



THE DEPARTMENT OF STATE BULLETIN

Volume LXXIII • No. 1894 • October 13, 1975

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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.

Publications of the Department of State, United Nations documents, and legislative material in the field of international relations are also listed.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

PRICE:

52 issues plus semiannual indexes,
domestic \$42.50, foreign \$53.15
Single copy 85 cents

Use of funds for printing this publication approved by the Director of the Office of Management and Budget (January 29, 1971).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated. The BULLETIN is indexed in the Readers' Guide to Periodical Literature.

Building International Order

*Address by Secretary Kissinger*¹

At the outset, let me say how pleased we are that our deliberations this year take place under the Presidency of the distinguished Prime Minister of Luxembourg [Gaston Thorn]. His contribution to European cooperation, his diplomatic skills, his dedication to democracy give us confidence that this 30th session will be marked by a constructive and creative spirit.

And I want also to pay tribute to the distinguished Secretary General [Kurt Waldheim], whose fairness, leadership, and tireless effort are dedicated to carrying this organization forward into a new era of cooperation for world peace.

This century has seen war and cataclysm on an unprecedented scale. It has witnessed the breakdown of established patterns of order and practices of international conduct. It has suffered global economic depression and cycles of famine. It has experienced the birth of thermonuclear weapons and the proliferation of armaments around the planet. Ours is a world of continuing turmoil and ideological division.

But this century has also seen the triumph of the principle of self-determination and national independence. A truly global community has begun to evolve, reflected in a multitude of institutions of international cooperation. We have shaped new methods of peaceful settlement, arms limitation, and new institutions to promote economic development and to combat hunger and disease

worldwide. And our very presence here signifies the hope of all nations that disputes and conflicts can be resolved by cooperative means.

As we deliberate the future, an event of potentially vast implication has just been achieved in this organization: the unanimous agreement produced by the seventh special session of the General Assembly on measures to improve the economic condition of mankind. Despite differences of ideology and approaches to economic development, the nations assembled here began to move toward the recognition that our interdependence spells either common progress or common disaster, that in our age no nation or group of nations can achieve its aims by pressure or confrontation and that the attempt to do so would damage everyone. They agreed to transcend the stereotypes of the past in the search for a cooperative future. The special session forged a sense of common purpose based on the equality and cooperation of states. Now we must dedicate ourselves to implementing this consensus.

Let us carry forward the spirit of conciliation into the deliberations of this regular session. Let us address the issues of world peace—the foundation of all else we do on this planet—with this same consciousness of our common destiny.

It is our common duty to avoid empty slogans and endless recriminations. We must instead sustain, strengthen, and extend the international environment we and our posterity will require for the maintenance of peace and the furtherance of progress.

¹ Made before the 30th United Nations General Assembly on Sept. 22 (text from press release 496).

Only in a structure of cooperation can disputes be settled and clashes contained. Only in an atmosphere of conciliation can the insecurity of nations, out of which so much conflict arises, be eased and habits of compromise and accommodation be nurtured. Social progress, justice, and human rights can thrive only in an atmosphere of reduced international tension.

The United States stands ready to dedicate itself to cooperative efforts to harmonize the different perspectives of the world community in creating a new sense of security and well-being. We do so not out of fear, for we are better able to sustain ourselves in situations of confrontation than most other nations. Nor do we do so out of a sense of guilt, for we believe that we have on the whole used our power for constructive ends.

We affirm our common destiny because of our recognition of global interdependence and because global peace requires it. Indeed, there is no realistic alternative to shared responsibility in dealing with the international agenda of peace, security, economic well-being, and justice.

Let me set forth the views of the United States on the work we face in each of these areas.

Building for Peace

Our first and transcendent concern is for peace in the world.

Peace is never automatic. It is more than the absence of war. And it is inseparable from security.

A world in which the survival of nations is at the mercy of a few would spell oppression and injustice and fear. There can be no security without equilibrium and no safety without restraint. Only when the rights of nations are respected, when accommodation supplants force, can man's energies be devoted to the realization of his deepest aspirations.

The United States will pursue the cause of peace with patience and an attitude of conciliation in many spheres:

—We shall nurture and deepen the ties of cooperation with our friends and allies.

—We shall strive to improve relations

with countries of different ideology or political conviction.

—We shall always stand ready to assist in the settlement of regional disputes.

—We shall intensify our efforts to halt the spiral of nuclear armament.

—We shall strive to improve man's economic and social condition and to strengthen the collaboration between developed and developing nations.

—We shall struggle for the realization of fundamental human rights.

Relations With Allies and Friends

America's close ties with the industrial democracies of North America, Western Europe, and Japan have been the cornerstone of world stability and peace for three decades. Today, looking beyond immediate security and defense, we are working together on a range of new issues. Through our consultations, we have begun joint efforts to ease international tensions, to coordinate our national policies for economic recovery to work together on common challenges such as energy and the environment, and to address the great issues that concern the developing countries.

These endeavors are in pursuit of universal goals; they are not directed at any nation or group of nations. They are designed as building blocks for a broader international community.

In the same spirit, the United States has opened a new dialogue with its neighbors in Central and Latin America. We have taken important steps toward resolving major political problems; we have begun close consultations for cooperation in promoting economic and social development. Alliance relations in the Western Hemisphere have a long history and great promise for the future. With imagination and dedication, we can make inter-American cooperation on the tasks of development an example and a pillar of the global community.

East-West Relations

Peace, to be secure, must place on a more durable and reliable basis the relations between the nations possessing the means to destroy our planet.

In recent years, the bipolar confrontation of the last generation has given way to the beginning of dialogue and an easing of direct conflict. In this body, of all organizations, there is surely an appreciation of the global importance of lessened tension between the nuclear superpowers. All nations have a stake in its success. When weapons of mass destruction can span continents in minutes, nuclear conflict threatens the survival of all mankind.

We recognize that the suspicion and rivalry of a generation will not be swept away with a document or a conference. Real ideological and political differences exist. We shall firmly defend our vital interests and those of our friends. But we shall never lose sight of the fact that in our age peace is a practical necessity as well as a moral imperative. We shall pursue the relaxation of tensions on the basis of strict reciprocity. We know the difference between posturing and policy; we will not encourage the belief that anyone can benefit from artificial tensions. We are deeply conscious that we owe it to future generations not to be swayed by momentary passions.

The state of U.S.-Soviet relations today and just a decade ago present a dramatic contrast. The world is no longer continually shaken by chronic and bitter confrontations. Periodic consultations—including at the highest level—encourage restraint and amplify areas of mutual interest. The forthcoming meeting between President Ford and General Secretary Brezhnev should strengthen this process.

Principles of mutual restraint have been enunciated at various summit meetings; they were reaffirmed by the Conference on Security and Cooperation in Europe two months ago. These principles provide a standard of behavior by which our actions will be tested. If they are observed—as we insist—and if neither side seeks unilateral advantage, the specter of general war will be lifted not only from our own people but from all nations. There is no more important task before us.

We have likewise pursued more constructive and beneficial relationships with the countries of Eastern Europe. The United

States has many traditional and deep-rooted bonds of friendship with the proud peoples of that region. We see widening possibilities for practical cooperation as the barriers between East and West in Europe diminish.

There is no relationship to which the United States assigns greater significance than its new ties with the People's Republic of China. We believe that the well-being and progress of a quarter of humanity is an important element in global stability.

The hostility of decades between our two nations has been replaced by a relationship of mutual respect which is now a durable feature of the world scene. It serves not only the interest of our two countries but also the broader interests of peace and stability in Asia and around the world. President Ford plans to visit the People's Republic of China later this year to confirm the vitality of our relationship and to advance the ties between us on the basis of the strict implementation of the Shanghai communique. We take seriously the process of normalizing our relationship. We are dedicated to pursuing it.

Containing Regional Conflicts

The world community must find a way to contain or resolve regional conflicts before they spread into global confrontations.

Nowhere has the danger been greater than in the *Middle East*. Nowhere has the need for persistent and imaginative negotiation between suspicious rivals been more evident. Nowhere is there greater promise of moving from perennial crisis toward peace. Nowhere has the U.N. Security Council established a clearer framework of principles than in its Resolutions 242 and 338.

The road toward a lasting peace stretches long and hard before us. The Middle East has seen more than its share of dashed hopes and disappointment. But the conclusion of the recent Sinai agreement marks a major step forward. It is the first agreement in the long and tragic history of the Arab-Israeli conflict which is not the immediate consequence of hostilities. It could mark a turning point.

The agreement deserves the support of all the countries assembled here, because every nation here has an interest in progress to-

ward peace in the Middle East. It is another step in the process launched by Security Council Resolution 338. The alternative was a continuing stalemate which would have led over time to another war, creating a serious threat to world peace and the prospect of broad global economic dislocation.

Neither fear of the future nor pride should obscure the fact that an unusual opportunity for further progress on all issues now exists. But opportunities must be seized or they will disappear. I want to emphasize that the United States did not help negotiate this agreement in order to put an end to the process of peace, but to give it new impetus.

President Ford has stated that we will not accept stalemate and stagnation in the Middle East. That was true before the Sinai agreement was signed; it remains true today. The objective of our policy is not merely to create another temporary truce, but to sustain the momentum of negotiations. The United States is determined to take every feasible step to help promote further practical progress toward final peace.

As a first step, it is essential that the Sinai agreement be carried out impeccably, within the terms and the time frame that are stipulated.

In the improved atmosphere thus created, the United States stands ready to participate in any promising initiative toward peace at the request of the parties concerned.

We have made clear that we are prepared to make a serious effort to encourage negotiations between Syria and Israel.

We also intend to consult over the coming weeks with all concerned regarding the reopening of the Geneva Conference, which met at an early crucial phase. As cochairmen of the Geneva Conference together with the Soviet Union, our two countries have special responsibilities in this regard.

We are prepared also to explore possibilities for perhaps a more informal multilateral meeting to assess conditions and to discuss the future.

The United States seeks no special benefit; we do not attempt to exclude any country. We will cooperate with any nation that is willing to make a contribution. We have no preference for any particular procedure. We

will support whatever process seems most promising. Our approach will continue to be both flexible and determined.

The search for final peace must be conducted on a wide basis. We are in frequent touch with governments in the Middle East. We have already begun discussions with the Soviet Union with a view to assessing the current situation in the Middle East and weighing possible diplomatic approaches to bring about a just and durable peace in accordance with Security Council Resolutions 242 and 338. While we have had important differences with the Soviet Union, our two countries have held parallel views that the situation in the Middle East poses grave dangers and that partial steps must be part of and contribute to progress toward a comprehensive settlement.

The role of the world organization remains essential. If this organization had no other accomplishment than its effective peacekeeping role in this troubled area, it would have well justified itself. These soldiers of peace, wearing the blue beret of the United Nations as members of UNTSO, UNEF, UNDOF [U.N. Truce Supervision Organization, U.N. Emergency Force, U.N. Disengagement Observer Force], have become indispensable to the maintenance of the two 1974 disengagement accords as well as the Sinai agreement. I want to take this occasion to salute Secretary General Waldheim and his staff and General Siilasvuo [Lt. Gen. Ensio Siilasvuo, of Finland], the Chief Coordinator of the U.N. peacekeeping missions in the Middle East, and all the men and women from many countries who have served in the forces without an enemy.

The deliberations of this Assembly regarding the Middle East also play a central role. They can encourage progress or exacerbate tensions.

Procedural decisions can be based on the recognition that dialogue requires universality of membership, or they can fuel a futile self-defeating effort to discriminate—in violation of the charter—against a member state whose participation is vital for a solution.

The Middle East will continue to be an area of anguish, turmoil, and peril until a

ust and durable peace is achieved. Such a peace must meet the principal concerns and interests of all in the area; among these are territorial integrity, the right to live in peace and security, and the legitimate interests of the Palestinians.

In the Middle East today there is a yearning for peace surpassing any known for three decades. Let us not doom the region to another generation of futile struggle. Instead, let the world community seize the historic opportunity before it. The suffering and bravery of all the peoples of the Middle East cry out for it; the hopes and interests of all the world's peoples demand it. The United States promises its full dedication to further progress toward peace.

The contribution of the United Nations to the process of peace is essential in *Cyprus* as well. The Secretary General has the responsibilities of organizing the peacekeeping forces on the island and of facilitating the talks between the leaders of the Greek and Turkish communities.

Strict maintenance of the cease-fire is imperative. For this we look to the restraint of the parties and the efficacy of the U.N. peacekeeping forces.

We know that the world community shares our sense of urgency that the negotiating process be resumed and that the parties demonstrate flexibility and statesmanship. The status quo on the island must not become permanent; a rapid and equitable solution is essential. The Secretary General has worked tirelessly and imaginatively under the most difficult circumstances to narrow the differences. He deserves the full support of the parties and of every nation here.

The details of a Cyprus settlement are for the two communities themselves to decide. However, in keeping with U.N. resolutions which the United States has fully supported, the following principles are essential:

—A settlement must preserve the independence, sovereignty, and territorial integrity of Cyprus.

—It must insure that both the Greek Cypriot and the Turkish Cypriot communities can live in freedom and have a large voice in their own affairs.

—The present dividing lines cannot be permanent. There must be agreed territorial arrangements which reflect the economic requirements of the Greek Cypriot community and take account of its self-respect.

—There must be provision for the withdrawal of foreign military forces other than those present under the authority of international agreements.

—And there must be security for all Cypriots; the needs and wishes of the refugees who have been the principal victims and whose tragic plight touches us all must be dealt with speedily and with compassion.

These goals match the aspirations of the overwhelming majority of the Cypriot people as well as the interests of all neighboring states.

Another area where this organization will be called upon to take responsible action is *the Korean Peninsula*.

This requires, above all, maintenance of the armistice, pending agreement by all of the parties most directly concerned to replace it with a new arrangement. The existing armistice is the only legal instrument committing the parties to maintain the peace. It is a carefully designed structure for monitoring and policing the military demarcation line.

The U.N. commander in chief is a signatory to that agreement. The armistice machinery functions daily. None of the signatories has repudiated it. Nor could they do so without serious risks to the peace of the world.

Since 1972, South and North Korea have pledged themselves to enter into a dialogue and to seek unification without resort to arms. This Assembly in 1973 and 1974 encouraged this process—first in a consensus resolution supporting talks between the two sides; then in a resolution which looked toward termination of the U.N. Command. The United States agrees that 20 years after the end of the Korean war, it is timely to terminate the U.N. Command. We have, in fact, cosponsored a resolution to that effect which is now before you.

It would be foolhardy, however, to terminate the U.N. Command without new ar-

rangements to preserve the integrity of the armistice agreement. In the interest of peace, the United States cannot accept any solution which fails to provide for the continuing validity of the armistice agreement.

The Republic of Korea and the United States have stated their general readiness to meet with representatives of the other side and with other members of the Security Council to discuss termination of the U.N. Command while preserving the armistice agreement.

Today I can be more specific. The United States and the Republic of Korea, looking forward to the time when a lasting solution of the Korean problem can be achieved, are herewith proposing to the parties of the armistice the convening of a conference to discuss ways to preserve the armistice agreement. At such a meeting, we would also be prepared to explore other measures to reduce tension on the Korean Peninsula, including the possibility of a larger conference to negotiate a more fundamental arrangement.

It would be in keeping with this spirit of dialogue for this body to open its doors to full membership for the two Korean Governments. The United States supports the dual entry of both South and North Korea into the United Nations without prejudice to their eventual reunification. For our part, if North Korea and its allies would move to improve their relations with the Republic of Korea, we would be prepared to take similar reciprocal actions.

It goes without saying that no proposal for security arrangements on the Korean Peninsula which attempts to exclude the Republic of Korea from the discussions can be accepted by the United States. The United Nations can contribute significantly to the process of peace on the Korean Peninsula by supporting a responsible approach.

Over the past year the United States has followed carefully and with great sympathy the efforts to reach peaceful settlements in *southern Africa*.

We welcome the statesmanlike efforts of both black and white African leaders who are seeking to prevent violence and blood-

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

In underlining our goal of peaceful change for southern Africa, I want to emphasize the importance of an early settlement in Namibia. My government's opposition to South Africa's continuing occupation of Namibia and our rejection of South Africa's apartheid system are well known. The United States has consistently conveyed our position on this subject to South Africa. We will continue to do so.

We believe that the people of Namibia should be given the opportunity within a short time to express their views on the political future and constitutional structure of their country freely and under U.N. supervision.

Building International Security

Peace in the world will be fragile and tenuous without a curb and eventually an *end of the arms race*. This is why the United States has embarked with the Soviet Union upon the difficult and complex negotiation to limit strategic arms. Our objectives are to prevent unchecked destabilizing competition in strategic armaments, to achieve reduction of these arms, to lessen further the likelihood of hasty decisions in time of crisis, and to ease the economic burden of the nuclear arms race.

The Vladivostok accord of last fall marked a major step toward achieving these goals. When the agreement in principle is translated into a treaty, agreed ceilings will be placed on strategic force levels for a 10-year period. This unprecedented step will slow the pace of new arms programs, especially those driven by fear of major deployments by the other side. And it will enhance prospects for international stability and for political accommodation in other areas.

The United States is actively engaged in

other arms control negotiations. Together with the Soviet Union, we have made progress toward establishing a regime for peaceful nuclear explosions. And we have agreed to set a threshold on the underground testing of nuclear weapons. These are significant steps toward a verifiable comprehensive test ban.

In addition, the United States and the U.S.S.R. have presented to the Conference of the Committee on Disarmament texts of a Convention on the Prohibition of Military or Any Other Hostile Use of Environmental Modification Techniques. These techniques are still at a primitive stage of development, but man's mastery of environmental forces continues to advance. Misuse of this knowledge might open new avenues of military competition and wreak untold and irreversible harm upon all humanity. We urge the conference to complete its consideration rapidly.

Another urgent task is a substantial reduction in the high levels of military forces now confronting each other in various parts of the world. The United States believes that the time has come to give new impetus to the negotiations on mutual and balanced force reductions in Central Europe. The significance of the Conference on Security and Cooperation in Europe depends importantly on whether we can achieve progress in this area. An agreement that enhances mutual security in Central Europe is feasible and essential. We will work toward this goal.

The world faces a paradox with respect to *the proliferation of nuclear energy*. Men have fashioned from the atom weapons which can in minutes end the civilization of centuries. Simultaneously, the atom is fast becoming a more and more essential source of energy. It is clear that the cost and eventual scarcity of oil and other fossil fuel will increasingly spread nuclear power around the world in the decades ahead.

But the spreading of nuclear power poses starkly the danger of proliferating nuclear weapons capabilities—and the related risks of the theft of nuclear materials, blackmail by terrorists, accidents, or the injection of the nuclear threat into regional political con-

flicts. Now is the time to act. If we fail to restrain nuclear proliferation, future generations will live on a planet shadowed by nuclear catastrophe.

Over the past year, the United States has repeatedly urged new efforts among the supplier states to strengthen and standardize safeguards and controls on export of nuclear materials. We must not allow these safeguards to be eroded by commercial competition. We must insure the broad availability of peaceful nuclear energy under safe, economical, and reliable conditions.

The United States has intensified its efforts within the International Atomic Energy Agency (IAEA) and with other nations to broaden and strengthen international standards and safeguards and has proposed an international convention setting standards to protect the physical security of nuclear materials in use, storage, or transfer.

The United States continues to urge the widest possible adherence to the Nonproliferation Treaty and the associated safeguard measures of the IAEA.

The greatest single danger of unrestrained nuclear proliferation resides in the spread under national control of reprocessing facilities for the atomic materials in nuclear power plants. The United States therefore proposes—as a major step to reinforce all other measures—the establishment of multinational regional nuclear fuel cycle centers. These centers would serve energy needs on a commercially sound basis and encourage regional energy cooperation. Their existence would reduce the incentive for small and inefficient reprocessing facilities, limit the possibility of diverting peaceful nuclear materials to national military use, and create a better framework for applying effective international safeguards.

We urge that groups of nations begin now to explore this concept and that all states support the IAEA's work in this field.

Building Economic Well-Being

In the last two years, the world community has been reminded dramatically to what extent economic relations are an essential foundation of the international order.

Economic conditions not only underpin every society's ability to achieve its national goals, but all national economies are sustained by the global economic system. The conduct of our economic affairs will therefore determine to an extraordinary degree whether our political relations will be based on cooperation or conflict.

It would be one of history's most tragic ironies if, at a time when we are putting behind us the tensions of the cold war, we were to enter a new period of conflict between North and South, rich and poor. At the recently concluded special session, the United States called for an end to the sterile confrontation of the past. We stated that when the ancient dream of mankind—a world without poverty—becomes a possibility, our moral convictions also make it a duty. And we emphasized that only cooperation—not extortion—can achieve this goal.

The special session gives us ground for hope that—at least for the immediate future—a choice has been made to turn away from confrontation toward cooperation. The United States is proud to support the final document which is the product of the arduous effort and dedication of so many in this chamber.

The United States considers the achievements of the special session a beginning, not an end. As recommended by the final report, we must now move forward in available forums to give reality and content to the objectives on which we have agreed. In the difficult negotiations ahead, my government will participate energetically in a cooperative and conciliatory spirit.

Building for Justice

Beyond peace, security, and prosperity lies a deeper universal aspiration for dignity and equal opportunity. Mankind will never be spared all the tragedies inherent in the cycle of life and death. But we do have it in our power to eliminate or ease the burden of social tragedy and of organized injustice.

The United States has therefore traditionally been an advocate of extending the reach of international law in international affairs.

We have offered our help to the victims of disease and natural disaster. We have been a champion of liberty and a beacon to the oppressed. There is no longer any dispute that international human rights are on the agenda of international diplomacy.

The reach of international law must extend to the last frontiers of our planet, the oceans. They are the common heritage of mankind, but they can turn into arenas of conflict unless governed by law. They hold untapped sources of energy, minerals, and protein; their environmental integrity is crucial to our survival.

The United States welcomed the U.N. mandate for a comprehensive treaty governing the use of the oceans and their resources. Last month in Montreal, I set forth our approach to this negotiation and urged that next year's session of the Law of the Sea Conference move matters to a rapid and successful conclusion. No international negotiation is more vital for long-term political and economic stability and the prosperity of our globe.

International law must also come to grips with international terrorism. Innumerable innocent lives have been lost as a consequence of the lack of internationally accepted standards specifically designed to avert unlawful and dangerous interference with civil aviation. The hijacking of aircraft, the kidnapping and murder of innocent civilian victims for presumed political gain remain a plague on civilized man. This remains one of the underdeveloped areas of international law which merits the most urgent attention of this organization.

Compassion for our fellow men requires that we mobilize international resources to combat the age-old scourges of mankind—disease, famine, and natural disaster. We are pleased that a concerted effort has been undertaken by the World Health Organization and interested governments, in response to our initiative at the last General Assembly, to control schistosomiasis, a disease which afflicts and debilitates over 200 million people in 70 countries and imposes a great human and economic cost.

The great human rights must be recog-

nized, respected, and given reality in the affairs of nations. The earliest U.N. declarations and the recent Helsinki Conference leave no doubt that these are matters of international concern. The United States will support these principles. Throughout the world, in all continents, violations of human rights must be opposed whether they are inflicted by one race upon another—or upon members of the same race. Human rights must be cherished regardless of race, sex, or religion. There can be no double standard.

The U.N. Human Rights Commission has taken its first steps against gross violations of human rights where serious and reliable allegations are submitted by individuals. We support these steps. The organized concern of the world community can be a potent weapon in the war against degradation of human values.

One of the most persistent and serious problems is torture, a practice which all nations should abhor. It is an absolute debasement of the function of government when its overwhelming power is used not for people's welfare but as an instrument of their suffering.

The United States urges this Assembly to adopt the declaration of the recent world congress on this issue in Geneva. In addition, we propose that this General Assembly establish a group of experts, to be appointed by the Secretary General, to study the nature and extent of torture in the world today and to report back to the next Assembly.

Mr. President, this organization was created in the belief that the universality of the human race can be reflected in the conduct of international affairs. This chamber symbolizes the hope that mankind places in the force of nations working together in the common interest with reason, responsibility, and mutual respect. The problems we face are complex and perilous. The sterile slogans of yesterday, the solutions of the past, the dwelling upon old resentments, can only widen the gaps between us and allow the dangers to peace and the well-being of our peoples to fester and grow.

We have it in our power to prove to future generations that the last quarter of the 20th

century was not an era of violence and conflict, but one of the creative epochs of world history.

My country's history, Mr. President, tells us that it is possible to fashion unity while cherishing diversity, that common action is possible despite the variety of races, interests, and beliefs we see here in this chamber. Progress and peace and justice are attainable.

So we say to all peoples and governments: Let us fashion together a new world order. Let its arrangements be just. Let the new nations help shape it and feel it is theirs. Let the old nations use their strengths and skills for the benefit of all mankind. Let us all work together to enrich the spirit and to ennoble mankind.

Secretary Kissinger Interviewed for CBS "Morning News"

Following is the transcript of an interview with Secretary Kissinger by Richard C. Hottelet recorded at New York September 22 for broadcast on the CBS television program "Morning News" on September 23.

Press release 499 dated September 23

Mr. Hottelet: Mr. Secretary, you advanced a new proposal in your speech to the General Assembly—a multilateral consultation on the Middle East. What do you have in mind?

Secretary Kissinger: Well, it was really something for the purpose of exploration. If it is too difficult to assemble a formal conference because various parties don't know exactly where it would be going, then it seemed to me that perhaps a group of the states most concerned could meet to take stock, to see whether they can chart some course in the future, and use that as a point of departure for a more formal conference. For example, in the producer-consumer conference, we have a preparatory meeting—something of that nature.

Mr. Hottelet: How many states would you think would be involved?

Secretary Kissinger: Well, I would think

that—all of the states of the Geneva Conference. But we are flexible about this. Our major interest is to get a process of peace in the Middle East to continue to move.

Mr. Hottelet: Is this a kind of help-wanted ad to solicit ideas at a time when you need more movement?

Secretary Kissinger: No. We have ideas and will be presenting them to the various governments. But since we just started that process, I do not want to go any further until we have had some replies.

Mr. Hottelet: Could you see the Arabs sitting down with the Israelis, even in an informal conference like this?

Secretary Kissinger: They are sitting down with them—have agreed to sit down with them in Geneva and in fact sat down with them in Geneva.

Mr. Hottelet: Have your explorations on this brought any signs of interest from the parties involved?

Secretary Kissinger: We have just started them.

Mr. Hottelet: Mr. Secretary, you have spoken to the Soviet Union, Foreign Minister Gromyko specifically, on the Middle East. Do you get any sense of whether the Russians will raise objections next month when the Security Council has to renew the mandate of the U.N. Emergency Force in the Sinai?

Secretary Kissinger: Well, they of course have to speak for themselves. My impression is that they will not endorse the agreement but also that they will do nothing to thwart the agreement.

Mr. Hottelet: Syria is an open question. Do you see any possibility of movement there between the Israelis and the Syrians?

Secretary Kissinger: I have said in my speech that we would make a serious effort to encourage negotiations between Syria and Israel. That is what we will do.

Mr. Hottelet: What can you do that you have not done?

Secretary Kissinger: Well, we have not

really made a significant effort since the disengagement agreement between Syria and Israel. So we would be attempting to see whether we can find a basis for negotiation between the parties. That we have not attempted yet.

Mr. Hottelet: Do you see yourself going back to the Middle East shuttle, Damascus-Jerusalem?

Secretary Kissinger: In the Egyptian negotiation we started in diplomatic channels, and we spent several months of diplomatic exploration before we decided whether another step was needed. We would certainly begin the Syrian negotiation in—Syrian-Israeli negotiation—in diplomatic channels before we went to more dramatic steps.

Mr. Hottelet: You do see a possibility, though, of getting that moving.

Secretary Kissinger: Yes.

Mr. Hottelet: The question of weapons deliveries to both sides in the Middle East has caused a lot of concern. Have you ever discussed with the Soviet Union the possibility of an agreement on a ceiling of arms deliveries?

Secretary Kissinger: Well, we talked about it to them several years ago. At that time the answer was that they would agree to this only in the context of a final settlement. We have not recently discussed it. There is the additional complication that with the way arms are now being transferred among some of the Middle Eastern countries, the ceiling would have to be applied to very many countries. It could no longer be applied only to the so-called confrontation states.

Mr. Hottelet: There seems to be an escalation in the types of weapons, too—the notion of a 450-mile Pershing rocket to Israel.

Secretary Kissinger: I think that this has been blown out of any proportion. The Pershing missile was on the Israeli shopping list which was submitted to the United States last August. It has been before the United States since last August. There is absolutely nothing new about it.

The United States has not agreed to sup-

ply it. It has agreed again, after the reassessment, to continue the study that was already going on.

There has been no commitment. The President has said it. I have said it. Secretary [of Defense James R.] Schlesinger has said it. And we have enough real problems not to torment ourselves with artificial ones.

Mr. Hottelet: Do your experts think that the Israelis need the Pershing for their security?

Secretary Kissinger: The Israelis think they need the Pershing. The purpose of the study is to sort out some of the questions that are now being asked—whether it is necessary for the defense of Israel, what the strategic implications would be—and no decisions have been made of any kind.

Mr. Hottelet: The Egyptians are saying that giving the Israelis the Pershings would violate the Sinai agreement, that portion of it which says that neither side will emplace weapons which can reach the other's lines.

Secretary Kissinger: That would be a somewhat exaggerated interpretation. But it really is not useful at this moment, when all we have done is to agree to study it and when this would be one of the factors we would keep in mind in studying it.

But I repeat—what the United States has agreed to do is to study the list for a 10-year program that Israel submitted to us last year, the study of which was interrupted as a result of the reassessment. Most of the weapons that are being talked about have delivery dates even if we approve them, which we also haven't done yet—have delivery dates of about 1980 and afterward. So many political things are going to happen in the interval. And it has to be seen in the context of a supply arrangement that has been going on for a long time, and not of a dramatic decision that suddenly escalates the level of armaments.

Mr. Hottelet: You have come back here to a U.N. General Assembly which is a far cry from the one you spoke to a year ago. How do you assess this new mood?

Secretary Kissinger: Last year we were

concerned that a spirit of confrontation was becoming dominant in the Assembly, and we feared that automatic majorities were trying to steamroll numerical minorities whose minority status, however, did not reflect their power or their influence. We thought that sooner or later this would lead to a reduction in the significance of the United Nations, and I pointed that out in a speech in July.

Since then, and perhaps also in part as a result of a rather sweeping initiative we took at the beginning of the special session of the General Assembly, there seems to have been a new mood. The special session—the sixth special session last year ended in bitterness. The seventh special session this year ended in a conciliatory atmosphere in which a good part of our program was adopted in principle and in which we took into account some of the key concerns of the developing countries.

What I attempted to do today is to give the political counterpart to the essentially economic and social program that we developed, to continue the spirit of seeking cooperative solutions—because we cannot continue to live in this period in a world that is divided between East and West, North and South. And somebody has to take the leadership in bridging the gap, the differences. And we have attempted to do this.

Mr. Hottelet: Do you see a process of co-operation developing in the energy field, for instance, and specifically in the case of oil prices, which comes up for deliberation by the OPEC [Organization of Petroleum Exporting Countries] Foreign Ministers on Thursday?

Secretary Kissinger: One should never make a prediction that can be proved true or false so quickly. We have stated our view on oil prices. We would think it unfortunate if there were an increase in oil prices under present conditions. Whether our advice will be taken remains to be seen. If it isn't, we would consider it a setback. But our basic approach will be continued.

Mr. Hottelet: But you feel that the new atmosphere at the United Nations perhaps suggests a smaller desire on the part of the

OPEC people for a confrontation with you and a challenge?

Secretary Kissinger: I do not want to speak about any particular group. I have the sense that on the whole there is less of an attitude of confrontation, that nations are willing to look at the other point of view, and in this year much more than previous years, a recognition that we are all part of the same big enterprise and that you cannot be better off by making somebody else worse off. For you to be better off, everybody has to be better off.

Mr. Hottelet: You spoke at some length about Korea. Are you seriously worried about the possibility of new trouble there?

Secretary Kissinger: No, I am not seriously worried about new trouble in Korea. But there have been proposals by the other side that the U.N. Command should be terminated. We can understand that 20 years after the end of the Korean War, the U.N. institutions that were formed at that time be terminated. But we also are concerned that the armistice agreement, which is the only legal basis on which present institutional arrangements are formed, be continued.

So we have agreed to end the U.N. Command, but rather than have the North Koreans and Chinese believe that all we want to do is continue the status quo, we have offered a conference to look at a continuation of the armistice agreement, and also to look at measures to end tensions in the Korean Peninsula, including perhaps calling a larger conference for purposes of more fundamental arrangements, which means moving toward peace.

Mr. Hottelet: One has the impression that there is some ambivalence in the Japanese attitude toward Korea—that is to say,

Japan's readiness to see North Korea take over the whole of the peninsula. Do you see this in your dealings with them?

Secretary Kissinger: I have never heard of any ambivalence. I have always had the impression that the Japanese would feel that their own security is severely jeopardized if North Korea took over the whole peninsula.

Mr. Hottelet: I heard some Japanese say that they live cheek by jowl with the Soviet Union and China, so that a Communist Korea really wouldn't be that much trouble to them.

Secretary Kissinger: I have never heard them say that in Washington.

Mr. Hottelet: The question of nuclear fuel, proliferation of nuclear materials for electric power, is something that obviously concerns you, because you spoke about it not only this year but last year. It is too late to get this genie back in the bottle?

Secretary Kissinger: No, it is not too late. I think we can still do it. We may have another year or so to do it. But if the complete nuclear fuel cycle is spread around the world, then more and more countries will have the capacity to produce nuclear weapons, and then in another decade or so we will live in a world that will be extremely precarious.

Mr. Hottelet: Would you see any forbearance on the part of people, like the Brazilians, for instance, who are embarked on this course to turn back?

Secretary Kissinger: We are talking to other suppliers to see whether we can get agreed rules—because if competition starts in lowering safeguards, then of course the genie will really be out of the bottle, and 20 years from now people will ask themselves what possessed them.

United States Gives Views on Resolution Adopted by Seventh Special Session of U.N. General Assembly

Following are texts of a statement made in the Ad Hoc Committee of the Seventh Special Session of the United Nations General Assembly by U.S. Representative Jacob M. Myerson on September 16, a statement made in plenary by U.S. Representative Daniel P. Moynihan that day, and a resolution adopted by the Assembly that day.

AMBASSADOR MYERSON, AD HOC COMMITTEE

USUN press release 93 dated September 16

I have a few brief comments, Mr. Chairman, and I would request that they be inscribed in the record verbatim.

The United States joins in most of the specific undertakings of this resolution, and we warmly associate ourselves with its larger objectives. However, the United States can not and does not accept any implication that the world is now embarked on establishment of something called "the new international economic order." Further, sir, while we have joined in the consensus on this report and we are very pleased to have done so, I wish to make it clear that the United States maintains its position on the resolutions of the sixth special session and on certain provisions of the Charter of Economic Rights and Duties of States and on the Lima Declaration.¹

With regard to trade, I would like to make some short comments. We joined others in pledging a series of actions of benefit to developing countries. Specific actions are left to each country.

It is our expectation that these actions will substantially increase the growth of developing countries, thus counteracting inflation and thereby sustaining real incomes.

But our purpose is not to set world prices or to manipulate the terms of trade.

It was proposed that commodity prices be indexed, that is, fixed by agreement and augmented as prices for industrial goods rise. We have agreed to join others in the study of such a proposal. However, the United States has to make clear it does not support such a proposal. The commitments we have made are to assist developing countries' exports within the market, rather than supplanting market mechanisms.

With regard to transfer of resources, the United States recognizes the need of developing countries for transfer of real resources, and it recognizes the importance of a smoothly functioning, stable international monetary system. There are, however, several specific paragraphs in this section with which the United States is unable to concur.

First, the United States fully supports the objective of an effective increase in official development assistance and intends to increase the level of its own assistance. It does not, however, consider the establishment of specific targets as likely to achieve the intended result. The United States does not subscribe to the paragraph dealing with the link between special drawing rights (SDR)

¹ For a U.S. statement in the sixth special session on May 1, 1974, and texts of the resolutions (Declaration and Program of Action on the Establishment of a New International Economic Order), see BULLETIN of May 27, 1974, p. 569; for a U.S. statement in the U.N. General Assembly on Dec. 6, 1974, and text of the Charter of Economic Rights and Duties of States, see BULLETIN of Feb. 3, 1975, p. 146; for a U.S. statement at the Second General Conference of the United Nations Industrial Development Organization at Lima on Mar. 18, 1975, see BULLETIN of Apr. 21, 1975, p. 518; for text of the Lima Declaration and Plan of Action on Industrial Development Cooperation, see U.N. doc. A/10112, chap. IV.

and development assistance. The United States position is that it does not support an SDR-aid link. This position is unchanged, sir.

We differ with the paragraph dealing with the reform of the international monetary system. We share the general objective of placing the SDR in the center of the international monetary system, but we believe that in the absence of agreement on all the interrelated components of a fully reformed international monetary system, it is inappropriate to specify selected aims or elements.

Finally, the United States is not fully in accord with the paragraph dealing with decisionmaking in international financial institutions. We support an evolving role for developing nations. We believe, however, that participation in decisionmaking must be equitable for all members and take due account of relative economic positions and contributions of resources to the institutions as well as the need for efficient operational decision-making.

With regard to science and technology, Mr. Chairman, just one brief comment for the record. We support work on international guidelines for the transfer of technology, including most especially the progress being achieved at UNCTAD [U.N. Conference on Trade and Development]. We do not believe that adoption of a legally binding code of conduct is the path to pursue, and we do not read the resolution as so indicating.

With regard to the section on industrialization, sir, we believe that redeployment of industries should be a matter of the evolution of economies rather than a question of international policy or negotiation. While government policy can facilitate such an evolutionary approach, we believe it must take into account the economic structures of the countries concerned as well as the economic, social, and security goals, including especially protection of workingmen's rights.

The United States does not support those paragraphs dealing with the UNIDO [U.N. Industrial Development Organization] system of consultations.

Food and agriculture, one very brief re-

mark. With regard to the statement in the second paragraph about market access and adjustment measures, we understand developing countries' interests; but we cannot concur in the sentence as formulated, since it is inconsistent with U.S. policy.

AMBASSADOR MOYNIHAN, PLENARY

USUN press release 94 dated September 16

On behalf of the United States, which styles itself non-Socialist, I would like to make these brief remarks.

The French term for a special session of the United Nations General Assembly is *session extraordinaire*. Taken most directly into English, this reads "extraordinary session," and I cannot but feel that the great majority of the nations which have now unanimously adopted this resolution have also concluded that the special session has indeed been an extraordinary one.

Perhaps never before in the history of the United Nations has there been so intensive and so genuine a negotiation between so many nations on so profoundly important a range of issues. We have shown that we can negotiate in good faith and, doing so, reach genuine accord. Not least we have shown that this can be done in the unique and indispensable setting of the United Nations. Mr. President, this system works.

At the outset of this special session, the United States asserted that we assembled here with an opportunity to improve the condition of mankind. We may well have done so. Rather, it may well turn out that we have done so, for the task is yet ahead of us. We are, however, unmistakably begun.

TEXT OF RESOLUTION ²

Development and international economic co-operation

The General Assembly,

Determined to eliminate injustice and inequality which afflict vast sections of humanity and to accelerate the development of developing countries,

² U.N. doc. A/RES/3362 (S-VII); adopted by the ad hoc committee and by the Assembly on Sept. 16.

Recalling the Declaration and the Programme of Action on the Establishment of a New International Economic Order, as well as the Charter of Economic Rights and Duties of States, which lay down the foundations of the new international economic order,

Reaffirming the fundamental purposes of the above-mentioned documents and the rights and duties of all States to seek and participate in the solutions of the problems afflicting the world, in particular the imperative need of redressing the economic imbalance between developed and developing countries,

Recalling further the International Development Strategy for the Second United Nations Development Decade, which should be reviewed in the light of the Programme of Action on the Establishment of a New International Economic Order, and determined to implement the targets and policy measures contained in the International Development Strategy,³

Conscious that the accelerated development of developing countries would be a decisive element for the promotion of world peace and security,

Recognizing that greater co-operation among States in the fields of trade, industry, science and technology as well as in other fields of economic activities, based on the principles of the Declaration and the Programme of Action on the Establishment of a New International Economic Order and of the Charter of Economic Rights and Duties of States, would also contribute to strengthening peace and security in the world,

Believing that the over-all objective of the new international economic order is to increase the capacity of developing countries, individually and collectively, to pursue their development,

Decides, to this end and in the context of the foregoing, to set in motion the following measures as the basis and framework for the work of the competent bodies and organizations of the United Nations system:

I. INTERNATIONAL TRADE

1. Concerted efforts should be made in favour of the developing countries towards expanding and diversifying their trade, improving and diversifying their productive capacity, improving their productivity and increasing their export earnings, with a view to counteracting the adverse effects of inflation—thereby sustaining real incomes—and with a view to improving the terms of trade of the developing countries and in order to eliminate the economic imbalance between developed and developing countries.

2. Concerted action should be taken to accelerate the growth and diversification of the export trade of developing countries in manufactures and semi-manufactures and in processed and semi-processed products in order to increase their share in world indus-

trial output and world trade within the framework of an expanding world economy.

3. An important aim of the fourth session of the United Nations Conference on Trade and Development, in addition to work in progress elsewhere, should be to reach decisions on the improvement of market structures in the field of raw materials and commodities of export interest to the developing countries, including decisions with respect to an integrated programme and the applicability of elements thereof. In this connexion, taking into account the distinctive features of individual raw materials and commodities, the decisions should bear on the following:

(a) Appropriate international stocking and other forms of market arrangements for securing stable, remunerative and equitable prices for commodities of export interest to developing countries and promoting equilibrium between supply and demand, including, where possible, long-term multilateral commitments;

(b) Adequate international financing facilities for such stocking and market arrangements;

(c) Where possible, promotion of long-term and medium-term contracts;

(d) Substantially improve facilities for compensatory financing of export revenue fluctuations through the widening and enlarging of the existing facilities. Note has been taken of the various proposals regarding a comprehensive scheme for the stabilization of export earnings of developing countries and for a Development Security Facility as well as specific measures for the benefit of the developing countries most in need;

(e) Promotion of processing of raw materials in producing developing countries and expansion and diversification of their exports, particularly to developed countries;

(f) Effective opportunities to improve the share of developing countries in transport, marketing and distribution of their primary commodities and to encourage measures of world significance for the evolution of the infrastructure and secondary capacity of developing countries from the production of primary commodities to processing, transport and marketing, and to the production of finished manufactured goods, their transport, distribution and exchange, including advanced financial and exchange institutions for the remunerative management of trade transactions;

4. The Secretary-General of the United Nations Conference on Trade and Development should present a report to the Conference at its fourth session on the impact of an integrated programme on the imports of developing countries which are net importers of raw materials and commodities, including those lacking in natural resources, and recommend any remedial measures that may be necessary.

5. A number of options are open to the international community to preserve the purchasing power

³ For text of the International Development Strategy (General Assembly Resolution 2626 (XXV)), see BULLETIN of Nov. 16, 1970, p. 612.

of developing countries. These need to be further studied on a priority basis. The Secretary-General of the United Nations Conference on Trade and Development should continue to study direct and indirect indexation schemes and other options with a view to making concrete proposals before the Conference at its fourth session.

6. The Secretary-General of the United Nations Conference on Trade and Development should prepare a preliminary study on the proportion between prices of raw materials and commodities exported by developing countries and the final consumer price, particularly in developed countries, and submit it, if possible, to the Conference at its fourth session.

7. Developed countries should fully implement agreed provisions on the principle of standstill as regards imports from developing countries, and any departure should be subjected to such measures as consultations and multilateral surveillance and compensation, in accordance with internationally agreed criteria and procedures.

8. Developed countries should take effective steps within the framework of multilateral trade negotiations for the reduction or removal, where feasible and appropriate, of non-tariff barriers affecting the products of export interest to developing countries on a differential and more favourable basis for developing countries. The Generalized Scheme of Preferences should not terminate at the end of the period of ten years originally envisaged and should be continuously improved through wider coverage, deeper cuts and other measures, bearing in mind the interests of those developing countries which enjoy special advantages and the need for finding ways and means for protecting their interests.

9. Countervailing duties should be applied only in conformity with internationally agreed obligations. Developed countries should exercise maximum restraint within the framework of international obligations in the imposition of countervailing duties on the imports of products from developing countries. The multilateral trade negotiations under way should take fully into account the particular interests of developing countries with a view to providing them differential and more favourable treatment in appropriate cases.

10. Restrictive business practices adversely affecting international trade, particularly that of developing countries, should be eliminated and efforts should be made at the national and international levels with the objective of negotiating a set of equitable principles and rules.

11. Special measures should be undertaken by developed countries and developing countries in a position to do so to assist in the structural transformation of the economy of the least developed, land-locked and island developing countries.

12. Emergency measures as spelled out in section X of General Assembly resolution 3202 (S-VI) should be undertaken on a temporary basis to meet the

specific problems of the most seriously affected countries as defined in Assembly resolutions 3201 (S-VI) and 3202 (S-VI) of 1 May 1974, without any detriment to the interests of the developing countries as a whole.

13. Further expansion of trade between the socialist countries of Eastern Europe and the developing countries should be intensified as is provided for in resolutions 15 (II) of 25 March 1968 and 53 (III) of 19 May 1972 of the United Nations Conference on Trade and Development. Additional measures and appropriate orientation to achieve this end are necessary.

II. TRANSFER OF REAL RESOURCES FOR FINANCING THE DEVELOPMENT OF DEVELOPING COUNTRIES AND INTERNATIONAL MONETARY REFORMS

1. Concessional financial resources to developing countries need to be increased substantially, their terms and conditions ameliorated and their flow made predictable, continuous and increasingly assured so as to facilitate the implementation by developing countries of long-term programmes for economic and social development. Financial assistance should, as a general rule, be untied.

2. Developed countries confirm their continued commitment in respect of the targets relating to the transfer of resources, in particular the official development assistance target of 0.7 per cent of gross national product, as agreed in the International Development Strategy for the Second United Nations Development Decade, and adopt as their common aim an effective increase in official development assistance with a view to achieving these targets by the end of the decade. Developed countries which have not yet made a commitment in respect of these targets undertake to make their best efforts to reach these targets in the remaining part of this decade.

3. The establishment of a link between the special drawing rights and development assistance should form part of the consideration by the International Monetary Fund of the creation of new special drawing rights as and when they are created according to the needs of international liquidity. Agreement should be reached at an early date on the establishment of a trust fund, to be financed partly through the International Monetary Fund gold sales and partly through voluntary contributions and to be governed by an appropriate body, for the benefit of developing countries. Consideration of other means of transfer of real resources which are predictable, assured and continuous should be expedited in appropriate bodies.

4. Developed countries and international organizations should enhance the real value and volume of assistance to developing countries and ensure that the developing countries obtain the largest possible share in the procurement of equipment, consultants and consultancy services. Such assistance should be on softer terms and, as a general rule, untied.

5. In order to enlarge the pool of resources available for financing development, there is an urgent need to increase substantially the capital of the World Bank Group, and in particular the resources of the International Development Association, to enable it to make additional capital available to the poorest countries on highly concessional terms.

6. The resources of the development institutions of the United Nations system, in particular the United Nations Development Programme, should also be increased. The funds at the disposal of the regional development banks should be augmented. These increases should be without prejudice to bilateral development assistance flows.

7. To the extent desirable, the World Bank Group is invited to consider new ways of supplementing its financing with private management, skills, technology and capital and also new approaches to increase financing of development in developing countries, in accordance with their national plans and priorities.

8. The burden of debt on developing countries is increasing to a point where the import capacity as well as reserves have come under serious strain. At its fourth session the United Nations Conference on Trade and Development shall consider the need for, and the possibility of, convening as soon as possible a conference of major donor, creditor and debtor countries to devise ways and means to mitigate this burden, taking into account the development needs of developing countries, with special attention to the plight of the most seriously affected countries as defined in General Assembly resolutions 3201 (S-VI) and 3202 (S-VI).

9. Developing countries should be granted increased access on favourable terms to the capital markets of developed countries. To this end, the joint Development Committee of the International Monetary Fund and the International Bank for Reconstruction and Development should progress as rapidly as possible in its work. Appropriate United Nations bodies and other related intergovernmental agencies should be invited to examine ways and means of increasing the flow of public and private resources to developing countries, including proposals made at the current session to provide investment in private and public enterprises in the developing countries. Consideration should be given to the examination of an international investment trust and to the expansion of the International Finance Corporation capital without prejudice to the increase in resources of other intergovernmental financial and development institutions and bilateral assistance flows.

10. Developed and developing countries should further co-operate through investment of financial resources and supply of technology and equipment to developing countries by developed countries and by developing countries in a position to do so.

11. Developed countries, and developing countries in a position to do so, are urged to make adequate contributions to the United Nations Special Fund

with a view to an early implementation of a programme of lending, preferably in 1976.

12. Developed countries should improve terms and conditions of their assistance so as to include a preponderant grant element for the least developed, land-locked and island developing countries.

13. In providing additional resources for assisting the most seriously affected countries in helping them to meet their serious balance-of-payments deficits, all developed countries, and developing countries in a position to do so, and international organizations such as the International Bank for Reconstruction and Development and the International Monetary Fund, should undertake specific measures in their favour, including those provided in General Assembly resolutions 3201 (S-VI) and 3202 (S-VI).

14. Special attention should be given by the international community to the phenomena of natural disasters which frequently afflict many parts of the world, with far-reaching devastating economic, social and structural consequences, particularly in the least developed countries. To this end, the General Assembly at its thirtieth session, in considering this problem, should examine and adopt appropriate measures.

15. The role of national reserve currencies should be reduced and the special drawing rights should become the central reserve asset of the international monetary system in order to provide for greater international control over the creation and equitable distribution of liquidity and in order to limit potential losses as a consequence of exchange rate fluctuations. Arrangements for gold should be consistent with the agreed objective of reducing the role of gold in the system and with equitable distribution of new international liquidity and should in particular take into consideration the needs of developing countries for increased liquidity.

16. The process of decision-making should be fair and responsive to change and should be most specially responsive to the emergence of new economic influence on the part of developing countries. The participation of developing countries in the decision-making process in the competent organs of international finance and development institutions should be adequately increased and made more effective without adversely affecting the broad geographic representation of developing countries and in accordance with the existing and evolving rules.

17. The compensatory financing facility now available through the International Monetary Fund should be expanded and liberalized. In this connexion, early consideration should be given by the Fund and other appropriate United Nations bodies to various proposals made at the current session—including the examination of a new development security facility—which would mitigate export earnings shortfalls of developing countries, with special regard to the poorest countries, and thus provide greater assistance to their continued economic development. Early con-

sideration should also be given by the International Monetary Fund to proposals to expand and liberalize its coverage of current transactions to include manufactures and services, to ensure that, whenever possible, compensation for export shortfalls takes place at the same time they occur, to take into account, in determining the quantum of compensation, movements in import prices and to lengthen the repayment period.

18. Drawing under the buffer stock financing facility of the International Monetary Fund should be accorded treatment with respect to floating alongside the gold tranche, similar to that under the compensatory financing facility, and the Fund should expedite its study of the possibility of an amendment of the Articles of Agreement, to be presented to the Interim Committee, if possible in its next meeting, that would permit the Fund to provide assistance directly to international buffer stocks of primary products.

III. SCIENCE AND TECHNOLOGY

1. Developed and developing countries should co-operate in the establishment, strengthening and development of the scientific and technological infrastructure of developing countries. Developed countries should also take appropriate measures, such as contribution to the establishment of an industrial technological information bank and consideration of the possibility of regional and sectoral banks, in order to make available a greater flow to developing countries of information permitting the selection of technologies, in particular advanced technologies. Consideration should also be given to the establishment of an international centre for the exchange of technological information for the sharing of research findings relevant to developing countries. For the above purposes institutional arrangements within the United Nations system should be examined by the General Assembly at its thirtieth session.

2. Developed countries should significantly expand their assistance to developing countries for direct support to their science and technology programmes, as well as increase substantially the proportion of their research and development devoted to specific problems of primary interest to developing countries, and in the creation of suitable indigenous technology, in accordance with feasible targets to be agreed upon. The General Assembly invites the Secretary-General to carry out a preliminary study and to report to the Assembly at its thirty-first session on the possibility of establishing, within the framework of the United Nations system, an international energy institute to assist all developing countries in energy resources research and development.

3. All States should co-operate in evolving an international code of conduct for the transfer of technology, corresponding, in particular, to the special needs of the developing countries. Work on such a code should therefore be continued within the

United Nations Conference on Trade and Development and concluded in time for decisions to be reached at the fourth session of the Conference, including a decision on the legal character of such a code with the objective of the adoption of a code of conduct prior to the end of 1977. International conventions on patents and trade marks should be reviewed and revised to meet, in particular, the special needs of the developing countries, in order that these conventions may become more satisfactory instruments for aiding developing countries in the transfer and development of technology. National patents systems should, without delay, be brought into line with the international patent system in its revised form.

4. Developed countries should facilitate access of developing countries on favourable terms and conditions, and on an urgent basis, to *informatique*, to relevant information on advanced and other technologies suited to their specific needs as well as on new uses of existing technology, new developments, and possibilities of adapting them to local needs. Inasmuch as in market economies advanced technologies with respect to industrial production are most frequently developed by private institutions, developed countries should facilitate and encourage these institutions in providing effective technologies in support of the priorities of developing countries.

5. Developed countries should give developing countries the freest and fullest possible access to technologies whose transfer is not subject to private decision.

6. Developed countries should improve the transparency of the industrial property market in order to facilitate the technological choices of developing countries. In this respect, relevant organizations of the United Nations system, with the collaboration of developed countries, should undertake projects in the fields of information, consultancy and training for the benefit of developing countries.

7. A United Nations Conference on Science and Technology for Development should be held in 1978 or 1979 with the main objectives of strengthening the technological capacity of developing countries to enable them to apply science and technology to their own development; adopting effective means for the utilization of scientific and technological potentials in the solution of development problems of regional and global significance, especially for the benefit of developing countries; and providing instruments of co-operation to developing countries in the utilization of science and technology for solving socio-economic problems that cannot be solved by individual action, in accordance with national priorities, taking into account the recommendations made by the Intergovernmental Working Group of the Committee on Science and Technology for Development.

8. The United Nations system should play a major role, with appropriate financing, in achieving the above-stated objectives and in developing scientific and technological co-operation between all States in

order to ensure the application of science and technology to development. The work of the relevant United Nations bodies, in particular that of the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization, the International Labour Organisation, the United Nations Educational, Scientific and Cultural Organization, the Food and Agriculture Organization of the United Nations, the World Intellectual Property Organization and the United Nations Development Programme, to facilitate the transfer and diffusion of technology should be given urgent priority. The Secretary-General of the United Nations should take steps to ensure that the technology and experience available within the United Nations system is widely disseminated and readily available to the developing countries in need of it.

9. The World Health Organization and the competent organs of the United Nations system, in particular the United Nations Children's Fund, should intensify the international effort aimed at improving health conditions in developing countries by giving priority to prevention of disease and malnutrition and by providing primary health services to the communities, including maternal and child health and family welfare.

10. Since the outflow of qualified personnel from developing to developed countries seriously hampers the development of the former, there is an urgent need to formulate national and international policies to avoid the "brain drain" and to obviate its adverse effects.

IV. INDUSTRIALIZATION

1. The General Assembly endorses the Lima Declaration and Plan of Action on Industrial Development Co-operation and requests all Governments to take individually and/or collectively the necessary measures and decisions required to implement effectively their undertakings in terms of the Lima Declaration and Plan of Action.

2. Developed countries should facilitate the development of new policies and strengthen existing policies, including labour market policies, which would encourage the redeployment of their industries which are less competitive internationally to developing countries, thus leading to structural adjustments in the former and a higher degree of utilization of natural and human resources in the latter. Such policies may take into account the economic structure and the economic, social and security objectives of the developed countries concerned and the need for such industries to move into more viable lines of production or into other sectors of the economy.

3. A system of consultations as provided for by the Lima Plan of Action should be established at the global, regional, interregional and sectoral levels within the United Nations Industrial Development Organization and within other appropriate international bodies, between developed and developing

countries and among developing countries themselves, in order to facilitate the achievement of the goals set forth in the field of industrialization, including the redeployment of certain productive capacities existing in developed countries and the creation of new industrial facilities in developing countries. In this context, the United Nations Industrial Development Organization should serve as a forum for negotiation of agreements in the field of industry between developed and developing countries and among developing countries themselves, at the request of the countries concerned.

4. The Executive Director of the United Nations Industrial Development Organization should take immediate action to ensure the readiness of that organization to serve as a forum for consultations and negotiation of agreements in the field of industry. In reporting to the next session of the Industrial Development Board on actions taken in this respect, the Executive Director should also include proposals for the establishment of a system of consultations. The Industrial Development Board is invited to draw up, at an early date, the rules of procedure according to which this system would operate.

5. To promote co-operation between developed and developing countries, both should endeavour to disseminate appropriate information about their priority areas for industrial co-operation and the form they would like such co-operation to take. The efforts undertaken by the United Nations Conference on Trade and Development on tripartite co-operation between countries having different economic and social systems could lead to constructive proposals for the industrialization of developing countries.

6. Developed countries should, whenever possible, encourage their enterprises to participate in investment projects within the framework of the development plans and programmes of the developing countries which so desire; such participation should be carried out in accordance with the laws and regulations of the developing countries concerned.

7. A joint study should be undertaken by all Governments under the auspices of the United Nations Industrial Development Organization, in consultation with the Secretary-General of the United Nations Conference on Trade and Development, making full use of the knowledge, experience and capacity existing in the United Nations system of methods and mechanisms for diversified financial and technical co-operation which are geared to the special and changing requirements of international industrial co-operation, as well as of a general set of guidelines for bilateral industrial co-operation. A progress report on this study should be submitted to the General Assembly at its thirty-first session.

8. Special attention should be given to the particular problems in the industrialization of the least developed, land-locked and island developing countries—in order to put at their disposal those technical and financial resources as well as critical goods

which need to be provided to them to enable them to overcome their specific problems and to play their due role in the world economy, warranted by their human and material resources.

9. The General Assembly endorses the recommendation of the Second General Conference of the United Nations Industrial Development Organization to convert that organization into a specialized agency and decides to establish an intergovernmental committee of the whole, including States which participated in the Second General Conference, to meet in Vienna to draw up a constitution for the United Nations Industrial Development Organization as a specialized agency, to be submitted to a conference of plenipotentiaries to be convened by the Secretary-General in the last quarter of 1976.

10. In view of the importance of the forthcoming World Employment Conference, Governments should undertake adequate preparations and consultations.

V. FOOD AND AGRICULTURE

1. The solution to world food problems lies primarily in increasing rapidly food production in the developing countries. To this end, urgent and necessary changes in the pattern of world food production should be introduced and trade policy measures should be implemented, in order to obtain a notable increase in agricultural production and the export earnings of developing countries.

2. To achieve these objectives, it is essential that developed countries and developing countries in a position to do so should substantially increase the volume of assistance to developing countries for agriculture and food production, and that developed countries should effectively facilitate access to their markets for food and agricultural products of export interest to developing countries, both in raw and processed form, and adopt adjustment measures, where necessary.

3. Developing countries should accord high priority to agricultural and fisheries development, increase investment accordingly and adopt policies which give adequate incentives to agricultural producers. It is a responsibility of each State concerned, in accordance with its sovereign judgement and development plans and policies, to promote interaction between expansion of food production and socio-economic reforms, with a view to achieving an integrated rural development. The further reduction of post-harvest food losses in developing countries should be undertaken as a matter of priority, with a view to reaching at least a 50 per cent reduction by 1985. All countries and competent international organizations should co-operate financially and technically in the effort to achieve this objective. Particular attention should be given to improvement in the systems of distribution of food-stuffs.

4. The Consultative Group on Food Production and Investment in Developing Countries should quickly

identify developing countries having the potential for most rapid and efficient increase of food production, as well as the potential for rapid agricultural expansion in other developing countries, especially the countries with food deficits. Such an assessment would assist developed countries and the competent international organizations to concentrate resources for the rapid increase of agricultural production in the developing countries.

5. Developed countries should adopt policies aimed at ensuring a stable supply and sufficient quantity of fertilizers and other production inputs to developing countries at reasonable prices. They should also provide assistance to, and promote investments in, developing countries to improve the efficiency of their fertilizer and other agricultural input industries. Advantage should be taken of the mechanism provided by the International Fertilizer Supply Scheme.

6. In order to make additional resources available on concessional terms for agricultural development in developing countries, developed countries and developing countries in a position to do so should pledge, on a voluntary basis, substantial contributions to the proposed International Fund for Agricultural Development so as to enable it to come into being by the end of 1975, with initial resources of SDR [special drawing rights] 1,000 million. Thereafter, additional resources should be provided to the Fund on a continuing basis.

7. In view of the significant impact of basic and applied agricultural research on increasing the quantity and quality of food production, developed countries should support the expansion of the work of the existing international agricultural research centres. Through their bilateral programmes they should strengthen their links with these international research centres and with the national agricultural research centres in developing countries. With respect to the improvement of the productivity and competitiveness with synthetics of non-food agricultural and forestry products, research and technological assistance should be co-ordinated and financed through an appropriate mechanism.

8. In view of the importance of food aid as a transitional measure, all countries should accept both the principle of a minimum food aid target and the concept of forward planning of food aid. The target for the 1975-1976 season should be 10 million tons of food grains. They should also accept the principle that food aid should be channelled on the basis of objective assessment of requirements in the recipient countries. In this respect all countries are urged to participate in the Global Information and Early Warning System on Food and Agriculture.

9. Developed countries should increase the grant component of food aid, where food is not at present provided as grants, and should accept multilateral channelling of these resources at an expanding rate. In providing food grains and financing on soft-terms

to developing countries in need of such assistance, developed countries and the World Food Programme should take due account of the interests of the food-exporting developing countries and should ensure that such assistance includes, wherever possible, purchases of food from the food-exporting developing countries.

10. Developed countries and developing countries in a position to do so should provide food grains and financial assistance on most favourable terms to the most seriously affected countries, to enable them to meet their food and agricultural development requirements within the constraints of their balance-of-payments position. Donor countries should also provide aid on soft terms, in cash and in kind, through bilateral and multilateral channels, to enable the most seriously affected countries to obtain their estimated requirements of about 1 million tons of plant nutrients during 1975-1976.

11. Developed countries should carry out both their bilateral and multilateral food aid channelling in accordance with the procedures of the Principles of Surplus Disposal of the Food and Agriculture Organization of the United Nations so as to avoid causing undue fluctuations in market prices or the disruption of commercial markets for exports of interest to exporting developing countries.

12. All countries should subscribe to the International Undertaking on World Food Security. They should build up and maintain world food-grain reserves, to be held nationally or regionally and strategically located in developed and developing, importing and exporting countries, large enough to cover foreseeable major production shortfalls. Intensive work should be continued on a priority basis in the World Food Council and other appropriate forums in order to determine, *inter alia*, the size of the required reserve, taking into account among other things the proposal made at the current session that the components of wheat and rice in the total reserve should be 30 million tons. The World Food Council should report to the General Assembly on this matter at its thirty-first session. Developed countries should assist developing countries in their efforts to build up and maintain their agreed shares of such reserves. Pending the establishment of the world food-grain reserve, developed countries and developing countries in a position to do so should earmark stocks and/or funds to be placed at the disposal of the World Food Programme as an emergency reserve to strengthen the capacity of the Programme to deal with crisis situations in developing countries. The aim should be a target of not less than 500,000 tons.

13. Members of the General Assembly reaffirm their full support for the resolutions of the World Food Conference and call upon the World Food Council to monitor the implementation of the provisions under section V of the present resolution and to

report to the General Assembly at its thirty-first session.

VI. CO-OPERATION AMONG DEVELOPING COUNTRIES

1. Developed countries and the United Nations system are urged to provide, as and when requested, support and assistance to developing countries in strengthening and enlarging their mutual co-operation at subregional, regional and interregional levels. In this regard, suitable institutional arrangements within the United Nations development system should be made and, when appropriate, strengthened, such as those within the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization and the United Nations Development Programme.

2. The Secretary-General, together with the relevant organizations of the United Nations system, is requested to continue to provide support to ongoing projects and activities, and to commission further studies through institutions in developing countries, which would take into account the material already available within the United Nations system, including in particular the regional commissions and the United Nations Conference on Trade and Development, and in accordance with existing subregional and regional arrangements. These further studies, which should be submitted to the General Assembly at its thirty-first session, should, as a first step, cover:

(a) Utilization of know-how, skills, natural resources, technology and funds available within developing countries for promotion of investments in industry, agriculture, transport and communications;

(b) Trade liberalization measures including payments and clearing arrangements, covering primary commodities, manufactured goods and services, such as banking, shipping, insurance and reinsurance;

(c) Transfer of technology.

3. These studies on co-operation among developing countries, together with other initiatives, would contribute to the evolution towards a system for the economic development of developing countries.

VII. RESTRUCTURING OF THE ECONOMIC AND SOCIAL SECTORS OF THE UNITED NATIONS SYSTEM

1. With a view to initiating the process of restructuring the United Nations system so as to make it more fully capable of dealing with problems of international economic co-operation and development in a comprehensive and effective manner, in pursuance of General Assembly resolutions 3172 (XXVIII) of 17 December 1973 and 3343 (XXIX) of 17 December 1974, and to make it more responsive to the requirements of the provisions of the Declaration and the Programme of Action on the Establishment of a New International Economic Order as well as those of the Charter of Economic Rights and Duties of States, an *Ad Hoc* Committee on the Restructuring

of the Economic and Social Sectors of the United Nations System, which shall be a committee of the whole of the General Assembly open to the participation of all States,⁴ is hereby established to prepare detailed action proposals. The *Ad Hoc* Committee should start its work immediately and inform the General Assembly at its thirtieth session on the progress made, and submit its report to the Assembly at its thirty-first session, through the Economic and Social Council at its resumed session. The *Ad Hoc* Committee should take into account in its work, *inter alia*, the relevant proposals and documentation submitted in preparation for the seventh special session of the General Assembly pursuant to Assembly resolution 3343 (XXIX) and other relevant decisions, including the report of the Group of Experts on the Structure of the United Nations System, entitled *A New United Nations Structure for Global Economic Co-operation*,⁵ the records of the relevant

⁴ It is the understanding of the General Assembly that the "all States" formula will be applied in accordance with the established practice of the General Assembly. [Footnote in original.]

⁵ U.N. doc. E/AC.62/9 (U.N. publication, sales no. E.75.II.A.7).

deliberations of the Economic and Social Council, the Trade and Development Board, the Governing Council of the United Nations Development Programme and the seventh special session of the General Assembly, as well as the results of the forthcoming deliberations on institutional arrangements of the United Nations Conference on Trade and Development at its fourth session and of the Governing Council of the United Nations Environment Programme at its fourth session. All United Nations organs, including the regional commissions, as well as the specialized agencies and the International Atomic Energy Agency, are invited to participate at the executive level in the work of the *Ad Hoc* Committee and to respond to requests that the Committee may make to them for information, data or views.

2. The Economic and Social Council should meanwhile continue the process of rationalization and reform which it has undertaken in accordance with Council resolution 1768 (LIV) of 18 May 1973 and General Assembly resolution 3341 (XXIX) of 17 December 1974, and should take into full consideration those recommendations of the *Ad Hoc* Committee that fall within the scope of these resolutions at the latest at its resumed sixty-first session.

Ambassador Moynihan and Assistant Secretary Enders Discuss Seventh Special Session of U.N. General Assembly

Following is the transcript of a news conference held at U.N. Headquarters on September 16 by Daniel P. Moynihan, U.S. Representative to the United Nations, and Thomas O. Enders, Assistant Secretary for Economic and Business Affairs.

USUN press release 96 dated September 16

Ambassador Moynihan: Ladies and gentlemen, you know my colleague Tom Enders, who is certainly the spirit in Washington behind this enterprise. I think it would be most useful to you if he spoke.

Mr. Enders: Pat, I think the really significant thing about what happened this last two weeks here, culminating last night, was to put the rich countries and the poor countries of the world very squarely on a path toward negotiation. We have all been aware of the threatening clash between them, the

coalitions drawn up on one side and another.

During this session I think that many people were aware that there was a lot of hesitation on the part of many people here as to whether it was possible to find a cooperative route. And we found one. We found it not by agreeing on all the proposals and ideas and concepts put forward on all sides. You have seen that there was a very substantial measure of agreement. There are a lot of things that we did not agree on. There were some unrealistic demands put forward. It was important to make very clear that those proposals were unrealistic. We made apparent what we could do, what we couldn't do, and why. But there was a very large measure of agreement and a very clear direction, now, that we should get down to business and start negotiating.

And the proposals that the United States

put forward in Secretary Kissinger's speech, which Ambassador Moynihan delivered, will now be going forward in all the relevant forums—and a lot of new proposals and ideas that others have put forward.

I think, Pat, it's important to say that this effort on the part of the American delegation owes a great deal to its congressional advisers and to the participation of Congress in general. They worked all during the summer on the proposals that Secretary Kissinger put forward. They have been extremely active in advising Ambassador Moynihan on the tactics and procedures and substance of this session. They will be also giving their own press conference in Washington later today, I think at 4 o'clock.

But it is very important to note that this is a large collective effort involving a broad section, representatives of the Congress, and I think that's one of the reasons why it's been so successful.

Q. How much of this depends upon the Congress—as Mr. Enders mentioned the Congress—how much of the reservations were pinpointed to appease the possible opposition in the Congress and which items can you proceed on to implement the commitments without the Congress?

Mr. Enders: I think that a very large number of the items that were proposed or suggested will ultimately require some form of congressional action or concurrence. Negotiation of the commodity agreement will be submitted to the Senate as a treaty. The replenishment of the International Finance Corporation obviously requires appropriations. The development security facility, the \$10 billion security facility that we have proposed, can be acted upon by the IMF [International Monetary Fund], but in order to have the funds for it, the IMF replenishment which is now agreed will require authorization by our Congress and by the parliaments of other countries. So clearly a very large measure of congressional involvement is there.

I think it would be wrong to say, however, that the reservations were motivated by concern over congressional reaction. They are

rather matters of policy of the executive branch, very largely shared I think in Congress, but by no means only limited to Congress.

For an example, it was proposed that the United States might triple its pledge for aid to seven-tenths of 1 percent. The Administration, and I believe the Congress, intends to increase our aid outlays. We expect in the coming years they will grow substantially larger. However, an unrealistic commitment to a massive jump is not something at a time of inflation and recession and great social needs that could be supported in this country. And therefore we did not go along with it. However, we can increase aid.

Q. Excuse me, but we were given 0.33 percent as our current average, but it's much less than—

Mr. Enders: I think it's 0.28 or 0.3, two and a half times.

Q. Can you possibly give us, put a dollar-figure value on the totality of proposals of Secretary Kissinger?

Mr. Enders: No, because the objective and the design of these proposals is to recognize that we are not going to achieve the more equal relationship with the developing countries simply by large budgetary transfers. We are seeking to get a new relationship.

It is based on a recognition, as Secretary Kissinger said in his speech, that large budgetary transfers are no longer very welcome by the developing world—I must say automatic budgetary transfers—and the political base for them no longer really exists in the developed world.

This is rather an effort to look to trade, to look to other forms of finance, to look to industrial development and agricultural development, for the way in which we are going to solve the problem of poverty and development in the world.

The proposals that we have made, then, ultimately result in far greater economic activity than would come from a simple set of aid proposals, but they are not designed to be added up in a single package.

Q. Mr. Enders, have you at the end of this

session gone any further at all from the original positions laid out in the Kissinger speech? Are there any further compromises you have made or does the Kissinger speech still represent your final position?

Mr. Enders: I think if you read the document, you will see that although we have not put on the table additional specific proposals we have joined the majority here in a very broad action—particularly in the trade field but also in the finance field—designed to solve these problems, and we have indicated that we are quite willing to participate in the proposals that others have made in studying them and in negotiating them.

So that we are not simply saying we will deal only with our own proposals, we are joining the process and dealing with others.

Q. Mr. Enders, you said that the job now is to get down to the business of negotiating, and in one of the brief position papers during the session that the United States put out, there was a statement that said copper should receive special emphasis. I wonder, is that one of the things high on the agenda for getting down to the business of real negotiation?

Mr. Enders: Copper is a commodity in which there is no active consumer-producer group, and we think there should be one because this is one of the most unstable markets. It is the second largest commodity produced by developing countries, and important parts of the developing world have their economic destiny affected by that market.

Ours is an offer to start examining how that market could be made more efficient, more effective; and that we think is an urgent matter.

Q. Mr. Enders, over the past couple of days members of the U.S. delegation made rather strong statements concerning the role of Algeria and Iraq in the negotiations here.

Ambassador Moynihan: I will clarify simply to the extent of saying that it has been the judgment of many members of the Group of 77 that there were within them divisions which included a group of countries, vari-

ously described, which did not feel that there was enough to be gained from the kind of negotiated settlement which we reached. They felt they should persist in what had been a pattern of stating demands and not yielding them and at the end of such sessions as we have had now, instead of reaching agreement, recording disagreement as a matter of principle. This is a perfectly understandable, perfectly defensible political tactic—strategy really—with respect to a new set of arguments and positions.

That view was represented vigorously by some nations here at this session, and it was repeatedly done. In the end, faced with that as the received practice—established practice you could almost say—versus the prospect of reaching a negotiated agreement, larger, stronger, more numerous voices were raised in the 77 to get into this relationship with the industrial countries of the West, of Japan and some others, and to commence a process which is only clearly begun, in no sense concluded.

It is not for us at this point to characterize any nation as having been on one side or the other of meetings in which we were not participants. The important point about it is that we ended up with a unanimous document adopted at 4 o'clock this morning and that unanimity was confirmed at around 11:30 this morning.

Q. Mr. Enders, Mr. [Jacob M.] Myerson says there are several specific paragraphs with which the United States is unable to concur.

Mr. Enders: That's correct, sir.

Q. He makes many reservations to the unanimous document. My question is whether further negotiation on the points which Mr. Myerson reserved is possible, or are we foreclosed here on these provisions?

Mr. Enders: Well, the session has ended. We are going on to do the things that are agreed here and others as well, because this document is by no means exclusive, however long it is. But those represent firm positions for the United States at this time, and I might add that they are positions which a fairly large number of other countries that

may not have expressed them in the form of reservations also share.

So you will not find them unique. But we have not put them down in the sense of: This is an ultimatum, you know, we are not going to—this is it, fellows, and that's all there is ever going to be.

Things change. I am not predicting that for any given set of proposals here, but this is our position now. It is a position that is well known, and it is quite firm.

Q. Mr. Enders, isn't that the same result as you have achieved as was reached at the sixth special session, a unanimity with reservations which we understood was unsatisfactory, or if it's different from the sixth special session, in your view, could you tell us how it's different?

Mr. Enders: I think the difference here has been fundamental, as essentially I understand what has happened. There, there was an attempt to legislate the doctrine of a majority, a large majority, and impose it upon a minority numerically but which represents the larger part of the world's economy. It was an attempt without negotiation, without the development of serious proposals to set the direction for the world's economy. It was the first of the great confrontations between the North and the South, and it has led to an increasingly tense period of economic diplomacy.

In contrast, in this session the whole procedure was different. Each of the substantive proposals here was carefully negotiated in a contact group between members of the 77 and members of the industrial countries. Documents were exchanged, adjusted. There was in fact a genuine process of negotiation in order to get an agreed result from which we all could go forward. That result, I think most significant in the area of trade but also important in other areas, is I think significant not so much for the precise things that it says but that it is based on agreement, a sense of ability to reach a result, and a desire now to move quite quickly on to the relevant forums.

So I think the first thing to say is that the whole process of this is different, and

that is why this meeting can be a decisive turn.

I think the second thing to say, though, is that if you compare the documents between the two sessions you will see an extraordinary difference of tone and an extraordinary difference in the quality of the proposals. This one is far more moderate. It reflects far more deeply the proposals and suggestions and attitudes and concepts of the industrial countries. Some 28 of Secretary Kissinger's proposals and policy recommendations that he made in his speech are included in this document in one form or another.

We regard it as having been very responsive to our needs as well as to the others.

Ambassador Moynihan: Could I suggest also that, as the Secretary General observed, the proposals we dealt with here were characterized by a certain depth of study and inquiry. They weren't put together in a hurry; they came to this session after a year or more of study elsewhere. We have all learned a lot, and that learning, I think, has brought a measure of shared understanding of reality that makes for successful negotiation.

Q. Last December the United States took a negative attitude toward the Special Fund. Is there a possibility, I'd like to know, of a change in terms of participating without contribution or with a contribution? And, secondly, my question deals with the fact that we also have been criticized in the past for our negative attitude toward UNCTAD [U.N. Conference on Trade and Development]. Since that organization is mentioned many, many times in this final paper, do we see it as having a significant role to play in carrying out commodity and trade studies and other actions that are called for?

Mr. Enders: On the Special Fund, as you know, there are two modes of participation in it. One is with outright contribution, and a relatively small number of countries have done so. Another is a contribution or additional contributions to the most seriously affected, designed to respond to their last year very urgent, this year almost desperate, balance-of-payments situations. And the

United States would participate in that fund by a contribution.

As regards the UNCTAD, the UNCTAD has in the past been not a very successful forum for dealing with many of the problems we are talking about here. It is by its nature a forum that is difficult to mobilize for individual problems because very often it's hard to break it down into the groups of countries that have real interests at stake in a specific area. So individual negotiations on commodities or trade or sectors or finance are much more apt to be successful. On the other hand, we are certainly willing, this document indicates, to participate fully in the discussions in UNCTAD and will be doing so.

Q. Mr. Enders, the American working paper spoke not unsympathetically of the new international economic order, but Ambassador Myerson's remarks last night were rather critical. Why the change?

Mr. Enders: The working paper was an American effort at a consensus paper, designed to respond to the concerns not only of the industrial countries and our own proposals but of the developing countries, of their concepts and of their rhetoric, recognizing the importance of that.

The paper was not designed to put a stamp of American approval on "the" new international order; it spoke of "a" new international economic order, and it recognized that this is a major aim of the developing countries and a major slogan that they use. We are willing to accept that kind of language, but we are not willing to accept the concept of "the" international economic order, which is a rigid, statist concept that we do not believe is compatible with our own concepts of how to run an economy or a society or is likely to succeed in the world economy.

So what we are willing to say is, "a consensus document"; let's see whether we can't

find some other concepts and language that both sides use and come together on that, but make no mistake about the substance.

Q. Mr. Enders, the thing on that, I guess the preamble here says, "reaffirming the fundamental purposes of the above-mentioned documents," that is, including the new international economic order. Do you consider this language acceptable, reaffirming the fundamental purposes or—

Mr. Enders: Does it say "a" or "the"? Are you talking about the preambulars?

Q. The fundamental purposes.

Mr. Enders: That's the point of Ambassador Myerson's statement. It says "the." And that refers to a specific set of concepts that are not acceptable to us.

United States and Mozambique Establish Diplomatic Relations

Following is the text of a communique initialed at New York on September 23 by Secretary Kissinger and Joachim Alberto Chissano, Foreign Minister of the People's Republic of Mozambique.

Press release 498 dated September 23

The Government of the United States of America and the Government of the People's Republic of Mozambique, desirous of strengthening the friendship existing between the peoples of the United States of America and of Mozambique based on the principles of mutual respect, sovereign equality and non-interference in the internal affairs of each other, have decided to establish diplomatic relations, at the ambassadorial level, between their respective countries with effect from the Twenty-Third day of September Nineteen Hundred Seventy Five.

The United States and Africa: Strengthening the Relationship

Toast by Secretary Kissinger¹

Some 15 years ago Prime Minister Harold Macmillan added a new and durable phrase to the English language when, in speaking of Africa, he said, "The wind of change is blowing through the continent." When the 20th century opened, Western colonialism stood at its zenith. Today, only the barest vestiges of Western colonialism remain in Africa. Never before in history has so revolutionary a reversal occurred with such rapidity. Morally and politically, the spread of national independence has already transformed world institutions and the nature of international affairs. Today we feel the winds of change blowing *from* Africa, and they will affect the course we set for generations to come.

The first official function at which I presided as Secretary of State two years ago was a luncheon here for the representatives of the Organization of African Unity. Since then the world has undergone continuing change—as much in Africa as anywhere else.

In Africa, the Portuguese African colonial empire has come to an end. The effects of that on southern Africa are being felt in Rhodesia, Namibia, and South Africa; and their full course has yet to be run.

Also of great importance, major changes have taken place in the international economy, as reflected in the recent special session. The developing nations of Africa, Asia, and Latin America are claiming more control over their economic destiny and a greater share in global prosperity.

Africa continues to face enormous problems. The trials of economic development, exacerbated by the problems of the world economy and the exorbitant rises in the price of oil, continue to pose challenges for African nations despite the progress they have made. The arbitrary boundaries established by the colonial powers left many African countries vulnerable to ethnic strife. Social change and development, as they succeed, challenge national unity and cultural identity far more profoundly than other nations have experienced. The job of nation-building in Africa is formidable indeed.

The people of this country wish you well and offer you our help.

There is growing interest in America in African issues and African problems. Traditionally America has been dedicated to independence and self-determination and to the rights of man. We have been strong advocates of decolonization since the beginning of the postwar period. The special identification of black Americans with their African heritage intensifies our belief, and our will to demonstrate, that men of all races can live and prosper together.

Because of these ties, and with the economic interdependence of Africa and America becoming increasingly obvious, Americans owe it to ourselves and to Africa to define clearly and to state candidly our policy toward the continent of Africa. Therefore, today I would like to go beyond the usual toast for occasions such as this and talk with you informally about some of the important issues in relations between the United States and Africa.

America has three major concerns:

¹ Given on Sept. 23 at a dinner at the U.S. Mission to the United Nations in honor of Foreign Ministers and Permanent Representatives to the United Nations of member nations of the Organization of African Unity (text from press release 500).

—That Africa attain prosperity for its people and become a strong participant in the economic order, an economic partner with a growing stake in the international system;

—That self-determination, racial justice, and human rights spread to all of Africa; and

—That the continent be free of great-power rivalry or conflict.

The United States seeks neither military allies nor ideological confrontation in Africa. As Adlai Stevenson once said here at the United Nations, "Africa for the Africans means Africa for the Africans and not Africa as a hunting ground for alien ambitions."²

Economic Development

The people of Africa entered the era of independence with high aspirations. Economic development has become both their highest national goal and a symbol of their drive for a more significant role in world affairs.

Much progress has been made. National incomes in Africa have risen rapidly in the last two decades. Africa's overall trade has increased about fourfold in the last 15 years.

But development hopes in Africa have too often been crushed by the cycles of natural disasters and the shocks of worldwide economic instability. No continent suffers so cruelly when crops fail for lack of rain. No continent endures a heavier burden when prices of primary commodities fluctuate violently in response to shifts in the world economy.

The United States has set as one of the fundamental goals of its foreign policy to help lay the foundations for a new era of international cooperation embracing developed and developing countries in an open and durable international system. Africa has an important role in this international system. Our mutual success will determine the nature of political and economic relations in the world over the remainder of this century.

² For a statement by Ambassador Stevenson made in the U.N. Security Council on Feb. 15, 1961, see BULLETIN of Mar. 13, 1961, p. 359.

The United States offered a comprehensive practical approach to economic development at the seventh special session. My government was pleased that our suggestions formed the basis for a highly significant consensus among the developed and developing countries, which we hope will mark the end of a period of fruitless confrontation and misunderstanding.

Our major aims are:

—To make developing countries more secure against drastic economic difficulties arising from cyclical declines in export earnings and in food production;

—To accelerate economic growth by improving their access to capital, technology, and management skills;

—To provide special treatment to improve their opportunities in trading relations;

—To make commodity markets function more smoothly and beneficially for both producers and consumers; and

—To devote special attention to the urgent needs of the poorest countries.

Our proposals apply to all developing countries. But many of them are particularly appropriate to Africa:

—Sixteen of the world's twenty-five least developed countries are in Africa. Our bilateral assistance program is increasingly concentrated on the least developed. Above and beyond our emergency assistance to the Sahelian drought area, our regular aid appropriation for Africa this fiscal year reflects an increase of about 60 percent over last year.

—We expect African countries to benefit particularly from the development security facility which we propose to create in the International Monetary Fund to counter drastic shortfalls in export earnings for economies which are particularly dependent on a few highly volatile primary commodities.

—But stabilizing earnings is not enough. The United States supports measures to improve markets for individual commodities, including coffee, cocoa, and copper, which are so important to Africa.

—We also propose to double our bilateral assistance to expand agricultural production.

—We will raise our proposed contribution to the African Development Fund to \$25 million.

—In addition to the proposals we made to the United Nations, the United States has attempted to mobilize international support for a coordinated long-term development program to provide basic economic security for the Sahelian countries. We have supported this effort already with massive assistance of more than \$100 million.

The key to sustaining development over the long run is expanded trade and investment. Growing exports of manufactured, as well as primary, products generate the foreign exchange needed to buy the imports to fuel further development. The United States provides a large and growing market for the products of African countries. Our trade with Africa had grown to about \$8 billion in 1974, almost eight times its volume in 1960. The rapid implementation of the U.S. generalized system of preferences should spell even greater expansion in the years to come.

American private investment has been a valuable source of the capital, management, and technology that are essential to African development. Direct U.S. investment in Africa has increased more than four times since 1960.

We are encouraged by these striking increases in the magnitude and relative importance of trade and investment relationships between the United States and independent black Africa. We expect this trend to continue, and we will do what we can to assure that it does so.

Southern Africa

Economic progress is of utmost importance to Africa; but at the same time, the political challenges of the continent, particularly the issue of southern Africa, summon the urgent attention of the world community.

We believe that these problems can and must be solved. They should be solved peacefully. We are mindful of the Lusaka Manifesto, which combines a commitment to human dignity and equality with a clear under-

standing of what is a realistic and hopeful approach to this profound challenge.

No problem is more complex than the racial issues in South Africa itself. My country's convictions on apartheid are well known. It is contrary to all we believe in and stand for. The U.S. position has been longstanding and consistent. We note that the wind of change continues to blow, inexorably. The signs of change that are visible in South Africa must be encouraged and accelerated. We are pleased to see the constructive measures taken by African governments to promote better relations and peaceful change. We believe change is inevitable, and efforts to promote a progressive and peaceful evolution will have our support.

The United States also continues to support the International Court of Justice's advisory opinion of 1971 affirming the General Assembly's 1966 decision which terminated the South African mandate over Namibia. The United States will take no steps that would legitimize South Africa's administration of the territory. We repeatedly have protested violations of the rights of black Namibians by the authorities there.

As I indicated in my address yesterday, we believe that all Namibians should be given the opportunity to express their views freely, and under U.N. supervision, on the political and constitutional structure of their country. We have expressed this view consistently to South Africa. We will continue to do so. We welcome public statements of South African leaders that they accept the principle of independence and self-determination for Namibia.

For the past decade, Rhodesia has been a major international issue. The maintenance by force of an illegal regime based on white supremacy is of deep concern to African governments and to my government. Over the past year, the United States has watched with sympathy the attempt to negotiate a peaceful solution in Rhodesia. We have noted, in particular, the statesmanlike efforts of the leaders of African countries—especially President Kaunda [of Zambia], Prime Minister Vorster [of South Africa], President Khama [of Botswana], President Nyerere

[of Tanzania], and President Machel [of Mozambique]—to avert violence and bloodshed. We would encourage them to continue in their difficult task of bringing the parties together.

The United States intends to adhere scrupulously to the U.N.'s economic sanctions against Rhodesia. President Ford and his entire Administration continue to urge repeal of the Byrd amendment and expect this will be accomplished during the current session of the Congress.

The United Nations has tried in various ways to exert a positive influence on change in southern Africa. I should add, however, that we have opposed, and will continue to oppose, actions that are incompatible with the U.N. Charter. In particular, we will not retreat from our opposition to the expulsion of any member of the United Nations. We believe this would be contrary to the best interests and effectiveness of this organization. Universality is a fundamental principle that we stand for in this body. The charter's provisions for members' full exercise of their prerogatives are another. We do not believe that these principles can be ignored in one case and applied in another. This is why, despite our disapproval of South Africa's policies, we do not believe this organization can afford to start down the path of excluding members because of criticism of their domestic policies.

Former Portuguese Territories

Since we last sat down together, three more African nations—Mozambique, Sao Tome and Principe, and Cape Verde—have become independent. We welcome them to the U.N. family, and we look forward to establishing regular relations with them. We stand ready to assist in their economic development.

But I want to say a cautionary word about Angola. Events in Angola have taken a distressing turn, with widespread violence. We are most alarmed at the interference of extracontinental powers who do not wish Africa well and whose involvement is inconsistent with the promise of true independ-

ence. We believe a fair and peaceful solution must be negotiated, giving all groups representing the Angolan people a fair role in its future.

The Spirit of Cooperation

Ladies and gentlemen, colleagues: Twenty years ago there were only three independent African states. Today you comprise more than one-third of the membership of the United Nations. Africa's numbers and resources and the energies of its peoples have given Africa a strong and important role in world affairs.

We do not expect you to be in concert with us on all international issues. We ask only that as we respect your interests, are mindful of your rights, and sympathize with your concerns, you give us the same consideration. Let us base our relations on mutual respect. Let us address our differences openly and as friends, in the recognition that only by cooperation can we achieve the aspirations of our peoples.

Let us be guided by the flexibility and the spirit of conciliation which were so evident during the special session. Let us replace the sterility of confrontation with the promise inherent in our collaboration. Let us search diligently for areas of agreement and strive to overcome any misunderstandings.

Strengthening the relationship between the United States and Africa is a major objective of American policy. We support your self-determination, sovereignty, and territorial integrity. We want to help you in your efforts to develop your economies and improve the well-being of your people. Like yours, our belief in racial justice is unalterable.

America has many ties to Africa and a deep commitment to its future.

It is my profound hope that this session of the General Assembly will be remembered as a time when we began to come together as truly united nations, a time when we earnestly searched for reasons to agree, a time when the interdependence of mankind began to be fully understood. The nations of

Africa will have a major part in determining whether this will come to pass.

Ladies and gentlemen, please raise your glasses with me in a toast to the future of Africa, the Organization of African Unity, and the United Nations in a world of peace.

Annual Meeting of SEATO Council Held at New York

Following is the text of a press statement issued at the conclusion of the annual meeting of the SEATO Council held at New York on September 24.

1. The Council of the South-East Asia Treaty Organization (SEATO), comprising Ministerial Representatives of Australia, New Zealand, the Philippines, Thailand, the United Kingdom and the United States, held their Twentieth Annual Meeting in New York on 24 September.

2. The Council reviewed events in the Treaty Area in the year since they had last met. They considered the role of SEATO in light of the new situation in the South-East Asian region. While noting that the Organization had over the years made a useful contribution to stability and development in the region, they decided that in view of the changing circumstances it should now be phased out.

3. The Council accordingly instructed the Secretary-General to prepare a detailed plan for the phasing out process to be conducted in an orderly and systematic manner. Recognizing that many of the projects and activities in which the Organization had been engaged were of substantial value and might be continued under other auspices, possibly with bilateral or multilateral technical and economic support, the Council requested the Secretary-General and the Negotiating Bodies to explore this subject further.

4. The Council expressed its appreciation to the Government of Thailand for having been the host to SEATO during its existence and for all the facilities accorded by the Government of Thailand to the Organization.

Secretary Kissinger Discusses Goals of U.S. Energy Policy

Following is a statement by Secretary Kissinger made before the Subcommittee on Energy of the Joint Economic Committee of the Congress on September 19.¹

Press release 495 dated September 19

The events set in motion by the October 1973 war exposed the dangerous vulnerability we had incurred as a result of our growing dependence on imported oil. The oil embargo and the series of massive oil price increases which followed underscored the degree to which we had lost control over the price of a central element of our economic system. We also found that our own economic well-being and security were threatened by the energy vulnerability of our allies and that the escalating price of energy had wreaked havoc on the programs of developing countries.

Over the past two years our objective has been to develop a comprehensive strategy to end our domestic and international energy vulnerability. Our goal has been to build a series of policies which would:

—Protect us against short-term dangers such as embargoes and the destabilizing movements of assets held by oil countries;

—Provide support for developing countries hard hit by high oil prices;

—Make possible a return to noninflationary growth, and

—Create the political and institutional conditions for a productive dialogue between consumer and producer countries.

We have made substantial progress in meeting the immediate crisis.

We and our partners in the International Energy Agency (IEA) have joined in a plan for mutual assistance in the event of a future embargo. In April we and other industrialized countries agreed on a \$25 billion

¹The 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.

support fund to offset abrupt or predatory shifts of funds by OPEC [Organization of Petroleum Exporting Countries] as well as balance-of-payments problems. Also at our initiative, the International Monetary Fund will create a special Trust Fund for concessional loans to developing countries hit hardest by oil price increases. We have also coordinated closely with Germany, France, Japan, and Britain to restore sustained economic expansion in the industrial world.

Despite this progress much remains to be done if we are to overcome the impact of the energy crisis.

Here at home we must move rapidly in reducing our dependence on imported oil. Our present vulnerability will continue, and indeed increase, unless we intensify our conservation efforts and promptly initiate those programs and policy measures which will insure the availability of major amounts of new energy by the end of this decade and into the 1980's.

For the short term we look to conservation as the primary means of reducing our import dependence. In this regard, the decontrol of domestic oil prices is the single most important conservation measure we can take.

But there should also be other elements in our domestic energy policy, including the deregulation of natural gas, as well as the accelerated exploration of potential resources in Alaska and on the outer continental shelf.

We cannot succeed alone in this effort. We must work closely with other major consuming countries if we expect to end the monopoly power of the producer countries in unilaterally setting oil prices.

We and our IEA partners are now developing a comprehensive program of long-term cooperation. In the conservation area we will set overall targets based on equitable burden sharing among members, and we will verify each other's performance.

To accelerate the development of new energy, IEA members must pool their resources and expand research and development efforts. To cover the massive development costs, IEA countries must work together to insure that the necessary financial resources will be available.

It is also important that we establish a

common basis for developing alternative supplies by agreeing that none of the IEA countries will permit imported oil to be sold in our economies below a certain minimum price level. The object of this element of consumer policy is to assure that our efforts are not disrupted by predatory pricing by OPEC and to protect those countries that invest heavily in higher cost energy from being put at a competitive disadvantage if the oil producers engage in predatory pricing.

These efforts by the United States and its IEA partners are extremely important, for without serious joint effort by the consumer countries our credibility will be questioned and no balanced dialogue with producer countries will be possible. We seek such a dialogue with the producing countries, one that will underscore our mutual interests rather than our differences. If we and our IEA partners seek reliable access to oil supplies at stable prices, the producing countries also seek secure outlets for their growing assets and greater participation in the world financial and economic system.

We have worked hard to launch a productive dialogue on energy, raw materials, development, and finance. We look forward to the meetings on these subjects which will begin next month. They offer an opportunity for consumer and producer countries alike to demonstrate their ability to create new ties and relationships.

A major test of the producer country commitment to a more positive relationship will occur in the next few days when OPEC countries meet to decide whether or not to extend their own moratorium on oil price increases. After the dramatic price increases of the past two years another oil price rise can only endanger the positive dialogue which we all seek. It will affect the expansionary policies of industrialized countries. It will further weaken the economies of the developing countries, so many of which are already in precarious condition. It could also result in the stagnation of OPEC oil exports and lead to demands for yet higher oil prices. Such a series of events is in the interest of no one and can only jeopardize our hopes for a new and constructive relationship.

Regardless of the decisions of the oil pro-

ducers, the United States must regain control of its own economic future. Our leadership role in the world demands that we demonstrate our national resolve to overcome the problems we face and our determination not to entrust our political and economic destiny to others.

Continued U.S. Participation in Coffee Organization Urged

Following is a statement by Julius L. Katz, Deputy Assistant Secretary for Economic and Business Affairs, submitted to the Senate Committee on Foreign Relations on September 16.¹

I appreciate this opportunity to appear before your committee this morning to discuss the protocol for the continuation in force of the International Coffee Agreement of 1968, as extended. This protocol contains no economic provisions, but preserves the legal basis for the continuation of the International Coffee Organization through September 30, 1976. Without our ratification of this protocol, U.S. membership in the International Coffee Organization would expire on September 30 of this year.

The purpose of this extension is to continue the International Coffee Organization as a forum for discussion and negotiation of a new international coffee agreement. Considerable progress has been made in negotiations for a new agreement in the past several months. Negotiations will resume in November and are expected to be concluded before the end of this year. I believe that it is in our best interest to participate fully in the November negotiations as a member in good standing of the International Coffee Organization.

In this statement I propose to review the history of U.S. participation in previous coffee agreements, recent developments in

world coffee markets, and our reasons for continuing cooperation between producers and consumers of coffee.

The United States has participated in international coffee agreements since 1962. Both the 1962 agreement and its successor, the 1968 International Coffee Agreement, were designed primarily to deal with persistent overproduction of coffee and accumulated surpluses which threatened to depress prices and the export earnings of a large number of developing countries in Latin America and Africa. Through a system of export quotas and other measures, these agreements made possible the reduction of surplus stocks without a disastrous price fall. At the same time, the agreements contributed to the achievement of a better balance between production and consumption during the 1960's. These agreements were, of course, submitted as treaties to your committee and received the advice and consent of the Senate.

Severe frosts in the coffee-growing regions of Brazil in 1969 and 1972 sharply reduced Brazilian coffee harvests. As a result world production was below consumption in the early 1970's, and the general level of world stocks declined. The frosts, together with other factors such as international monetary adjustments, resulted in sharply higher coffee prices. In this situation the United States questioned the need to continue restrictions on the flow of coffee to the market, and the quota system was suspended in December 1972.

In 1973, member countries decided to extend the 1968 agreement for a period of two years with virtually all the economic provisions deleted. This decision came after it had become clear that producers and consumers could not reach agreement on the means of adapting the 1968 agreement to the changed market situation. Nonetheless, producers and consumers did agree that the International Coffee Organization should be preserved as a center for the collection, analysis, and dissemination of data on coffee production, consumption, and trade, as well as a forum for discussion and eventual negotiation of a new agreement. Forty-two producing countries

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.

and 17 consuming countries are members of the current agreement.

One of the principal reasons for the failure to reach agreement in 1973 was a side agreement announced by major producers to withhold coffee from the market. The United States and others protested that such one-sided action was incompatible with the spirit and objectives of producer-consumer cooperation. Between 1972 and 1974, producers on several occasions announced their intention to restrict the supply of coffee to world markets. However, the statistical data which later became available indicate that producers did not in fact restrict exports. On the contrary, exports increased from 53.3 million bags in 1971 to 57.7 million bags in 1972 and 61.6 million bags in 1973. Nevertheless, the absence of producer and consumer agreement on supply objectives created uncertainty in coffee markets and unnecessary tension between producers and consumers.

Coffee prices continued relatively high through 1973 and early 1974. By mid-1974 Brazilian production had recovered fully from the 1972 frost and the market anticipated a return to surplus production. Prices began to decline and dropped considerably below their 1974 highs. Through the first half of this year coffee prices remained around 50 cents per pound, a decline of roughly 50 percent from their highs.

This situation was dramatically reversed on July 17 when the coffee-growing regions of Brazil were hit by the most severe frost since 1912. Initial reports placed the loss as high as 50 percent of expected production in 1976. This news caused the price of green coffee on the New York market to jump from about 55 cents per pound to 85 cents per pound in a matter of days. The damage reports have since been confirmed.

A Department of Agriculture team surveyed the frost area in August and estimated Brazilian production in 1976 would fall within a range of 8 to 11 million bags, compared to 24 million bags this year and 28 million bags previously forecast for 1976. The Department of Agriculture also pointed out that due to the severity of the frost 1977

coffee production would also be reduced. Thus the outlook for the next several years appears to be one of relatively tight balance between supply and demand.

Earlier this year serious negotiations resumed for a new coffee agreement in the International Coffee Organization. Brazil and a number of other producing countries presented proposals in March. The United States presented its proposals in April. Substantial progress toward a new international coffee agreement with economic provisions was made at a Coffee Council meeting in June and July of this year. We reached agreement in principle on a number of features which I believe would offer additional protection to consumers. These included provisions for automatic suspension of quotas when prices rise by a predetermined amount, a more flexible arrangement for quota allocation, and a clear understanding that the objective of the agreement would be price stabilization, not price fixing. We also received assurances from producers that they would refrain from further one-sided attempts to regulate coffee supply.

However, we did not conclude an agreement, primarily because the producers were unable to resolve their differences over initial division of market shares. The Council adjourned after scheduling another meeting for early November and requesting producers to resolve their difficulties in the meantime. Overall, we found the producers reasonable and willing to compromise on most of the issues of importance to us.

Subsequent to the meeting, the frost in Brazil raised speculation on whether producers would still be interested in pursuing an agreement. Similar circumstances following the 1972 frost led to the breakdown of the old agreement. This time we received immediate assurances from the major producers—Brazil, Colombia, the Ivory Coast, and others—that they remain firmly committed to renewed producer-consumer cooperation in an international agreement.

Brazil, in particular, expressed concern that higher prices may lead to permanent loss in consumption and may stimulate in-

creased planting followed by surplus production and depressed prices several years later. At the same time, Brazil has announced a program valued at about \$1 billion to rehabilitate and restore production. Brazil is thus making a massive effort to protect its market position in the United States and elsewhere.

We have informally told the major producers that we, too, are interested in continuing cooperation. We have cautioned them of the detrimental effect on the world coffee trade which might result from excessively high prices. We have made clear that we could not participate in a new agreement if producers attempt coordinated measures to exploit the tight supply situation. We think the producers understand our position. Thus far, they have acted responsibly.

It is against this background that we hope the committee will support the President's recommendation that the Senate give its advice and consent to acceptance of the protocol. We believe that continuation of the present agreement will provide the time required to complete negotiation of a new agreement and the necessary constitutional procedures for its ratification and entry into force October 1, 1976.

We believe that U.S. membership in the International Coffee Organization will promote U.S. foreign policy interests. By responding positively to the desire of the producing countries of this hemisphere and of the developing world generally to preserve the institutional cooperation of the past 12 years, the United States reaffirms the mutual commitment to seeking constructive solutions to problems which vitally affect the economies of many nations. U.S. participation will demonstrate our continuing concern for the economic well-being of producing countries. At the same time we can better safeguard the interests of our consumers in the context of cooperative international arrangements than we can in a situation where producers alone are determining the conditions of trade of this important commodity. Particularly in view of the tight supply outlook for the next several years, I be-

lieve that it is in our best interest as consumers to continue the cooperation which has been the hallmark of the international coffee agreements.

Congressional Documents Relating to Foreign Policy

93d Congress, 2d Session

The Middle East, 1974: New Hopes, New Challenges. Hearings before the Subcommittee on the Near East and South Asia of the House Committee on Foreign Affairs. April 9-June 27, 1974. 202 pp.

A Brief History of Emergency Powers in the United States. A working paper prepared for the Senate Special Committee on National Emergencies and Delegated Emergency Powers. Prepared by Harold C. Relyea of the Government and General Research Division, Library of Congress. July 1974. 140 pp.

The Persian Gulf, 1974: Money, Politics, Arms, and Power. Hearings before the Subcommittee on the Near East and South Asia of the House Committee on Foreign Affairs. July 30-August 12, 1974. 267 pp.

Détente. Hearings before the Senate Committee on Foreign Relations. August 15-October 8, 1974. 524 pp.

World Hunger, Health, and Refugee Problems. Part V: Human Disasters in Cyprus, Bangladesh, Africa. Hearing before the Subcommittee To Investigate Problems Connected With Refugees and Escapees of the Senate Committee on the Judiciary and the Subcommittee on Health of the Senate Committee on Labor and Public Welfare. August 20, 1974. 208 pp.

Human Rights in Chile. Hearings before the Subcommittees on International Organizations and Movements and on Inter-American Affairs of the House Committee on Foreign Affairs. Part 2. November 19, 1974. 99 pp.

The Crisis of the African Drought. Hearing before the Subcommittee on Africa of the House Committee on Foreign Affairs. November 19, 1974. 143 pp.

Kissinger-Simon Proposals for Financing Oil Imports. Hearings before the Joint Economic Committee. November 25-29, 1974. 109 pp.

Torture and Oppression in Brazil. Hearing before the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs. December 11, 1974. 51 pp.

Economic Issues Between the United States, Japan, and South Korea. Hearing before the Subcommittee on Asian and Pacific Affairs of the House Committee on Foreign Affairs. December 17, 1974. 42 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Health

Constitution of the World Health Organization, as amended. Done at New York July 22, 1946. Entered into force April 7, 1948; for the United States June 21, 1948. TIAS 1808, 4643, 8086.

Acceptance deposited: Mozambique, September 11, 1975.

Load Lines

International convention on load lines, 1966. Done at London April 5, 1966. Entered into force July 21, 1968. TIAS 6331.

Accession deposited: Oman, August 20, 1975.

Oil Pollution

International convention on civil liability for oil pollution damage. Done at Brussels November 29, 1969. Entered into force June 19, 1975.¹

Ratification deposited: Netherlands, September 19, 1975.

Safety at Sea

International regulations for preventing collisions at sea, 1960. Done at London June 17, 1960. Entered into force September 1, 1965. TIAS 5813.

Acceptance deposited: Oman, August 20, 1975.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972; for the United States October 9, 1973. TIAS 7762.

Accession deposited: Kenya, September 25, 1975.

Wheat

Protocol modifying and further extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144, 7988). Done at Washington March 25, 1975. Entered into force June 19, 1975, with respect to certain provisions and July 1, 1975, with respect to other provisions. *Ratification deposited:* Switzerland, September 23, 1975.

Protocol modifying and further extending the food aid convention (part of the international wheat agreement) 1971 (TIAS 7144, 7988). Done at Washington March 25, 1975. Entered into force June 19, 1975, with respect to certain provisions and July 1, 1975, with respect to other provisions. *Ratification deposited:* Switzerland, September 23, 1975.

World Heritage

Convention concerning the protection of the world cultural and natural heritage. Done at Paris November 16, 1972.²

Acceptance deposited: France (with declaration), June 27, 1975.

Ratification deposited: Ghana, July 4, 1975.

BILATERAL

Bangladesh

Agreement for sales of agricultural commodities, relating to the agreement of October 4, 1974 (TIAS 7949), with agreed minutes. Signed at Dacca September 11, 1975. Entered into force September 11, 1975.

Cape Verde

Loan agreement for agricultural sector support (rural works), with annex. Signed at Mindelo June 30, 1975. Entered into force June 30, 1975.

Grant agreement relating to food for work and distribution. Signed at Mindelo June 30, 1975. Entered into force June 30, 1975.

¹ Not in force for the United States.

² Not in force.

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

No.	Date	Subject
496	9/22	Kissinger: U.N. General Assembly.
*497	9/23	Fine Arts Committee, Nov. 18.
498	9/23	U.S.-Mozambique joint communique.
499	9/23	Kissinger, Hottelet: interview, Sept. 22.
500	9/23	Kissinger: toast at dinner for OAU Foreign Ministers and Representatives to the U.N.
*501	9/25	Shipping Coordinating Committee working group, Oct. 16.
*502	9/25	Government Advisory Committee on International Book and Library Programs, Oct. 30.
*503	9/25	Advisory Committee on International Intellectual Property, Oct. 24.
†504	9/25	Eagleburger: House Select Committee on Intelligence.
*505	9/26	Program for the visit of the Emperor of Japan to the U.S., Sept. 30-Oct. 13.

* Not printed.

† Held for a later issue of the BULLETIN.