to be American guarantees for the next stage of the disengagement?

Secretary Kissinger: No. The question of an American guarantee can arise only in connection with a final settlement and then not as a substitute for a final settlement but as a backup position to enhance the security of the parties.

Q. Mr. Secretary, to follow that, if I may briefly, do you have in mind something that would have to be ratified by the Congress, a treaty?

Secretary Kissinger: Well, I have not any specific idea in mind, but it has been axiomatic in all the discussions about peace in the Middle East that a final settlement would have to have some sort of a guarantee. Some people have suggested a Soviet-American guarantee. Others have suggested a Security Council guarantee. Others have suggested a unilateral American guarantee. All that I have suggested is that the United States is studying the problem of what guarantees would be adequate for a final settlement, I repeat, not as a substitute for the sense of security and justice of the parties concerned but as a reinforcement of it once the negotiation has been concluded.

It is inconceivable to me that there could be any American participation in a guarantee that did not have the full support of the Congress of the United States. By what means that is achieved would depend on the nature of the guarantee and on the commit-

ments that it would involve. But there does not yet exist an Administration position either on the nature of the guarantee or on the commitment, nor have we had any discussions with the Israeli Government. All I indicated is that this is a subject we are studying within our government, as we are dutybound to do in the process of moving toward a final peace.

Q. Mr. Secretary, when you speak of a quid pro quo, would that be expressed at this step or at some future stage? And secondly, would it be something directly given to Israel by Egypt or indirectly? And indeed, if it's indirect, is that a quid pro quo?

Secretary Kissinger: Well, I think that Israel has to be the judge of what it considers an adequate arrangement. And that is not for me to say at this moment. It stands to reason that a settlement is not possible until both sides are satisfied with it. It is also clear that, Israel being a democracy, any agreement that is made must have visible parts that can be presented to the Israeli domestic opinion and to the Israeli Parliament.

What combination of direct and indirect assurances will be given must be left to the process of negotiation. But it goes without saying that any settlement, to have any meaning, must be acceptable to both parties.

Q. Mr. Secretary, I would like to take you back for a moment to the Viet-Nam problem and the grave doubts that you referred to. You seem to be saying that it is more important for the United States to enjoy credibility abroad than to have credibility at home.

Secretary Kissinger: No. I'm saying that the security of the United States and the security of the many countries in the world that depend on the United States is a matter of the gravest importance to the American people as well. And I therefore believe that, however painful the discussions, however anguished the experiences, that the American people over a period of time will recognize that this distinction cannot be made.

I am as subject to the correspondence as many of the members of the Congress. It is my belief that those who are responsible for national policy are accountable not only for the moment but for how it will look several years from now. And three to five years from now, when the consequences are apparent, I believe that there will be no distinction between credibility at home and credibility abroad.

Q. Mr. Secretary, in a series of uncomplimentary remarks about you by former associates of President Nixon, how do you account for these comments? Do you think it's a concerted effort? And what's your reaction to what Mr.[William] Safire and Mr. [Charles W.] Colson have been saying about you?

Secretary Kissinger: Well, I think the two individuals you mentioned represent different phenomena. I don't believe it is a concerted effort. And in the case of one of them I don't believe that what is being said today is any different from what was being said when we were colleagues. [Laughter.]

European Security Conference

Q. Mr. Secretary, when in Geneva you talked with Foreign Minister Gromyko. You talked about the European Conference, too. From here it looks as if the European Security Conference might be wound up this summer, not so much because of the results it will achieve but because many of the participants are impatient now to wind it up. I would like to ask you what your view is of the timetable. Is there any chance of any firm link with progress in the MBFR [mutual and balanced force reduction] talks?

Secretary Kissinger: Well, it is my impression that the overwhelming majority of our European allies is opposed to having any linkage between the European Security Conference and the force reduction talks and therefore this is not an issue that is likely to arise.

As far as the timetable is concerned, the United States favors—as do all the other participants—an expeditious conclusion of the conference. The issues have become so abstruse and esoteric, reaching sometimes such issues as the placement of a comma, that it is hard to explain all of the issues that are now before the conference. And I wouldn't want to speculate in what month there will be a conclusion. The United States will support a rapid conclusion of the conference.

Defense Agreements With Spain and Portugal

Q. Mr. Secretary, could you bring us up to date on the U.S. base agreements with Spain and Portugal? Are we being asked to vacate Torrejon? And how do we stand with the U.S. base in the Azores?

Secretary Kissinger: Well, these negotiations are conducted, as you know, by the new Assistant Secretary for congressional liaison [Ambassador at Large Robert J. McCloskey, Assistant Secretary for Congressional Relations]. We have not been asked to vacate any of the Spanish bases. And therefore this report seems to us at least premature. In fact, it seems to us inaccurate. The discussion has concerned mostly what sort of security assurances the United States might give Spain in return for the continuation of its bases in Spain.

With respect to the Azores, we have not been asked to vacate the base in the Azores. The agreement has not yet been renewed, but under the agreement we can maintain our base there until a new agreement has been made or it is clear that no agreement can be made.

Confidence in U.S. Commitments

Q. Could I just follow that up? The security arrangements that Spain is asking for, is that the sort of thing that you mean other countries will begin to doubt if an American decision lets Viet-Nam and Cambodia go "down the tube"?

Secretary Kissinger: I was talking about the general ability of other countries to rely on the word of the United States or on the ability of the United States to bring about the security of those countries that rely on it. This has serious consequences. I know it is fashionable to sneer at the word "domino theory." I think this is a very grave matter on which serious people have had a divided opinion. And we've been torn apart by the Viet-Nam war long enough. But I do not believe we can escape this problem by assuming the responsibility of condemning those who have dealt with us to a certain destruction.

The answer to your question is, yes, this is one of the things. But I was talking of a more general problem.

Q. More specifically, the country that's most often discussed in the context of American security is Israel. Do you think Israel perhaps is exempt from this problem because of support in Congress?

Secretary Kissinger: I do not think it is appropriate for me to go around the world asking which countries would be particularly threatened by this attitude. I would say that the questions that are now being asked can be applied to almost any country as far as terminal date is concerned, as far as the end process is concerned. I do not want to apply it to any particular country. And it is, of course, clear that there has been a special relationship between Israel and the United States that can withstand strains that other relationships might not be able to withstand. But it is not a trivial matter.

Q. Mr. Secretary, within the spirit of meaningful détente, why haven't you put more pressure on the Russians and the Chinese not to supply Hanoi so abundantly?

Secretary Kissinger: First of all, I am constantly being asked, "Why don't we bring

pressure here, bring pressure there?" as if the word "pressure" had a concrete significance. When you ask about pressure, you have to ask yourself what concretely the United States can do, what is the "or else" that we are threatening?

Secondly, it has been our policy throughout not to turn these issues into public confrontations on the theory that countries can go along more easily if it is not turned into a public confrontation. I believe that the Soviet Union and the People's Republic of China know what our view of this matter is. I think it is also important to point out that the scale of the North Vietnamese offensive in the South is not only related to the amount of arms that the Soviet Union and the People's Republic are supplying, it is also related to the fact that, now that there is no longer any interdiction and that the communications system has been improved so enormously, almost the entire input into North Viet-Nam can be moved rapidly to South Viet-Nam together with all of the stockpiles that existed at the end of the war.

Opposition to Discrimination

Q. Mr. Secretary, this morning in New York City the Anti-Defamation League charged that the Army Corps of Engineers is using discriminatory practices by requiring individuals applying for work on projects in Arab countries to state their religion. Would you comment on that and also state what the Administration's policy is and attitudes are on U.S. private investment in Arab countries?

Secretary Kissinger: I do not know about this particular charge. And I do not know about the particular practice of the Army Corps of Engineers, which is a question which should be addressed to the Defense Department. I know, however, that the basic policy of the Administration is totally opposed to discrimination in any form.

As far as the Department of State is concerned, for which I am responsible, I know that officers are assigned without regard to race or religion and that we don't even know their race or religion in making the assignments.

With respect to the U.S. policy of investment in Arab countries, the United States basically favors it. The United States is strongly opposed to any discriminatory practices by the recipient countries as to the firms that might do business. And we are looking into the legal remedies that may exist, together with whatever moral influence we can bring to bear on the banking and other communities to abolish discrimination, which we consider reprehensible.

Q. Is the Chase Manhattan Bank one of those corporations that are being looked into?

Secretary Kissinger: We are not looking into particular corporations. We are looking into the general problem that has been brought to our attention of discrimination against particular firms or banking houses. And we have not yet reached a conclusion either as to the remedies that are available to us or whether there are any particular offending firms.

Q. Mr. Secretary, in your earlier responses on the future of Indochina, you dwelled mostly on South Viet-Nam. Is there anything more hopeful that can be looked to in Cambodia, apart from staving off collapse?

Secretary Kissinger: We would do our utmost in Cambodia, if collapse can be staved off, to promote a negotiation. And it is difficult to know whether such a negotiation is possible. We have over the past year made major efforts to promote a compromise settlement, which it would be wrong to detail now. We would continue these efforts, but I will not make any misleading statements as to what is possible. I am putting the issue—whether the United States wants to take the responsibility of cutting off ammunition at this particular moment.

Q. Mr. Secretary, I didn't quite understand your answer to Mr. Gwertzman's

[*Bernard Gwertzman, New York Times*] *question. Were you saying that the Congress might now, indeed, take a harder look at providing military aid to Israel?*

Secretary Kissinger: I do not want to be put into a position in which I am asserting that the lessons of Viet-Nam are going to be applied in any particular area. I see no evidence that the Congress is applying a harder look to aid to Israel now, and I am not bringing these two matters into a relationship.

International Energy Policy

Q. Mr. Secretary, will you comment on the foreign policy implications of the tariff versus the quota, with particular refcrence to the suggestion that one would be indiscriminate and the other might be used selectively?

Secretary Kissinger: I have really not thought this particular issue through, and I will make sure that our spokesman will say something about it during the week.

Q. Mr. Secretary, a related question: You are reported at continuing cross purposes with the Treasury Department on international oil policy. Is there an "Administration" policy, or is it a "Kissinger" policy? And is there going to be a consumer-producer conference in March?

Secretary Kissinger: First, the speech that I delivered—on I believe it was February 3—was done at the request of the President. It was approved in all its particulars by the President. It was gone over by the White House officials that are responsible for economic policy. It was gone over by the Assistant Secretary of the Treasury—the Secretary of the Treasury being out of the country, in England, on that particular weekend. The speech on February 3 reflected the views of the President and reflected the views of the Administration.

Since then, and I have had occasion to review this whole matter with the President again this morning, there is no question that the United States supports a guaranteed price for alternative sources of energy.

Whether this price is achieved by subsidy or by tariff or by some other method is a matter for negotiation and is, indeed, a matter which we would leave to the decision of each country. And as far as the Department of State is concerned, we have no particular interest in how this guaranteed price is achieved, as long as it is achieved.

It is our conviction that without such a guaranteed price there will not be a sufficient investment in alternative sources—that without an investment in alternative sources, even if there is a break in prices temporarily, that break in prices will only serve to increase the dependence of the consumers on the producers and make them even more subject to a rapid increase in prices.

So the official policy of the Administration, the President's policy, is to have a guaranteed price. The method by which this price is achieved is to be left to each country and is a matter on which no final decision has been taken in this country. But this is a totally secondary issue.

The primary issue is whether the United States favors a guaranteed price, and I can only repeat: When it was proposed, it was the policy of the President; and when it is reiterated today, it is the policy of the President. And therefore I don't know what conflict you are talking about.

Q. Thank you, Mr. Secretary.

Q. There were two other elements there.

Secretary Kissinger: That's right. Excuse me, I'm sorry, I didn't answer the question.

On the consumer-producer conference, there will be another meeting of the IEA early in March, in which we believe that progress will be made on the alternative sources. Once this progress has been achieved, we believe that the essential prerequisites for a preparatory meeting of consumers and producers may be met, and we therefore think that good progress is being made toward a consumer-producer preparatory meeting, if not in March, shortly afterwards.

The press: Thank you very much.

President Ford Urges Rapid Action on Assistance to Cambodia

Following is the text of a letter dated February 25 from President Ford to Carl Albert, Speaker of the House of Representatives.

White House press release dated February 25

FEBRUARY 25, 1975.

DEAR MR. SPEAKER: I wish to convey to the House of Representatives my deep concern over the present critical situation in Cambodia. An independent Cambodia cannot survive unless the Congress acts very soon to provide supplemental military and economic assistance.

Unless such assistance is provided, the Cambodian army will run out of ammunition in less than a month.

The Cambodian people are totally dependent on us for their only means of resistance to aggression. The Communist forces now attacking have a constant, massive outside source of supply from the North as has been demonstrated by their ability to sustain the current heavy offensive.

If additional military assistance is withheld or delayed, the Government forces will be forced, within weeks, to surrender to the insurgents.

The economic situation is almost as difficult. Refugees forced to flee their homes by the Communists' repressive measures and scorched-earth policies have poured into Phnom Penh and other cities. Severe food shortages are already beginning. If the Congress does not provide for continued deliveries of rice and other essential supplies, millions of innocent people will suffer—people who depend on us for their bare survival.

The Government of the Khmer Republic has demonstrated on countless occasions its willingness to negotiate a compromise political settlement to bring peace to its tormented land. It has been proven over the past two years that the progressive cutbacks of American support have only undercut the possibilities of negotiation by encouraging a ruthless enemy in the hope of obtaining a total victory.

These are the harsh realities which the Congress must bear in mind as it considers the Administration's request for supplemental assistance to Cambodia.

It has been a basic policy of this Government to give material support to friends and allies who are willing and able to carry the burden of their own self-defense. Cambodia is such an ally.

This is a moral question that must be faced squarely. Are we to deliberately abandon a small country in the midst of its life and death struggle? Is the United States, which so far has consistently stood by its friends through the most difficult of times, now to condemn, in effect a small Asian nation totally dependent upon us? We cannot escape this responsibility. Our national security and the integrity of our alliances depend upon our reputation as a reliable partner. Countries around the world who depend on us for support—as well as their foes—will judge our performance. It is in this spirit and with this sense of responsibility, Mr. Speaker, that I urge rapid and favorable action on my request for additional assistance to Cambodia.

Sincerely,

GERALD R. FORD.

Honorable CARL ALBERT
Speaker of the House of Representatives
Washington, D.C.

U.S. Modifies Policy on Exports of Arms to India and Pakistan

Department Statement [1]

The United States has informed the Governments of India and Pakistan that it has ended today [February 24] its embargo on the export of military equipment to those countries and put into effect a policy under

[1] Read to news correspondents on Feb. 24 by Robert Anderson, Special Assistant to the Secretary for Press Relations.

which we will consider requests for arms exports for cash on a case-by-case basis. Our previous policy permitted only the export of nonlethal end-items and spares and ammunition for U.S.-provided equipment. In making this modification, we are bringing U.S. policy into line with that followed by other major Western arms suppliers, such as the British and French.

I should emphasize that this is a cash-only policy; we are not planning to provide any equipment on a grant military assistance basis or on credit. In weighing any individual export requests, we will take into account a number of factors, including the high importance we attach to continued progress toward India-Pakistan normalization, the effect of any particular sale on the outlook for regional peace and stability, the relationship between U.S. sales and those of other external arms suppliers, and of course the relationship of the request to legitimate defense requirements and the level of armaments in the region.

Our overall policy toward South Asia remains exactly as Secretary Kissinger stated on his trip to the region last fall: We have no interest in upsetting the strategic balance in the subcontinent or resuming our pre-1965 role as a major arms supplier to the region. We do not intend to stimulate an arms race. We attach the utmost importance to continued reconciliation between India and Pakistan and will do all we can to encourage that process. We presently enjoy very good relations with both India and Pakistan, and we see no reason why this should not continue to be the case.

U.S. To Provide Loan and Grants for Syrian Development

AID Announcement, February 28

AID press release 75-14 dated February 28

The Agency for International Development has agreed to lend Syria $20 million under an agreement signed February 27. The loan will help Syria increase its agricultural production and accelerate its general economic development. Most of the funds will be used to buy American machinery, equipment, and materials needed for agricultural development, such as plows, harrows, harvesters, irrigation equipment, earthmoving machinery, and insecticides. The loan is to be repaid in dollars in 40 years, with an initial grace period of 10 years; interest is payable at 2 percent annually during the grace period and 3 percent thereafter.

Under an agreement signed the same day, AID has agreed to make a grant of $4 million to Syria for technical services and feasibility studies in agricultural production, irrigation, processing of agricultural products, mechanization of agriculture, and other fields. AID has also agreed to make a $1 million grant to finance training in the United States for Syrian graduate students in such fields as agriculture, engineering, medicine, geology, and irrigation management.

Funds for the loan and grants come from a special requirements fund for assistance to the Middle East appropriated by Congress in December 1974.

President Ford's News Conference at Hollywood, Fla., February 26

Following are excerpts relating to foreign policy from the transcript of a news conference held by President Ford at Hollywood, Fla., on February 26.[1]

President Ford: Good morning. Will you please sit down. First, let me express my appreciation to the people of Florida for their hospitality. It has been a pleasure being here, and I look forward to the rest of the day.

Before answering questions, I have a short prepared statement that I would like to make at the outset. It reads as follows.

[At this point the President read a statement, the text of which follows.]

"There have been reports in recent weeks of attempts to discriminate on religious or ethnic grounds against certain institutions or individuals in the international banking community.

"I want there to be no doubt about the position of the United States. Such discrimination is totally contrary to the American tradition and repugnant to American principles. It has no place in the free practice of commerce as it has flourished in this country and in the world in the last 30 years.

"Foreign businessmen and investors are welcome in the United States when they are willing to conform to the principles of our society. However, any allegations of discrimination will be fully investigated and appropriate action taken under the laws of the United States."

Mr. McDermott [John McDermott, Miami Herald].

Q. Mr. President, what was behind Dr. Kissinger's recent observation that someday we might have to go in and destroy the oil wells of the Middle East? Do you envision such a possibility ever happening?

President Ford: I do not recollect the precise statement that is attributed to the Secretary. I suspect you are referring to the oft-quoted statement about strangulation.

I have answered that question, as has the Secretary, on a number of occasions. To be repetitive at this point I think might only increase speculation. The facts are that there was an answer to a very hypothetical question of the most extreme circumstances and both the Secretary and I have indicated our views on the subject.

Q. Thank you, Mr. President.

Q. Mr. President, is what you call our moral commitment to arm South Viet-Nam and Cambodia open-ended, and what are you doing specifically to bring the warring parties to the peace table?

President Ford: Well, the commitment that we have to the South Vietnamese and the commitment that we have to some extent in Cambodia is one that we, as the United States, agreed at the Paris peace accords—that we would withdraw our forces and that, hopefully, peace would be established in Indochina.

Part of our commitment was that we would—in the process or as the result of the withdrawal of our own military personnel, we would continue to supply arms on a replacement basis, and that commitment was predicated on the willingness of the South Vietnamese to fight aggression from North Viet-Nam.

The South Vietnamese are fighting, are trying to protect their country, and are seek-

[1] For the complete transcript, see Weekly Compilation of Presidential Documents dated Mar. 3, 1975.

ing to defend their country from invasion. It seems to me that as we look back at our participation in the Paris accords and the promises that were made, as long as they were willing to fight against aggression and invasion, that we had an obligation to help them with military equipment on a replacement basis.

The situation there is one that I am willing to negotiate with the Congress. I indicated that if the Congress would join with me we would make a firm and final decision on a three-year basis to permit South Viet-Nam to get over the current crisis that they face. I think that would be a reasonable solution. I am told that the South Vietnamese in a three-year period, with our military and economic aid, would be able to handle the situation.

Q. What about Cambodia?

President Ford: In Cambodia, the problem there is extremely critical. Unless there is additional U.S. military aid as I have recommended, the Cambodians will run out of ammunition in a relatively short period of time. I think that would be most unfortunate because if they are able between now and the end of the dry season to maintain their national integrity—the present government—there is a possibility of negotiations that might end the war in Cambodia.

. . . . .

Q. Mr. President, your Hispanic adviser, Fernando DeBaca, told the Miami News yesterday that you have never formally reevaluated U.S. foreign policy toward Cuba since you became President. Are you in the process of reevaluating the government's position, and do you foresee any lifting of economic and diplomatic sanctions toward Cuba in the immediate future?

President Ford: Very frequently in my daily meetings with Secretary of State Kissinger we discuss Latin American policy, including our policy toward Cuba. The policy today is the same as it has been, which is that if Cuba will reevaluate and give us some indication of a change of its policy toward the United States, then we certainly would take another look. But thus far there is no sign of Mr. Castro's change of heart, and so we think it is in our best interest to continue the policies that are in effect at the present time.

Q. Mr. President, a number of responsible Americans, including Senator Mansfield, have expressed concern that we are selling more arms than ever to more nations. We now sell to Pakistan as well as India, to Arab countries as well as Israel. What is your credo in regard to arms sales? Is it influenced by the state of the economy, and what do you say to those who say that such sales are immoral?

President Ford: First, let me be very specific. The sale of U.S. military equipment to any country is not predicated on trying to help the U.S. economy. We do have a policy of selling arms to other nations if that country feels it has an internal security problem; and number two, if it is necessary for one or any of the countries to maintain their national integrity or security.

We believe that in many areas of the world a proper military balance is essential for internal as well as external security of various countries. And where other nations, such as the Soviet Union, do sell or give arms to one country or another, if another country feels that for its own security it needs additional military equipment and has the cash, then we feel that it is proper to make a sale from the United States to that country.

. . . . .

Q. Mr. President, your opening statement seemed to imply that the United States was planning some sort of action against the Arab nations that have embargoed Jewish-owned banks. Could you be more specific? What sort of thing might we do in this case, if the embargoes continue?

President Ford: All we have so far are some allegations. I have asked the Departments of Justice, Commerce, and State to investigate any allegations. The actual ac-

tion that would be taken will be forthcoming from recommendations by those departments. They have not been placed on my desk at the present time.

Q. Mr. President, you have referred to the question of aid to Cambodia as a moral one relating to the credibility of the United States. But is the issue of credibility really at stake when so many of those with whom we would want to maintain it criticized our involvement in that area to begin with and long urged us to get out before we did?

President Ford: Are you referring, sir, to other nations?

Q. Other nations, yes.

President Ford: I do not think we can conduct American foreign policy on the basis of what other nations think is in our best interest. The United States has to predicate its foreign policy on what it thinks is in America's best interest.

Now, we respect the right of other nations to be critical of what we do; but it is my responsibility and, I think, the responsibility of people in authority in the United States to make decisions that are based on what we think is good for America, and that is the way it will be decided as long as I am President.

Q. Mr. President, there has been a new crop of reports in recent days about the possibility of Secretary Kissinger leaving office this year to be succeeded by Ambassador Elliot Richardson. Could you comment on these reports, and specifically, do you expect Dr. Kissinger to remain in office at least until November of next year?

President Ford: I happen to feel very strongly that Secretary Henry Kissinger is an outstanding Secretary of State, and he and I have never discussed any change in his responsibilities. I know of no plans of any kind whatsoever on my part, or his part, to change the responsibilities—the very heavy and important responsibilities that he has.

On the other hand, I recently submitted the name of Elliot Richardson to be Ambassador to Great Britain. I picked him because I think he will do a first-class job there, and he has been recently confirmed. And I am confident when he goes to London he will carry out those responsibilities in that job in a very exemplary way.

Q. Mr. President, it is estimated by immigration officials here in south Florida that there are up to 90,000 illegal aliens gainfully employed in southeast Florida alone. It is also estimated that our unemployment figure runs close to that amount. What is your office doing to address itself to this particular problem?

President Ford: We have been trying to strengthen the arm of the Immigration and Naturalization Service, the Department of Justice, in order to handle in an appropriate way the illegal alien problem.

Florida has a serious problem. California has an equally serious problem. We are trying to work with the Mexican Government, for example, primarily out in the Western states. We are fully cognizant of the adverse impact that illegal aliens have on employment opportunities of American citizens, but we are trying to stop the flow in. We are seeking to send back illegal aliens as quickly as possible under the laws of the United States.

. . . . .

Q. Mr. President, in answering an earlier question about Cambodia, you used the phrase "the commitment that we have to some extent to Cambodia," to distinguish it from Viet-Nam. Just what is our commitment to Cambodia when at the time that the American troops went in there in 1970, people were told that there was not going to be any long-term commitment? Could you explain that, sir?

President Ford: Cambodia is in a somewhat different situation from Viet-Nam. Viet-Nam is involved in the Paris accords. Cambodia was not, in an official way. So our obligation, which I think is important, is that they want to maintain their national integ-

rity and their security of their country against outside forces.

The policy of this country is to help those nations with military hardware, not U.S. military personnel, where the government and the people of a country want to protect their country from foreign aggression or foreign invasion.

This is, to a substantial degree, in post-World War II the tradition of the United States; and I think if people in a country want to fight for freedom for their country, to the degree that we can I think we ought to expand freedom around the world.

The press: Thank you, Mr. President.

Joint State-Treasury-FEA Statement on Protecting Energy Prices[1]

In response to continuing press inquiries, the Secretary of State, the Secretary of Treasury, and the Federal Energy Administrator have asked that the following statement be made public.

In the state of the Union message, the President stated that to "provide the critical stability for our domestic energy production in the face of world price uncertainty, I will request legislation to authorize and require tariffs, import quotas, or price floors to protect our energy prices at levels which will achieve energy independence."

Such protection of U.S. domestic energy prices is essential in order to achieve our national energy goal of invulnerability to economic disruption in 1985. Much of the oil we import can be produced at very low prices. Thus, the producers have the power of undercutting U.S. producers of alternative energy sources and disrupting U.S. efforts to become self-reliant in energy. If, for example, the OPEC [Organization of Petroleum Exporting Countries] were to cut the price of oil from present high levels to $4 a barrel, it is estimated that U.S. import requirements would rise from the present level of 6½ million barrels per day to more than 20 million barrels per day in 1985. Domestic production of oil would fall sharply below present levels.

At such levels, a new embargo would deprive this country of many millions of jobs, and possibly several hundred billion dollars in GNP [gross national product].

A determination has not yet been made as to what exact price level should be judged likely to result in an unacceptable level of U.S. dependence on imports, but it is clear that we cannot permit imported oil to compete with domestically produced energy in a disruptive manner. The precise instrument that would be used to implement this policy has yet to be chosen, but the principle is fundamental to our energy goals.

The efforts of this country to develop alternative sources will benefit other consuming countries as well as the United States, because they will help bring down the price of oil from current exorbitant levels. We have the same interest in seeing other consuming countries develop their domestic energy resources rapidly. But it is also true that consuming countries could offset each others' efforts to bring down the price of oil by restimulating consumption when prices begin to fall. For this reason, all consuming countries have an interest in adopting a common policy on the levels at which they will protect prices of their domestic energy. Under this approach, consuming countries would adopt a common floor price or a common tariff. The United States is prepared to adopt either mechanism. The United States is currently seeking such an agreement, which it believes essential to the solution of the energy crisis.

[1] Issued on Feb. 26 (text from press release 106).

Under Secretary Sisco Interviewed on "Meet the Press"

Following is the transcript of an interview with Joseph J. Sisco, Under Secretary for Political Affairs, on the NBC television and radio program "Meet the Press" on February 23. Interviewing Under Secretary Sisco were Bernard Gwertzman, New York Times; Joseph Kraft, Field Enterprises syndicated columnist; Henry L. Trewhitt, Baltimore Sun; Richard Valeriani, NBC News; and Lawrence E. Spivak, "Meet the Press" moderator.

Mr. Spivak: Our guest today on "Meet the Press" is the Under Secretary of State for Political Affairs, Joseph J. Sisco. Mr. Sisco has just returned from a trip to the Middle East and Western Europe with Secretary of State Kissinger. We will have the first questions now from Richard Valeriani of NBC News.

Mr. Valeriani: Mr. Sisco, is the United States now considering a mutual defense treaty with Israel in order to guarantee Israel's security and survival?

Mr. Sisco: No, it is not, Mr. Valeriani. I think there has been a great deal of confusion in the recent press reports. We are focusing, as you know, on trying to achieve an interim next step.

The question of guarantees has been studied over the years, and any studies that will be given to this matter will be in relation to an overall political settlement.

Mr. Valeriani: Isn't such a treaty inevitable in the context of an overall settlement?

Mr. Sisco: Well, let me say this: There is a great deal of confusion about this word "guarantee." We have always thought that the basic assurance that is essential in the area is the actual agreement between the parties. Any study of guarantees, I think, will be in the context not only of an overall political settlement but also as supplementary and complementary to the agreement itself.

We think the obligations that the sides exchange with each other, we think the agreement that is to be achieved based on the November 1967 resolution, including the question of borders, is something that has to be negotiated between the two sides. So that when one talks of guarantees, one has to talk in terms of a supplement and a complement to the actual agreement between the parties.

Mr. Valeriani: Then you do not rule out an eventual defense treaty with Israel?

Mr. Sisco: I am saying that this is something which is quite far down the pike; it is something that obviously we will want to look at in the context of a political settlement.

Mr. Gwertzman: Mr. Sisco, when Dr. Kissinger returned from the Middle East he said some progress had been made. What was this progress?

Mr. Sisco: I think the essential progress, Mr. Gwertzman, was in defining and developing the framework for negotiations on a possible next step.

As you know, we explored this possibility with all of the parties principally concerned, and we will soon be returning to the area to resume the process. I am, frankly, guardedly optimistic, because I think we are beginning to see at least the parameters of this problem.

Mr. Gwertzman: Specifically in Israel, Dr. Kissinger said Israel would not have to give

up territories without a quid pro quo. Did Dr. Kissinger get from Mr. Sadat in Egypt an agreement that Egypt had to give something to get something?

Mr. Sisco: Well, without getting into the specifics of the various elements, I think we came away with the feeling that there are really two elements here. The question of withdrawal, of course, has been emphasized, as well as that there must be progress toward peace, and we think that the desire for withdrawal and the desire for progress toward peace which has been emphasized on one side and the other can be reconciled. And for that reason I think that we can look forward, hopefully, to moving this along.

Mr. Kraft: Mr. Sisco, I'd like to ask a question that is a little bit off the Middle East, though not entirely. Mr. [Vladimir S.] Alkhimov, who is the Deputy Foreign Trade Minister of the Soviet Union, gave a press conference here in Washington the other day in which he said the Administration couldn't be trusted to keep its commitments. Does that seem to you an appropriate thing for a Soviet official to be saying here in Washington?

Mr. Sisco: Well, I saw that report, Mr. Kraft. I would say this: I think if one looks over the history of the commitments of the United States since World War II, I think the history is very clear. I think we have undertaken specific commitments; I think we have carried them out both definitively as well as in good faith, and I obviously would not agree with that statement.

Mr. Kraft: Do you think it was appropriate for him to make it? Are you going to do anything to indicate displeasure, for example?

Mr. Sisco: I think I would just repeat again, I would not agree with that statement.

Mr. Kraft: In the course of your trip, the Secretary saw Mr. Wilson [Prime Minister Harold Wilson of the U.K.] and Mr. Gromyko [Minister of Foreign Affairs Andrei A. Gromyko of the U.S.S.R.]. Did you get any reports on the state of Mr. Brezhnev's [Leonid I. Brezhnev, General Secretary of the Central Committee of the Communist Party of the Soviet Union] political and personal health?

Mr. Sisco: Well, I think the question of health is fairly self-evident. Mr. Brezhnev was very heavily involved in the entire Wilson visit. This was very clear to the entire media, and as far as we know he is operating fully, as was evidenced by that particular high-level exchange.

Mr. Trewhitt: To pursue Mr. Kraft's point about the meeting with Foreign Minister Gromyko, one got the impression that the meeting was somewhat chilly. I wonder what you can say about the general state of détente? Is détente in any way in jeopardy as a result of the intervention of Congress?

Mr. Sisco: Well, I think the bread-and-butter issue between ourselves and the Soviet Union is the question of the strategic balance. The SALT Two [Strategic Arms Limitation Talks] talks are proceeding. My hope is that these will make progress. I think that is the key element in the situation. These were very good talks that we had with the Soviet Union. Obviously the practical issues that were discussed are both delicate and difficult, but I think, myself, that there is a very good chance that we can deepen the relationship, and I think the next few months in particular are important in relationship not only to SALT Two but the whole question of the European Security Conference as well as the question of mutual balanced reduction of forces, and these key areas of the Middle East and Cyprus.

Mr. Trewhitt: How do you assess the Soviet role in its attitude on the Middle East —at what point must they come in, are they unhappy about being dealt out at this point?

Mr. Sisco: Mr. Trewhitt, no peace in the Middle East is possible in the long run without the cooperation of the Soviet Union. The reason why we are undertaking the kind of "middleman" role that we are pursuing at present is that this is the desire of the parties, and we don't preclude the renewal of

the Geneva Conference in appropriate circumstances, and neither are we pursuing a policy of excluding the Soviet Union in the Middle East, because the reality is they are there, they have interests, and we recognize that if you are going to get a durable peace they have got to be part of the process and they have got to agree with it.

Mr. Spivak: Mr. Secretary, may I ask you this: There have long been many obstacles to peace in the Middle East. What do you now consider the major obstacles? Have they changed any?

Mr. Sisco: Well, I feel that the objective conditions in the area, in the aftermath of the October 1973 war, actually have improved the prospects for progress toward peace in the Middle East. The reason why I say this is this—that I think that both sides in the aftermath of that war concluded that the best alternative is the process of diplomacy and the process of negotiations. The Arabs, for example, did not feel that they needed to go to the conference table with their heads bowed as the result, for example, of the defeat during the 1967 war. I think the aftermath of the 1973 war proves that both sides —regardless of the fact there are gaps to be bridged and there are differences to be bridged—that both sides continue to be committed to the diplomatic process, and I find that is a huge plus in this situation.

Mr. Spivak: Mr. Secretary, a recent Gallup poll shows that 61 percent of the American people who were polled said they thought a war between Israel and the Arabs is likely this year. Based on your intimate knowledge of the situation, do you think a war is likely this year?

Mr. Sisco: War, of course, can never be—

Mr. Spivak: I said "likely."

Mr. Sisco: —precluded as a possibility. I do not believe it is likely; and the reason is, I am still hopeful that we can make progress on a step-by-step basis and I do not believe that the processes of diplomacy have been exhausted and, moreover, as I read the area—and I have now spent as many as 4 months of the last 12 in the Middle East—I think both sides are sick and tired of war and I think the diplomatic process that we are seeing is a reflection of the desire of both sides to try to get something done.

Mr. Spivak: Was there anything new and especially encouraging from this trip that you came away with?

Mr. Sisco: Nothing that one can cite as new or decisive. I find it significant that both sides want the process to continue, and as long as each side wants the process to continue it means each feels there is still an opportunity to achieve something as a result of dialogue.

Mr. Valeriani: Mr. Sisco, an Egyptian magazine said this past week that another Egyptian-Israeli agreement is already in the bag. Is that report accurate?

Mr. Sisco: No, it is not. I wish it were, Mr. Valeriani. It might shorten this next trip that we intend to take in the month of March.

Mr. Valeriani: What makes it so difficult?

Mr. Sisco: I think what makes it difficult is that each side needs to try to meet at least the minimal conditions and the minimal terms of the other, and each side, Mr. Valeriani, is operating within what I would consider to be a rather confined political setting.

Mr. Valeriani: For example? What does that mean?

Mr. Sisco: It means that both the leaders in Israel as well as Egypt have to get the kind of agreement that can be fully justified before their own people. In the case of Israel it has to be the kind of agreement that can get through the parliamentary process. In the case of Egypt, not only must this agreement be supported by the Egyptian people, I think it is important that whatever agreement is achieved have the broad support in the Arab world as well.

Mr. Gwertzman: Following up on that, how serious is the opposition of Syria to an agreement between Egypt and Israel?

Mr. Sisco: Well, I have read reports of this sort, Mr. Gwertzman, and let me say this: The focus, as is evidenced from the press, is on the Egyptian-Israeli aspect of the problem. However, I would recall to you that we went to every capital, that we feel the question of an overall settlement involves all of the fronts. We would like to make progress wherever progress can be made, but we are not excluding anyone or any aspect of the problem.

Mr. Gwertzman: But after the Egyptian-Israeli agreement, presuming it is carried out, do you anticipate there could be an Israeli-Syrian interim accord, or would all sides then go to Geneva immediately?

Mr. Sisco: It is very difficult to speculate. What we would do in these circumstances is obviously to consult not only with Israel but with the key Arabs as well, both in terms of the process and where we could go from there.

Mr. Kraft: Have the Syrians shown any disposition to make concessions in the event the Israelis moved a few kilometers back from the Golan Heights?

Mr. Sisco: We are exploring, of course, all possibilities with both sides. The question of concessions or conciliation or whether it be on the Israeli side or the Syrian side—I think one can't make this kind of a judgment at this juncture. One would have to make this kind of a judgment as the process continues.

Mr. Kraft: Would you say, Mr. Secretary, that the Israelis might be missing the boat by not exploring the possibilities for flexibility in this area?

Mr. Sisco: Well, the Israelis have said, and the leaders in Israel are on record as saying, that they are prepared to try to explore the possibilities of a peace agreement across the board, so that it can't be said that the Israelis have necessarily excluded any particular front in terms of a peace agreement.

Mr. Kraft: Is there any disposition, Mr. Secretary, to move back at all from the Golan Heights—five miles even?

Mr. Sisco: Again I would refer you to what has been said publicly by the Israeli Prime Minister in this regard and that is that they have indicated a willingness to explore what the possibilities are on all fronts as it relates to a peace agreement. Now, let me emphasize "a peace agreement."

Mr. Trewhitt: Mr. Secretary, just to clarify a point, I take it you feel that it is quite possible that an interim agreement might call for a partial Israeli withdrawal on the Sinai Peninsula without a corresponding withdrawal on the northern front with Syria.

Mr. Sisco: I haven't said that, Mr. Trewhitt. All I have said is that the focus at this particular juncture is on the Egyptian-Israeli aspect of it, but I would underscore again that our discussions are not limited to this; our discussions have included talks with the Syrians as well as the Jordanians.

Mr. Trewhitt: And I would like to return to Mr. Valeriani's original question if I might . . . does the United States, in fact, guarantee the continued existence of Israel as a sovereign state?

Mr. Sisco: Well, the United States, of course, has no formal treaty relationship with the State of Israel. However, I think our support over the years has been made manifest, both on the basis of an ongoing military assistance relationship as well as the economic support, and I find no basic change in the position of the Administration in this regard. Our support continues.

Mr. Spivak: Mr. Secretary, from time to time there has been debate as to whether the United States regards the security of Israel as a vital American interest and therefore could not and would not tolerate its

destruction. Can you tell us whether we do consider it a vital interest to the American people?

Mr. Sisco: My answer would be affirmative. We have been long the principal supporter of the existence of the State of Israel and its economic viability. We have played a major role in the creation of the State of Israel, and I think ever since the creation of the State we have been its prime support, and my answer to you would be affirmative.

Mr. Spivak: Mr. Secretary, the New York Post indicated that you believe that the United States is moving toward official recognition of the Palestinian Liberation Organization (PLO). Do you think the United States is likely at any time soon to officially recognize the Palestinian Liberation group?

Mr. Sisco: I do not believe this, and I have made no such statement, but to answer your question—

Mr. Spivak: They said not that you made the statement but that you have indicated this.

Mr. Sisco: Neither is true. I will get to your question here, Mr. Spivak. Insofar as the PLO is concerned, we have made clear that we cannot in good conscience recommend any negotiations with the PLO as long as the PLO fails to recognize the existence of the State of Israel, and I see no evidence that the PLO has any intention to do so in the foreseeable future.

Mr. Spivak: Where does that put the PLO as far as the Geneva Conference is concerned then?

Mr. Sisco: When we convened originally at Geneva, one decision was taken—namely, that the question of any additional participants at that conference would be a determination to be made by the members of that conference. In other words, the question of the PLO would come up if and when any Geneva Conference were reconvened, and it would be a decision that would have to be made by those present.

Mr. Valeriani: Mr. Sisco, you said here that war cannot be precluded in the Middle East, and President Ford and Secretary Kissinger have emphasized repeatedly how explosive the area is, how volatile the situation, and yet the Administration is pouring billions of dollars of new weapons into the area on both sides. Why?

Mr. Sisco: Well, let me say, first of all, that insofar as our support on the military side for Israel is concerned, I think it is important that we maintain its strength. Insofar as our arms sales to other parts of the area—let's take first of all the gulf and the Arabian Peninsula. I have heard it said that we are doing this willy-nilly, on an ad hoc basis.

This is not the case. I can recall the kind of studies that we undertook on this whole question of arms in this area in the aftermath of the exodus of Great Britain. What confronted us at that particular time was this: Do we try to fill this kind of a void directly or do we undertake a policy of helping those who really have legitimate security interests and need the arms for self-defense purposes? We concluded the way to proceed in this area was to try to help in regional cooperation. We see Saudi Arabia, Iran, and these countries as elements of stability in the area with legitimate self-defense needs. And it is not a question of whether we provide arms, or no arms going into the area; it is a question of whether we provide them or others in circumstances where they perceive a real danger.

Mr. Valeriani: Are you willing to go along with a six months' moratorium on arms shipments to the Persian Gulf as suggested by Senator Kennedy?

Mr. Sisco: I have read the press report this morning. Obviously I have not seen the resolution itself, but I would only emphasize that we feel that we are meeting a legitimate

concern of the countries in the area and these are friends of ours—these are friends who are trying to pursue a moderate course in the circumstances.

Mr. Gwertzman: Speaking of arms, has the Administration decided to lift the embargo against arms shipments to Pakistan?

Mr. Sisco: I expect an announcement on this, Mr. Gwertzman, very soon, and let me say that we have felt that a rather anomalous situation has existed in the area where one side has been getting arms from the Soviets and has its own production capacity, whereas the other side—an ally, I might add, with whom we have a formal relationship—has been denied this insofar as the United States is concerned. The matter has been under active consideration. I expect an announcement very soon.

Mr. Gwertzman: From what you are saying, I assume the answer is we will lift the embargo. Do you think this will really damage relations with India as the Indian Government says it will?

Mr. Sisco: In my judgment it should not, because I think we have explained this quite thoroughly. We are not trying to balance one side against the other in this situation. We think that it is as much in India's interest to have a relatively secure Pakistan —to pursue the so-called Simla process, to pursue the process of negotiation—as it is in the interests of Pakistan itself.

Mr. Kraft: Speaking again of arms, the White House keeps saying that the United States has a commitment to South Viet-Nam and on the basis of that commitment is pushing for this $300 million supplemental. What is that commitment and when was that commitment made—to whom and by whom and when?

Mr. Sisco: Let me just say this about South Viet-Nam, without getting into the legal basis. I think that what is clear is that we directly have gotten out of South Viet-Nam insofar as our own personnel are concerned. The question before us is: Do we continue to support South Viet-Nam so that it can continue to defend itself in circumstances where it continues to be under threat? Our judgment is that this $300 million is needed to do this.

Mr. Trewhitt: Mr. Secretary, we haven't talked about oil at all. I will ask you whether it is possible to settle the Middle East situation politically without a concurrent settlement of the whole question of energy and oil in the area?

Mr. Sisco: I think these are two separate problems, Mr. Trewhitt. I think, obviously, to the degree to which we can make progress on the Arab-Israeli dispute this will help the overall climate. But I think the oil question has to be resolved on its merits. I think it is important that the United States develop its own independence and that it not be vulnerable to outside sources, and we are not interested in a confrontation between the United States and the Arabs. We are interested in a producer-consumer dialogue that resolves the problem.

Mr. Spivak: Mr. Secretary, you have worked pretty closely with Secretary Kissinger now for some time and have had an opportunity to observe the reaction to the recent attacks on him by Congress and the press. What has been the effect on his power and his influence?

Mr. Sisco: I don't see any diminution either of his power or his influence, Mr. Spivak. For example, I spent the last two weeks with him in the Middle East. I find it very significant that both sides are very anxious to have our Secretary of State continue this process. In fact, I will go further. Both sides see Mr. Kissinger as the indispensable element in these negotiations, and I share this view.

Mr. Spivak: Thank you, Secretary Sisco, for being with us today on "Meet the Press."

India-U.S. Science and Technology Subcommision Meets at Washington

Joint Communique [1]

The Science and Technology Subcommission of the India-U.S. Joint Commission held its first meeting in Washington, January 27–29, 1975 to review ways and means to expand and strengthen cooperation in these fields between India and America. The discussions noted that joint collaboration in scientific and technological fields could make considerable contributions to a better life for the peoples of both countries.

The meetings were chaired by Dr. B. D. Nag Chaudhuri, Vice Chancellor, Jawaharlal Nehru University, New Delhi, and Dr. Dixy Lee Ray, U.S. Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs. The Economic and Commercial Subcommission met in Washington on January 20 and 21 and the Subcommission on Education and Culture will meet in New Delhi on February 3, 4, and 5, 1975. These meetings are in preparation for the meeting of the Joint Commission, chaired by the Secretary of State, Dr. Henry A. Kissinger, and the Minister for External Affairs, Shri Y. B. Chavan, to be held in Washington on March 13–14, 1975.

In the discussions, the Subcommission stressed the broad range of existing Indo-U.S. scientific cooperation and reservoirs of talent in science and technology in both countries. As areas in which mutual cooperation could produce the most effective results, the Subcommission decided to focus on the broad fields of agriculture, energy, health, electronics and communications, and the environment. The Subcommission decided to place special emphasis: In agriculture, on efficient use of water in arid lands and integrated pest control; in health, on cooperative activities in fertility control and communicable and infectious diseases; and in energy, on better utilization and conservation of energy and on the use of solar energy in rural areas. Cooperative activities in electronics, communications, and protection of the environment were also agreed upon.

The Subcommission agreed to explore these areas of scientific cooperation through appropriate national agencies and to prepare concrete proposals for projects and related activities before the March 13–14 meeting of the Joint Commission. The Subcommission appointed team leaders in each broad area and charged them to refine the specific proposals for joint action developed in working groups at the Subcommission meeting. These include exchange of information, data and research reports, visits by technical experts, joint or complementary research, exchange of equipment and joint development of prototypes.

The Subcommission also agreed that ongoing programs and cooperation in the fields of exchange of scientists and information systems should be reviewed in light of priorities agreed upon by the Subcommission.

India-U.S. Education and Culture Subcommission Meets at New Delhi

Report and Recommendations [2]

The Indo-U.S. Sub-Commission on Education and Culture, established in pursuance of the Agreement between the United States and India in October 1974, held its first meeting in Vigyan Bhavan, New Delhi, from February 3-5, 1975, under the Co-Chairmanship of Shri G. Parthasarathi and Dr. Robert F. Goheen.

The meeting reviewed the progress and functioning of long-standing programmes and arrangements and explored ways and means by which the Sub-Commission could augment and facilitate the interchange of people, materials and ideas in education and the arts, in order to broaden the areas of mutual appreciation through collaboration

[1] Released to the press at Washington on Jan. 29.
[2] Issued at New Delhi at the conclusion of the meeting.

in the widest perspective. To this end, the Sub-Commission recommended using the resources available to enlarge and develop the existing flow of exchanges by formulating a planned, flexible programme. The Sub-Commission used a broad, general agenda, while at the same time following up the recommendations of the Indo-American Conference on Academic Collaboration held in January, 1974.

The Sub-Commission recognized the importance of approaching its task from the points of view of reciprocity as well as of national needs and requirements, particularly in view of the imbalance in the material resources and the differences in the life styles and systems of the two countries.

The Sub-Commission was conscious of the need to stress international exchanges in a world of interdependence where modern communication helps in fruitful interaction but also sometimes accentuates differences. It explored many new and constructive areas of collaboration.

The Sub-Commission took note of the decisions taken by the Sub-Commission on Science and Technology. It was recognized that there were areas of science and technology, particularly within the university system, which should continue to be the concern of this Sub-Commission.

The Sub-Commission submits the following recommendations to the Joint Commission:

1. *Museums*

i) That a joint committee be set up to examine on a continuing basis different aspects of museum activities, to recommend:

a) specific projects of cooperation such as conservation and other scientific aspects of the preservation of art objects;

b) seminars on such topics as science museums, museums and the community, and museums as educational resources;

c) exchange of art objects on a loan basis, and of museum personnel and experts who could be associated in cataloguing the collections in both public and private museums;

d) exhibitions in each country on specific themes such as pre-industrial agricultural technology, and the history of industrial technology.

ii) That the two Governments take all necessary steps to pass legislation and enact procedures to eliminate illicit traffic in antiquities and art objects.

2. *Exhibitions*

That exchange of large-scale "impact exhibitions" be arranged with a view to enhancing mutual awareness and understanding:

a) through coordinated presentations of Indian culture, and traditional, contemporary and folk art in major centres of the United States preferably in conjunction with a broad programme of related cultural activities (performing arts, film showings, discussions), and

b) through a comparable presentation in India of U.S. culture across a broad range of fine arts, modern design, and folk art.

3. *Performing Arts*

That each side conduct a study of the opportunities for wider exchanges in the performing arts with a view to increasing the range and improving the quality of exchanges, and present their studies to the next meeting of the Sub-Commission. In the meantime the building up of collections of recordings and films through exchanges should be encouraged.

4. *Educational Technology and Mass Communication*

i) That programmes of exchange of educational technology and educational material such as films, audio-visual and T.V. material, video tapes be developed.

ii) That production and exchange of films in areas of mutual interest, such as, educational films for use by medical students, be encouraged.

iii) That the exchange of samples of sound broadcasting and T.V. programmes, on subjects of mutual interest, such as health education, improvement of urban environment and rehabilitation of physically handicapped be encouraged.

iv) That a programme of exchanges of short films of non-commercial nature and documentaries and art films, produced by different agencies in India and the United States be encouraged.

v) That consideration be given to the presentation of a series of high-quality Indian films on American TV and for non-commercial screening.

vi) That the building up, in each country, of a selection of full-length feature films which will present a history of film as art in the other country, be encouraged and that means be explored for the wider showing of such films.

5. *Indo-American Textbook Programme and Exchange of Scientific Journals*

i) That the Indo-American textbook programme be continued and be restored to its former scope.

ii) That negotiations between the Indian Government and American publishers to reduce the royalty charges be continued.

iii) That the two Governments assist in making full runs of leading scientific journals more easily available to Indian libraries and scholars, pending a long-term solution of this problem through UNESCO [United Nations Educational, Scientific and Cultural Organization].

6. *Binational Seminars*

That binational seminars be held covering significant topics of common interest, with the expectation that some of these would lead to collaborative research. The following topics were agreed to with the understanding that at least two seminars will be held each year:

i) Linkages of agriculture and education

ii) Museums as educational resources

iii) Educational technology

iv) Cultural influences on learning and social development

v) Methods in history, old and new

vi) Medical pedagogy.

7. *Scholarships and Visitorships*

That existing programmes of grants, scholarships, fellowships and visitorships should continue and even be expanded subject to the availability of resources. Noting that there is a growing need for support of certain fields important to national development and the advancement of mutual understanding, the Sub-Commission recommends consideration of an additional programme, comprising the award of about 50 fellowships and 25 visitorships each year in each direction. Each government would be expected to arrange to meet the costs in its own country.

8. *Brain Drain*

Having regard to the serious problem posed to the manpower resources of India by the loss of highly trained personnel, the Sub-Commission urges that the question be examined at the governmental level and with academic institutions.

9. *Implementation Machinery*

That between meetings of the Sub-Commission, members will continue to explore other areas of collaboration and will function as advisory groups in their respective countries. The Co-Chairmen will co-opt such associates as may be necessary to ensure follow-up action. A secretariat would be established in Washington and in Delhi.

In due time the secretariat in each country will also develop as information centres to provide information about academic facilities and resources in each country and to assist in the exchange of documentation, particularly articles, journals and other source material and to help in the placement of scholars.

United States Outlines Objectives for New Round of Multilateral Trade Negotiations

The opening negotiating session of the Trade Negotiations Committee was held at Geneva February 11–13. Following is a statement made in the Committee on February 11 by Harald B. Malmgren, Deputy Special Representative of the President for Trade Negotiations.[1]

In his state of the Union message to the U.S. Congress a few days ago, President Ford observed that the world trade and monetary structure, which provides markets, energy, food, and vital raw materials for all nations, "is now in jeopardy," and that "economic distress is global."

Some argue that, in these difficult times, a multilateral trade negotiation is inopportune. Rather than liberalization of trade, it is argued, the answer to national problems is to go it alone, with purely national solutions. This tendency toward isolationism in some quarters is a threat to the well-being of all the nations represented in this room today.

The present world economic distress is temporary. But the work of this Trade Negotiations Committee will result in changes in the world's trading system that will last for decades—long after this present state of uncertainty has ended. Indeed, this current economic uncertainty makes it imperative for the nations of the world to work together to solve their problems collectively. The process of negotiation is needed not only to establish a better structure for conducting our trade relations in the future but to help us manage our mutual relations now.

We should not delude ourselves; we are at a turning point. It is essential that we begin serious negotiations now, move forward on all fronts, and demonstrate both early progress and concrete achievement. The whole world is watching.

In the Tokyo Declaration, Ministers set the objective of achieving the "expansion and ever-greater liberalization of world trade and improvement in the standard of living and welfare of the people of the world."[2] This commitment remains as valid today as it was when we began our effort in Tokyo. My government stands by this commitment and, indeed, by all the elements of the Tokyo Declaration.

When we urged negotiation some time ago, many of you agreed on the need for a new effort, but asked us to obtain a mandate first. Thanks to the Congress, we now have our mandate—the Trade Act of 1974. At our last meeting in July, I said that we expected to have the trade bill "in hand" by October. Admittedly, I never told you which hand; and I also admit that the concept of "in hand," whether in the left hand or the right, does not translate well into French. Be that as it may, the final deliberations eluded our grasp for a while, but you will recognize that the United States now has it in both hands. We are ready for these negotiations.

Our Trade Act, of course, is only a structure of authorities and objectives, a structure that makes actions possible. So that these actions will be effective, the executive and the Congress have developed a new set

[1] Ambassador Malmgren subsequently resigned to return to private life.

[2] For text of the declaration, approved at Tokyo on Sept. 14, 1973, by a ministerial meeting of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT), see BULLETIN of Oct. 8, 1973, p. 450.

of working arrangements that will insure that the Congress participates fully in our efforts here. As evidence of this new team effort, I have alongside me today members of both our Senate and our House of Representatives, including Senator [William V.] Roth from the Committee on Finance; Mr. [Al] Ullman, the new chairman of the House Ways and Means Committee; Mr. [William J.] Green, the new chairman of the subcommittee on international trade of the Ways and Means Committee; and Mr. [Barber B.] Conable, the ranking minority member of that trade subcommittee. We believe this new alliance of Congress and the executive will provide sound and stable American trade policy.

Broad Purposes of U.S. Trade Act

In the broadest sense, the purpose of our Trade Act is to strengthen economic relations among all countries by building an open and nondiscriminatory world trading system —a system that fosters economic growth and full employment in all countries, including the United States. I hope that the countries represented here today share our view that we should solve our problems through mutual efforts and through trade liberalization, rather than through the imposition of new restrictions or the retention of old ones.

The Trade Act of 1974 provides the U.S. delegation to the multilateral trade negotiations the ability to participate in the most far-reaching round of trade negotiations so far undertaken. We have unprecedented tariff authority. More significant, for the first time a U.S. delegation comes to international trade negotiations with a mandate to attack the problem of nontariff barriers. Our Trade Act states that "the President is urged to take all appropriate and feasible steps within his power" to harmonize, reduce, or eliminate nontariff barriers and other distortions of international trade.

I want to call to your attention the fact that this law reflects the feeling of many of you about the problems of global development. A fundamental element in our law is a concern for using trade to promote the economic growth of developing countries and to expand mutual market opportunities between the United States and developing countries. The Tokyo Declaration underscores the importance of these negotiations to the economic progress of the developing nations. Our continued commitment to that declaration's statement of intent can now be put into practice.

The Trade Act stipulates that one of its purposes is "to provide fair and reasonable access to products of less developed countries in the United States market." This objective takes concrete form, for example, in the provision for the United States to join other developed countries in granting generalized tariff preferences. The United States is moving quickly to implement its preference scheme. This will be done in the broadest possible manner to increase market access in the United States for products of less developed countries, beyond the very substantial market which these products already have.

Some of the provisions contained in the final text of the Trade Act relating to our generalized system of preferences (GSP) have been criticized. As President Ford noted with regret when signing the act, some of its provisions are rigid. He also declared his intention to work out with the Congress any necessary accommodations in a spirit of compromise. On balance, we believe that our preference system will be of major near-term benefit to a great number of developing countries. It will encourage these countries not only to expand exports but to diversify as well.

For every beneficiary developing country we intend to reduce to zero the tariff on all products that will be covered in our system. Included in this product coverage will be a broad range of manufactured and semi-manufactured products, as well as selected primary and agricultural products. Competitive-need ceilings will protect the ability of new industries in these countries to participate in our market on a preferential basis and will especially help the least developed countries. Thus, our preference system should prove to be significant in assisting

the development efforts of many of the governments represented in this room today.

Even more important to the developing countries, however, is the authority contained in the act for the United States to enter into the current round of multilateral trade negotiations. While GSP concessions are voluntary and may be withdrawn at any time, it is in these negotiations that lasting reductions in tariff levels and other trade restrictions can be obtained. If our negotiations are successful, these reductions will provide both the developed and the developing world with the framework for increased market access on a liberalized basis.

One of the most important directives in our law is to seek the harmonization, reduction, and elimination of agricultural trade barriers and distortions in conjunction with the harmonization, reduction, or elimination of industrial trade barriers and distortions. While we have flexibility in how we obtain this objective, it is a requirement for the United States that agricultural trade be liberalized if we are going to liberalize industrial trade. Neither industry nor agriculture can be negotiated in isolation if we are to achieve significant progress.

One of the principal objectives of reducing tariffs and attacking nontariff barriers in the negotiations should be to obtain a more open and orderly trading system for agricultural products. The negotiation of such a system requires more than the traditional emphasis on export expansion. It requires giving full weight to the mutual benefits of economic interdependence in terms of economic efficiency and growth, consumer welfare, and good international relations.

In the past, given the extreme political sensitivity of policies affecting farm income and food prices, governments have generally been unwilling to consider substantive trade liberalization for fear that this would significantly reduce their ability to achieve such domestic objectives as the stabilization of farm incomes and food prices. Recent events throughout the world, however, have demonstrated that no government can, over a long period of time, isolate its internal markets from world forces. Today no one questions the need to develop multilateral understandings on the use of trade measures during periods of excess or inadequate food production throughout the world.

As in the case of our legislation for the Kennedy Round, the Trade Act of 1974 gives a grant of five years of negotiating authority. This should not be taken, however, as an indication that the United States desires the Tokyo Round to last until exactly January 3, 1980. I feel that we have begun a process of continuous negotiation on a broad front and that the negotiating process should not be confined to one large burst of energy, such as in each of the prior six tariff-negotiating rounds. We should start now to negotiate and work seriously, consolidating what we can, when we can. We should aim to start concluding trade agreements on specific subjects as soon as they are ready. Our effort should be an intensive one that yields concrete results, to prove to the world that this work is not only real but timely.

The challenges we face are great. The consequences of failure are even greater. I urge the adoption of a work program that brings early and significant results for all countries participating in these negotiations, developed and developing countries alike.

Reduction of Tariffs

The tariff-cutting authority in our mandate is the largest, in percentage terms, that has ever been delegated to U.S. negotiators. I am pleased to announce to you that the President has just submitted the entire U.S. tariff schedule, with only a few technical exceptions, to the International Trade Commission.[3] The Commission, under law, must give its advice on the economic effect of possible U.S. concessions on any tariffs. When this domestic process is completed we will be in a position to participate with others in a very substantial reduction of the high duties remaining in countries' tariff structures, as well as in significant reductions of moderate tariffs and in the elimination of

[3] Section 171 of the Trade Act of 1974 renamed the United States Tariff Commission as the United States International Trade Commission.

many low duties. Reductions of 60 percent can be made in duties over 5 percent. Lower duties can be eliminated entirely.

Under the Tokyo Declaration, we all agreed that negotiations on tariffs should be conducted on the basis of "appropriate formulae of as general application as possible." Over the next few months we should work toward early agreement on such a general formula for tariff reduction. We are prepared to consider a broad range of negotiating proposals. In the near future we intend to table possible negotiating formulae.

If we are to fulfill the objectives of the Tokyo Declaration, a general tariff formula should result in a substantial reduction of tariffs on the part of all participants. In our view it is not necessary to agree at the outset on a target for the average overall reduction of tariffs. Averages can be very misleading. Consequently, it might be better to begin considering various negotiating formulae with a view to agreeing on an acceptable one. Such formulae, however, should result in significant overall tariff reductions. Surely, we should not aim at less than the Kennedy Round; any lesser objective would be regarded as a step backward, as indeed it would be.

Let me also say that we favor, in principle, a substantial linear reduction as the simplest, fairest formula. If we were to contemplate a deviation from this principle to provide for deeper cuts at higher tariff levels, this would create a need for additional elements of reciprocity from our trading partners. However, our law does not preclude such an approach.

Agreement on a tariff-negotiating formula, which would generally cover all products, should not be difficult. We should move ahead now to resolve the relevant issues: Which countries will apply the general formula? If the formula relates to existing tariffs, what base rates and base dates will apply to reductions? How will tariff cuts be staged? How will exceptions be handled? What tariff reductions will be made by countries not applying the general formula? What procedures will apply to the participation of developing countries?

Work on tariffs will require careful joint analysis and discussions before a negotiating plan can be agreed. We propose that such a tariff-negotiating plan be prepared by July 1.

Whatever plan may be adopted, the United States intends to make maximum possible use of its tariff-negotiating authority to grant concessions on products of special interest to the developing countries. In this respect it would be helpful to continue identifying such products, drawing upon work already begun in the preparatory stage of the negotiations.

Dealing With Nontariff Barriers

In all areas of trade, nontariff barriers have become relatively much more important as tariffs have been reduced over recent decades. Consequently it is absolutely essential to deal with these restrictions and other distortions to trade if we are to successfully liberalize trade and make the trading system work more effectively.

Because of their heterogeneous nature, it is not possible to devise a general solution to nontariff barriers. Each category of restrictions must be dealt with separately. It is also not possible to attack all of these restrictions simultaneously.

We believe that, as a beginning, we should select a few nontariff barriers for concentrated attention. The initial selections should be comparatively important issues, of multilateral interest, and of widespread application, so that mutually advantageous agreements might be negotiated without the necessity for offsetting concessions in other areas. Fortunately, the preparatory work has already produced candidates that easily meet these criteria—standards, subsidies, and government procurement practices.

Product standards and certification have increasing importance for world trade. The use of international, as opposed to regional or national, standards can facilitate trade. Certification requirements can also facilitate trade provided they do not create unnecessary obstacles for foreign products.

After more than a year of concentrated attention a working group of the Committee on Trade in Industrial Products developed a

draft Code of Conduct for Preventing Technical Barriers to Trade, which has become better known as the GATT Standards Code. It contains a few important disagreements, which need to be resolved. It also must be determined whether problems of packaging and labeling can adequately be handled under its provisions. In addition, a review of its applicability to agricultural products is needed.

We propose that the draft GATT Standards Code be taken off the shelf and that work be resumed at the earliest possible date. We would hope that negotiations on this code could be completed very shortly. If countries were satisfied that this agreement is mutually advantageous, we see every reason to implement it prior to the conclusion of the overall negotiations.

We believe the problems in this field will grow rapidly. Our peoples demand new health, safety, and quality standards every day. We must quickly find means of coordination and cooperation in trade policy, or many countries will face new, insurmountable difficulties. The time for action is now, before the trouble grows.

Another candidate for early attention is subsidies—export subsidies, domestic subsidies that stimulate exports, and domestic subsidies that result in import substitution. Subsidy measures are increasingly used and are not now subject to effective international rules.

The 1960 GATT declaration dealing with export subsidies is deficient in several respects. It does not define what measures constitute a subsidy; it applies only when subsidies result in dual pricing; it relates only to industrial products; and it is adhered to by only 17 countries.

Export subsidies may create difficult problems, not only in the markets of the country importing subsidized goods but in export markets where competitive subsidization in such markets is a frequent occurrence. Countervailing duties can be used to offset subsidies on imported goods, but they are no solution to the problem of competitive export subsidization in third-country markets.

We continue to believe that, if effective rules were developed prohibiting the use of subsidies, any problems that countries might have with respect to countervailing duties would largely disappear. Nevertheless we are willing to work on these related issues together with a view to finding a satisfactory solution and new rules of the road.

Restrictive government procurement practices are as important and as widespread as the problems of standards and subsidies. In fact, this is perhaps the nontariff barrier most frequently cited by American industry. This issue does not appear to be quite ripe for early focus in the multilateral trade negotiations. Nevertheless we continue to believe strongly that it should be dealt with in the time frame of these negotiations and that we should soon decide on the appropriate means to achieve major results in this field.

There are additional areas that should receive early attention. We would hope, however, that we do not embark on too many of them simultaneously so that the chances of early success in any of them will be jeopardized.

Multilateral Safeguard System

An essential element of the new negotiations will be the development of an effective multilateral safeguard system to ease the impact of adjustment to import competition. The provisions and procedures of GATT article XIX, which were intended to serve that purpose, have not proven satisfactory. Virtually every country has taken restrictive action, both governmental and private, at some time to protect domestic producers. Only a few countries, however, have done so under article XIX. We will want to examine experience with these present procedures in order to identify problems and weaknesses and explore ways of correcting them.

While article XIX is a logical focal point for the examination, other provisions of the General Agreement under which countries take restrictive safeguard actions are clearly relevant. We will want to explore the relationship of these other provisions and measures to the safeguard issue and, in particular, to the central objective of facilitating

adjustment to import competition. Also clearly relevant are the many actions taken unilaterally or bilaterally outside the GATT framework. The existence of these measures indicates a weakness in the present system that should be corrected. What is needed is a more comprehensive system that will restore multilateral discipline in this area.

The groundwork has been laid for a systematic examination of these issues. The GATT Secretariat is conducting a survey of measures countries take to protect against injurious import competition and procedures, international and domestic, under which such actions are taken. The Secretariat is also exploring the feasibility of providing information on experience under GATT safeguard provisions other than those of article XIX and has prepared a very useful list of issues that merit further consideration. We look forward to participating in this examination and are confident that it will lead to the development of a more effective system.

The critical need for early establishment of such a system is obvious. As we prepare for a further substantial liberalization of world trade, participating countries must be assured that a means is available to moderate imports temporarily when this is necessary to prevent injury to domestic producers. They must also be assured, however, that the system will be strict enough to prevent unnecessary restrictive action by their trading partners that would vitiate benefits achieved in the negotiations.

Problems of Various Product Sectors

We believe that careful attention should be given to the relationship of general negotiating rules on tariffs, nontariff barriers and safeguards to the particular problems of various product sectors. This relationship is of special significance in view of our legislative mandate to obtain, to the maximum extent feasible, competitive opportunities for U.S. exports equivalent to opportunities in U.S. markets for appropriate product sectors. This does not necessarily mean that negotiations must be conducted on a sectoral basis. It does mean, however, that all trade barriers and other trade distortions affecting particular sectors must be taken into account in the negotiations.

We propose that an examination of particular product sectors be conducted as we progress on the development of general rules for tariffs, nontariff barriers, and other elements of the negotiations. The purpose of such an examination or review would be to determine whether the application of these general rules would resolve the problems peculiar to these sectors. An initial review might be conducted in the summer and continued in the fall.

The preparatory work carried out on tropical products has significantly advanced our understanding of this sector. We feel strongly that tropical products should be given the special and priority attention by developed countries called for in the Tokyo Declaration. We anticipate that early and steady progress can be made, building upon the preparatory work already completed. We would now welcome proposals from the developing countries on how the special and priority attention to tropical products to which we have all committed ourselves at Tokyo might be given more concrete form.

Supply Access

All countries engaged in trade have an interest in minimizing disputes over export controls and other restrictions on access to foreign supplies. If such disputes are not resolved in an orderly manner, they lead to retaliation, further restrictions, and the shrinkage of world trade. However, while most nations have a strong understanding of the issues surrounding market access, there is far less understanding of the issues surrounding supply access and its relationship to market access. Indeed, it is a relatively new concern for many of us and even the term "supply access" has different meanings for different users of the phrase.

Trade liberalization means a greater dependence on imports. If a country liberalizes and becomes more import dependent, how can it know that supplies will be available in time of need, when supplying countries may

be preoccupied with problems of their own? In a similar vein, supplying countries cannot turn the production of agricultural commodities and industrial raw materials on and off in response to stop-go measures of consumer countries and they cannot undertake commitments of full production without steady and secure access to markets.

At the recent World Food Conference, a resolution was adopted calling for implementation of FAO [Food and Agriculture Organization] Director Boerma's undertaking on world food security, which calls for international agreement on guidelines for national stock policies on grains. Discussions are at this moment underway to establish a basis for negotiations among the major importers and exporters as a means to implement this undertaking. There are tough trade-related questions that must be addressed. For example, when should reserves be built up and when should they be drawn down? Either action has a market effect, an effect on food prices, as well as on earnings of farmers. And who should hold reserves, and where? Questions of supply and market access will also need to be considered in this context.

It would seem clear that the first order of business in examining the whole question of supply access would be to begin an organized discussion of the topic whereby the dimensions of the problem might be determined. One possible approach might be to collect an inventory of concerns that different nations have with respect to this issue, along with any suggested proposals to deal with the problem. It might also be useful at some point to examine work being done in other international organizations. In order that these discussions be drawn together in some meaningful manner, we might call upon the GATT Secretariat to offer its good services.

Reform of the Trading System

Our Trade Act recognizes that after six rounds of multilateral negotiations we have come to the point where it is imperative that the reduction and elimination of specific barriers be coupled with reform of the trading rules. An expressed purpose of the act is to bring about the reform of the trading system as a whole, including the General Agreement on Tariffs and Trade. There are, in this connection, a number of specific objectives outlined in our law. These include:

1. *The revision of the GATT decisionmaking procedures to more nearly reflect the balance of economic interests.* This is a complicated question, and we have no preconceived notions. All of us share, I believe, the sense of need for improving the provisions for regular consultation among countries on questions of mutual interest in international trade and on improving the procedures for the adjudication of disputes.

2. *The revision of some of the existing rules in the GATT.* I have already mentioned the necessity of devising a new international safeguard system that takes into account all forms of import restraints that countries use in response to injurious competition. Old and difficult questions such as the treatment of border adjustments for internal taxes should be reexamined. The GATT rules on balance-of-payments measures should be revised to reflect actual practice. The principles of reciprocity and nondiscrimination must be strengthened and expanded.

3. *The extension of GATT rules to areas not now adequately covered.* In this connection, issues of supply access immediately come to mind. As a large supplier and consumer, the United States is in a unique position and is prepared to take a balanced view of this question.

Multilateral Solutions

When these negotiations were opened in Tokyo, it was agreed that they should involve as many countries as possible. We took pains in the drafting of the Tokyo Declaration to make it clear that this negotiation is composed of all those governments that are willing to participate actively. There are many countries represented here that are not members of GATT. It is therefore not a GATT negotiation, although we have asked

the GATT Secretariat to assist us in our work.

We believe that the door should remain open—open to newcomers who may wish to involve themselves in some or all of these negotiations. We favor the widest possible participation, with flexibility in our perspective of what roles newcomers could play, from whatever part of the world they might come.

As most of you know, the Trade Act requires a number of domestic procedures on our part. I have already referred to the advice of the International Trade Commission. We must also receive the views of advisory groups for industry, agriculture, and labor. My own office must hold public hearings for the purpose of obtaining views on particular U.S. negotiating objectives. We have already begun this complex process of consultation, and it is moving expeditiously. This means that the United States will be in a position to go beyond general tariff formulae and table specific tariff offers in the fall.

Work should begin immediately on devising and agreeing to a tariff-negotiating formula. We should also begin at once to conduct negotiations on selected nontariff barriers—standards, for example. Preliminary discussions on safeguards should also be started now, so as to begin serious work in this area on the basis of the recent Secretariat questionnaire and countries' replies. Consistent with the Tokyo Declaration, priority attention should be given to tropical products.

In the summer, or perhaps in the fall, we anticipate the need for a number of reviews of both industrial and agricultural products to consider negotiating objectives in various product areas and what modifications might have to be made in the general rules being developed on tariffs and nontariff barriers so as to achieve these objectives.

To monitor this broad effort, we believe there should be a major review in July and another major review, of all facets of our work, toward the end of this year, perhaps in late November.

The program that I have outlined is ambitious. However, with a will we can move forward on all these fronts and show the world that, despite these difficult economic times, we can find acceptable multilateral solutions to the world's trading problems. The United States has the requisite will. We hope and trust that the rest of the nations gathered here do also.

We must move forward now, in this year of stress. If we do not have forward momentum, we shall very likely slide backward, to the collective damage of this trading system that has served us so well in the past. As I said earlier, the world is watching. Let us not only begin; let us quickly demonstrate some results.

Department Stresses Urgency of Assistance to Cambodia

Following is a statement by Philip C. Habib, Assistant Secretary for East Asian and Pacific Affairs, made before the Subcommittee on Foreign Assistance and Economic Policy of the Senate Committee on Foreign Relations on February 24.[1]

I am very appreciative of this opportunity to appear before this subcommittee in order to discuss the situation in Cambodia and the Administration's request for aid necessary to assist the Khmer Government.

I would like to begin my brief statement with a review of the situation in Phnom Penh as it is today, in order that you may have a clear picture of the gravity of the situation necessitating the urgency and size of the military and economic aid requests. Militarily, the situation is more serious than it has ever been since fighting began in 1970. On January 1, the Khmer Communists began their yearly dry-season offensive. Whereas last year their attack on Phnom Penh was the primary target and failed, this year they have chosen the Mekong River corridor from Phnom Penh to the South Viet-Nam border as their primary objective. They have succeeded in seizing large sections of the riverbanks and, for the first time, have begun using mines. The Cambodian Government is determined to reopen this vital line of communication, and we believe that it is capable of doing so. It will, however, require time and, meanwhile, ammunition supplies are being used up once again at a considerably higher rate per day than during the rainy season.

While the Mekong has been the major Khmer Communist objective, fighting has raged all around Phnom Penh and particularly to its northwest. Our Embassy has informed us that casualties since January 1 have averaged about 1,000 per day for both sides. Furthermore, attacks have continued throughout Cambodia, where opposing forces are in constant contact. Also, the insurgents have this year launched more rockets at Phnom Penh than ever before—over 500 during January alone. The latter attacks are of course indiscriminate, and the majority of the victims are women and children.

To make the situation yet grimmer, the economic plight of Cambodia is becoming desperate. The entire economy has been completely disrupted by the war. This once rice-exporting nation is now almost entirely dependent on U.S. imports, and much of its productive agricultural population is huddling in government areas for protection. In the last few months, our Embassy has noted the beginnings of deterioration in the health of the population, particularly in Phnom Penh. As is clear from daily news reports, this has now become a serious problem, with malnutrition spreading and, in some cases, starvation. There is at this time sufficient food in Phnom Penh; but rice is too costly for the poor to buy and, to some extent, there is a maldistribution of supplies. The Khmer Government, together with U.S. and international voluntary agencies and our Embassy, has made ever-increasing efforts on behalf of not only refugees but the entire needy population; but more is needed.

In the Administration's budget requests for fiscal year 1975, we requested $390 million for the Military Assistance Program

[1] The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(MAP), $100 million for economic assistance, including a contribution to the Cambodia Exchange Support Fund and the Commodity Import Program, plus $77 million for Public Law 480. Congress authorized a total of $377 million for all kinds of assistance. It divided this sum into $200 million for MAP, $100 million for economic assistance, and $77 million left for Public Law 480. In addition, the President was authorized to draw down $75 million of military stocks if he deemed it essential. As of now, all of this authority has been used. If no additional authority is provided, ammunition will begin to run out in about a month and food by June—perhaps earlier if we run out of funds for transportation, which has now become very expensive because of necessary airlifts.

On January 28, the President requested legislative release from the statutory ceilings imposed under section 39 of the Foreign Assistance Act of 1974 and requested a supplemental of $222 million for MAP. Ninety percent of the sum requested for MAP would be spent on ammunition. This estimate, in turn, is based on the high level of fighting during the present dry season and assumes a lessening of fighting beginning in May and June. No extra funds have been requested for economic assistance. Lifting of the overall ceiling of $377 million for Cambodia would permit the additional flow of P.L. 480 food to Cambodia. It is estimated that at least $73 million more of P.L. 480 will be needed for the remainder of this fiscal year.

We fully realize and appreciate the natural questions which arise in your minds and those of the American people regarding the need for such assistance to Cambodia at a time of economic difficulty in the United States itself. However, Cambodia cannot be viewed as an isolated spot of small import to the United States. Rather, it must be viewed in the larger context of Indochina, which in turn affects Southeast Asia and Asia as a whole, which, again, affects the rest of the world. It is not to exaggerate to say that the eyes of the world are on the U.S. response to the needs of embattled countries.

Our objective in Cambodia is to see an early compromise settlement of the conflict. The United States has been providing assistance to Cambodia in the tradition of willingness to help those who are willing to defend themselves. Never have the Khmer requested troops or advisers; only the wherewithal to defend themselves. This we have given for almost five years, and I do not believe that we should consider providing inadequate resources to a country that has depended on us so heavily for so long in its own struggle for survival.

The Cambodian Government since the time of the Paris accords on Viet-Nam, which called for the removal of all foreign troops and noninterference in Cambodian affairs, has again and again offered to enter into discussions with its opponents without any preconditions. The last such offer was made immediately following last year's U.N. General Assembly resolution calling for negotiations. The government in Phnom Penh welcomed this resolution, which we also strongly supported, and invited Secretary General Waldheim to visit Phnom Penh. To date, all efforts by the Government of Cambodia to achieve negotiated settlement have been rebuffed. The United States has supported these peace efforts publicly and in bilateral efforts, also to no avail. We would hope, however, that the opponents of the present government will be brought to negotiate once they realize that they are unable to win a military victory. This realization, however, will not come if the Cambodian Government lacks adequate U.S. military and economic assistance. As Prince Sihanouk himself has stated, why should he negotiate if the U.S. Congress is not going to give sufficient aid to the Cambodian Government? I note this remark of Prince Sihanouk's not to irritate you, but as an illustration of the effect of U.S. aid, or lack thereof, on the prospects for peace through negotiation and compromise in Cambodia and elsewhere.

In conclusion, I wish to stress once again the extreme urgency of Cambodia's needs for sufficient military and economic assistance. Only through this can that nation survive, can the Khmer Communists be convinced that military victory is impossible, and can a compromise solution through negotiation be reached.

Department Discusses Food Aid and World Food Security

Following is a statement by Thomas O. Enders, Assistant Secretary for Economic and Business Affairs, submitted to the Senate Committee on Agriculture and Forestry on February 18.[1]

It is apparent that the task of achieving world food security in the last quarter of the century will be both more complex and more compelling than heretofore.

Up until two years ago the world had substantial food reserves, nearly all of it held in North America. Now we are down to pipeline levels, having adjusted to two successive annual shortfalls in availabilities first by drawing down stocks, then by significant cutbacks in consumption in this country (through livestock liquidation) and in a few developing countries. At present there is no more scope for adjustment without severe hardship.

Current projections suggest that a small statistical surplus in world grain supply and demand is probable this year. But even if realized, the resulting increase in stocks would leave the world vulnerable to a new grain shortfall.

Projected requirements for the medium and long term are disquieting. To meet demand generated by growing population and economic growth, the World Food Conference estimated, total food production will have to continue to grow over the next 25 years at an average annual rate of 2½ percent. While physically possible, sustained production growth at this level will require an extraordinary effort in every country to improve yields and bring new land into cultivation. It will require a particular achievement in developing countries, in which food production is projected—even at the current historically high annual rate of increase of 2½ percent—to lag well behind demand, which will increase at 3½ percent, widening the gap in LDC [less developed countries] food requirements from 25 million tons at present to as much as 85 million tons in 1985. Such a gap is far more than the developing countries could conceivably purchase commercially and far more than donors could conceivably provide in food aid.

There has been much discussion about the meaning of these projections, with some arguing that the world is heading for a Malthusian disaster, others that we can now as in the past rely upon technological changes, the stimulus to agricultural change of higher relative prices for food, and efforts to dampen population growth. I do not think we can know now which of these competing forecasts is closer to the truth, for the outcome depends essentially on the actions which this country and others now take. But this much is clear: The penalty for calculating wrong and doing too little to accelerate world agricultural production will be devastatingly harsh, far harsher than the cost of doing too much.

At Rome in November, Secretary Kissinger laid out a three-point strategy for food security, which, in its essentials, the World Food Conference adopted. This strategy calls for:

First, accelerated production in both developed and developing countries. In the short and medium term, the major producing countries like the United States can and should expand output to meet shortfalls in the developing world. But over time they

[1] The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

should not be expected to cover the projected gap in LDC needs; to do so would require enormous investment, the preemptive use of scarce land and water, and multibillion-dollar financing of food transfers. Rather, the focus must be on raising production within the LDC's themselves. In many cases this will require a revolution in farm policy so that agriculture can have priority access to scarce resources and so that farmers have adequate incentives to produce. It will also require large-scale agricultural assistance—for research, for infrastructure, for the improvement of credit and distribution systems, for such direct inputs as fertilizer and machinery.

Action to meet these requirements is underway. AID [Agency for International Development] fiscal year 1975 agricultural assistance programs will total $676 million, up $391 million from the previous year. For fiscal year 1976 we will propose $680 million. At our proposal the IBRD, FAO, and UNDP [International Bank for Reconstruction and Development; Food and Agriculture Organization; U.N. Development Program] have created a new Consultative Group on Food Production and Investment with the purpose of laying out a detailed strategy for LDC agricultural development. The Consultative Group will evolve a process of country examinations so that needed farm policy changes can be discussed in relation to agricultural assistance inputs. In order to be sure that the necessary supplies of the key input of fertilizer are available over the next 25 years, we will shortly propose a far-ranging world fertilizer policy. And we are concerting with other major producing countries to make sure that our productive capacity is used to the fullest.

Second, development of an international system of nationally held reserves. President Ford in his speech before the U.N. General Assembly last fall, two months before the World Food Conference, committed the United States to join in a worldwide effort to negotiate, establish, and maintain such a system. Secretary Kissinger spelled out its basic elements at Rome.

An international grains reserve system would insure all participants, developed countries as well as developing, against an interruption in the physical supply of grain, against the financial burden of procurement in times of shortage, and against the need to make sharp adjustments in consumption, as the United States did this past year. It would also assure that the physical quantities of food required for food aid are actually in place and available at reasonable prices. In this sense a reserves agreement might give priority claim to withdrawals for food aid or emergency relief.

The United States has taken the initiative in carrying out the effort to bring together major importers and exporters to examine this problem. I have in fact just returned from a meeting held in London last week in which the first step was taken toward reaching a consensus on the framework for negotiating on reserves and on its relationship to the multilateral trade negotiations. Much work lies ahead, but the effort is now underway.

Third, expanded food aid. For much of this decade, while efforts to accelerate LDC agricultural production get underway, food aid will continue to be an essential element in covering the gap in developing country food needs. This is the meaning of the World Food Conference resolution calling for an annual commitment of 10 million tons of food aid for three years. Present international commitments are about 5 million tons annually, including obligations under the Food Aid Convention of the International Wheat Agreement and to the World Food Program. We support the World Food Conference target.

It is clear that achievement of this target is the responsibility not just of the major food-producing countries but of all countries with a high standard of living or substantial liquid funds.

As for the United States, it is our inten-

tion to sustain food aid at a high level. In the last two years, the fact that P.L. 480 is, under the terms of the act, a residual [after domestic requirements, adequate carryover stocks, and anticipated commercial exports] has led to major distortions. In fiscal year 1974 the overall total was low, and the country distributions thus skewed to reflect the urgent requirements of a few nations at war. This year the same residuality calculus led to delays, although the final totals more closely approximate an optimum program.

In looking to the future of P.L. 480 we have to find some way to moderate this basic problem of the past two years—that food aid is most needed but least available when world grain supplies are tight and prices high.

The amendment to section 401 proposed by the Administration and Senator Humphrey would make food aid less of a residual than is now the case. The Secretary of Agriculture could determine that some part of exportable supply (including that needed to meet commercial demands) should be used to carry out the objectives of the P.L. 480 act.

Critics of this proposal say that its adoption would expose us to a higher risk of export controls in a short supply situation, with P.L. 480 no longer there as an adjustable balancing item. But that risk should not be exaggerated, nor should it be absolutely determining. We cannot be serious about feeding hungry and needy people if we are ready to abandon or cut back our program when demand is high.

Amendment of section 401 is the most important change required to adapt P.L. 480 to the needs of this decade. But P.L. 480 will not serve its purpose unless it is funded at a consistently high level so as to provide a substantial, sustained commodity flow, at least in the coming years. That is the intention of this Administration.

Mr. Chairman, let me add a word about the controversy between "political" and "humanitarian" uses of food aid.

Few would argue that our programs are designed to achieve both ends. All the countries we assist with P.L. 480 are developing all are relatively poor; all have deficient dietary standards; many are threatened with disaster, either natural or through war; al have major food needs.

The question, then, is not whether to choose between Korea and Pakistan, between Viet-Nam and Cambodia, between Chile and India. The question is how to find a basis on which our national interests can be served in each country. As we have seen this year that requires a larger program, and President Ford has budgeted at $1.47 billion commodity costs.

However, food aid, Mr. Chairman, is only part of food security; in the long run it is the less important part. In creating a regime of food security in the developing world—through accelerated production, creation o reserves, as well as food aid—our political and humanitarian interests converge. Food security must be one of the fundamental objectives of both foreign and domestic policy in this decade.

Congressional Documents Relating to Foreign Policy

93d Congress, 2d Session

Détente. Hearings before the Subcommittee o Europe of the House Committee on Foreign Affairs. May 8–July 31, 1974. 615 pp.

Briefing on Counterforce Attacks. Hearing befor the Subcommittee on Arms Control, International Law and Organization of the Senate Committee on Foreign Relations. Secret hearing held o September 11, 1974. Sanitized and made publi on January 10, 1975. 56 pp.

United States Contributions to International Organizations. Communication from Acting Secretary of State transmitting the annual report o United States contributions to international or ganizations for fiscal year 1973. November 2 1974. H. Doc. 93–405. 102 pp.

Consular Convention With Bulgaria. Report to ac company Ex. H. 93–2. S. Ex. Rept. 93–38. Decem ber 13, 1974. 7 pp.

U.N. Peacekeeping in the Middle East. Report t accompany H.R. 16982. S. Rept. 93–1361. Decem ber 17, 1974. 3 pp.

Conference Report on Foreign Assistance Act o 1974. H. Rept. 93–1610. December 17, 1974. 53 pp

Current Actions

MULTILATERAL

Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the United States December 29, 1970. TIAS 6997.

Accession deposited: German Democratic Republic, February 20, 1975.

Aviation

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

Accession deposited: Egypt (with reservation), February 28, 1975.

Protocol relating to an amendment to the convention on international civil aviation, as amended (TIAS 1591, 3756, 5170, 7616). Done at Vienna July 7, 1971. Entered into force December 19, 1974.

Ratification deposited: Bolivia, December 30, 1974.

Biological Weapons

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

Signature: Sweden, February 27, 1975.

Coffee

Protocol for the continuation in force of the international coffee agreement 1968, as amended and extended (TIAS 6584, 7809), with annex. Approved by the International Coffee Council at London September 26, 1974. Open for signature November 1, 1974, through March 31, 1975.[1]

Signatures: Denmark, December 18, 1974; United States, January 15, 1975.

Acceptance deposited: Denmark, December 18, 1974.

Conservation

Agreement on the conservation of polar bears. Done at Oslo November 15, 1973.[1]

Ratification deposited: Norway, January 23, 1975.

Narcotic Drugs

Convention on psychotropic substances. Done at Vienna February 21, 1971.[1]

Accession deposited: Mexico, February 20, 1975.

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972.[1]

Ratification deposited: Federal Republic of Germany, February 20, 1975.

Nuclear Weapons—Nonproliferation

Treaty on the nonproliferation of nuclear weapons. Done at Washington, London, and Moscow July 1, 1968. Entered into force March 5, 1970. TIAS 6839.

Accession deposited: Sierra Leone, February 26, 1975.

Oil Pollution

International convention relating to intervention on the high seas in cases of oil pollution casualties, with annex. Done at Brussels November 29, 1969.

Ratification deposited: Dominican Republic, February 5, 1975.

Enters into force: May 6, 1975.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.[2]

Ratification deposited: Mexico, February 20, 1975.

Tonnage Measurement

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969.[1]

Accession deposited: Saudi Arabia, January 20, 1975.

Telecommunications

International telecommunication convention, with annexes and protocols. Done at Malaga-Torremolinos October 25, 1973. Entered into force January 1, 1975.[2]

Accession deposited: Malta (with a reservation), January 30, 1975.

Wheat

Protocol modifying and extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington April 2, 1974. Entered into force June 19, 1974, with respect to certain provisions; July 1, 1974, with respect to other provisions.

Ratification deposited: Iraq, February 26, 1975.

BILATERAL

Jamaica

Agreement amending and extending the agreement of September 29, 1967, as amended and extended (TIAS 6357, 6915, 7720), relating to trade in cotton textiles. Effected by exchange of notes at Washington February 20, 1975. Entered into force February 20, 1975.

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[1] Not in force.

[2] Not in force for the United States.

Nicaragua

Agreement terminating the agreement of September 5, 1972, as amended (TIAS 7433, 7782), relating to trade in cotton textiles. Effected by exchange of notes at Managua December 26, 1974 and January 3, 1975. Entered into force January 3, 1975.

Portugal

Agreement extending the agreement of November 17, 1970, as amended (TIAS 6980, 7336, 7805), concerning trade in cotton textiles. Effected by exchange of notes at Lisbon December 30, 1974. Entered into force December 30, 1974.

Saudi Arabia

Agreement on guaranteed private investment. Signed at Washington February 27, 1975. Enters into force on the date of the note by which Saudi Arabia confirms to the United States that the agreement has been approved in conformity with the applicable laws and procedures of Saudi Arabia.

Union of Soviet Socialist Republics

Agreement extending the agreements of February 21, 1973, as extended (TIAS 7572, 7573, 7571, 7981), relating to fishing operations in the northeastern Pacific Ocean, certain fisheries problems in the northeastern part of the Pacific Ocean off the coast of the United States, and fishing for king and tanner crab. Effected by exchange of notes at Washington February 26, 1975. Entered into force February 26, 1975.

Agreement amending the agreement of February 21, 1973, as amended (TIAS 7575, 7663), relating to the consideration of claims resulting from damage to fishing vessels or gear and measures to prevent fishing conflicts. Effected by exchange of notes at Washington February 26, 1975. Enters into force April 1, 1975.

Agreement on certain fishery problems on the high seas in the western areas of the middle Atlantic Ocean, with related letters. Signed at Washington February 26, 1975. Entered into force February 26, 1975, except that paragraphs 4 and 5 shall enter into force April 1, 1975.

Agreement on certain fishery problems on the high seas in the western areas of the middle Atlantic Ocean, as extended (TIAS 7981). Signed at Copenhagen June 21, 1973. Entered into force July 1, 1973. TIAS 7664.

Terminated: February 26, 1975, except for paragraph 3, which remains in force until April 1, 1975.

Editor's Note

The Schedule of International Conferences, which is published quarterly by the Office of International Conferences, will no longer appear in the BULLETIN. Interested individuals and organizations may arrange to receive the list on a regular basis. Requests should be addressed to: Director, Office of International Conferences, Department of State, Washington, D.C. 20520.

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Check List of Department of State Press Releases February 24–March 2

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

No.	Date	Subject
†98	2/24	Kissinger: letter to OAU Secretary General.
*99	2/25	U.S. and Jamaica extend textile agreement.
*100	2/25	U.S. and Egypt extend textile agreement.
*101	2/25	Richardson sworn in as Ambassador to Great Britain (biographic data).
*102	2/25	Hummel sworn in as Ambassador to Ethiopia (biographic data).
103	2/25	Kissinger: news conference.
†104	2/26	U.S.-U.S.S.R. fisheries discussions.
*105	2/27	Austad sworn in as Ambassador to Finland (biographic data).
106	2/26	State, Treasury, FEA joint statement on energy prices.
*107	2/27	Frankel named Lincoln Lecturer.
†108	3/1	Kissinger: combined service club luncheon, Houston, Tex.

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