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> ADDRESS BY THE HONORABLE HENRY A. KISSINGER SECRETARY OF STATE BEFORE THE AMERICAN BAR ASSOCIATION ANNUAL CONVENTION MONTREAL, CANADA August 11, 1975

INTERNATIONAL LAW, WORLD ORDER AND HUMAN PROGRESS

My friends in the legal profession like to remind me of a comment by a British Judge on the difference between lawyers and professors. "It's very simple," said Lord Denning. "The function of lawyers is to find a solution to every difficulty presented to them; whereas the function of professors is to find a difficulty with every solution." Today, the number of difficulties seems to be outpacing the number of solutions -either because my lawyer friends are not working hard enough, or because there are too many professors in government.

Law and lawyers have played a seminal role in American public life since the founding of the Republic. In this century lawyers have been consistently at the center of our diplomacy, providing many of our ablest Secretaries of State and diplomats, and often decisively influencing American thinking about foreign policy.

This is no accident. The aspiration to harness the conflict of nations by standards of order and justice runs deep in the American tradition. In pioneering techniques of arbitration, conciliation, and adjudication; in developing international institutions and international economic practices; and in creating a body of scholarship sketching visions of world order -- American legal thinking has reflected both American idealism and American pragmatic genius.

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The problems of the contemporary world structure summon these skills and go beyond them. The rigid international structure of the Cold War has disintegrated; we have entered an era of diffused economic power, proliferating nuclear weaponry, and multiple ideologies and centers of initiative. The challenge of our predecessors was to fashion stability from chaos. The challenge of our generation is to go from the building of national and regional institutions and the management of crises to the building of a new international order which offers a hope of peace, progress, well-being, and justice for the generations to come.

Justice Holmes said of the common law that it "is not a brooding omnipresence in the sky, but the articulate voice of some sovereign or quasi-sovereign power-which can be identified." But international politics recognizes no sovereign or even quasi-sovereign power beyond the nation-state.

Thus in international affairs the age-old struggle between order and anarchy has a political as well as a legal dimension. When competing national political aims are pressed to the point of unrestrained competition, the precept of laws proves fragile. The unrestrained quest for predominance brooks no legal restraints. In a democratic society law flourishes best amidst pluralistic institutions. Similarly in the international arena stability requires a certain equilibrium of power. Our basic foreign policy objective inevitably must be to shape a stable and cooperative global order out of diverse and contending interests.

But this is not enough. Preoccupation with interests and power is at best sterile and at worst an invitation to a constant test of strength. The true task of statesmanship is to draw from the balance of power a more positive capacity to better the human condition -- to turn stability into creativity, to transform the relaxation of tensions into a strengthening of freedoms, to turn man's preoccupations from selfdefense to human progress.

An international order can be neither stable nor just without accepted norms of conduct. International law both provides a means and embodies our ends. It is a repository of our experience and our idealism -- a body of principles drawn from the practice of states and an instrument for fashioning new patterns of relations between states. Law is an expression of our own culture and yet a symbol of universal goals. It is the heritage of our past and a means of shaping our future.

The challenge of international order takes on unprecedented urgency in the contemporary world of interdependence. In an increasing number of areas of central political relevance, the legal process has become of major concern. Technology has driven us into vast new areas of human activity and opened up new prospects of either human progress or international contention. The use of the oceans and of outer space; the new excesses of hijacking, terrorism, and warfare; the expansion of multinational corporations -- will surely become areas of growing dispute if they are not regulated by a legal order.

The United States will not seek to impose a parochial or self-serving view of the law on others. But neither will we carry the quest for accommodation to the point of prejudicing our own values and rights. The new corpus of the law of nations must benefit all peoples equally; it cannot be the preserve of any one nation or group of nations.

The United States is convinced in its own interest that the extension of legal order is a boon to humanity and a necessity. The traditional aspiration of Americans takes on a new relevance and urgency in contemporary conditions. On a planet marked by interdependence, unilateral

action, and unrestrained pursuit of the national advantage inevitably provoke counter-action and therefore spell futility and anarchy. In an age of awesome weapons of war, there must be accommodation or there will be disaster.

Therefore, there must be an expansion of the legal consensus, in terms both of subject matter and participation. Many new and important areas of international activity, such as new departures in technology and communication, cry out for agreed international rules. In other areas, juridical concepts have advanced faster than the political will that is indispensable to assure their observance -- such as the UN Charter provisions governing the use of force in international relations. The pace of legal evolution cannot be allowed to lag behind the headlong pace of change in the world at large. In a world of 150 nations and competing ideologies, we cannot afford to wait upon the growth of customary international law. Nor can we be content with the snail's pace of treaty-making as we have known it in recent years in international forums.

We are at a pivotal moment in history. If the world is in flux, we have the capacity and hence the obligation to help shape it. If our goal is a new standard of international restraint and cooperation, then let us fashion the institutions and practices that will bring it about.

This morning, I would like to set forth the American view on some of those issues of law and diplomacy whose solution can move us toward a more orderly and lawful world. These issues emphasize the contemporary international challenge -- in the oceans where traditional law has been made obsolete by modern technology; in outer space where endeavors undreamed of a generation ago impinge upon traditional concerns for security and for sovereignty; in the laws of war where new practices of barbarism challenge us to develop new social and international restraint; and in international economics where transnational enterprises conduct their activities beyond the frontier of traditional political and legal regulation.

I shall deal in special detail with the law of the sea in an effort to promote significant and rapid progress in this vitally important nego-tiation.

The Law of the Sea

The United States is now engaged with some 140 nations in one of the most comprehensive and critical negotiations in history -- an international effort to devise rules to govern the domain of the oceans. No current international negotiation is more vital for the long-term stability and prosperity of our globe.

One need not be a legal scholar to understand what is at stake. The oceans cover seventy percent of the earth's surface. They both unite and divide mankind. The importance of free navigation for the security of nations -- including our country -- is traditional: the economic significance of ocean resources is becoming enormous.

From the Seventeenth Century, until now, the law of the seas has been founded on a relatively simple precept: freedom of the seas, limited only by a narrow belt of territorial waters generally extending three miles offshore. Today, the explosion of technology requires new and more sophisticated solutions.

-- In a world desperate for new sources of energy and minerals, vast and largely untapped reserves exist in the oceans.

-- In a world that faces widespread famine and malnutrition, fish have become an increasingly vital source of protein.

-- In a world clouded by pollution, the environmental integrity of the oceans turns into a critical international problem.

-- In a world where ninety-five percent of international trade is carried on the seas, freedom of navigation is essential.

Unless competitive practices and claims are soon harmonized, the world faces the prospect of mounting conflict. Shipping tonnage is expected to increase fourfold in the next thirty years. Large, self-contained factory vessels already circle the globeand dominate fishing areas that were once the province of small coastal boats. The world-wide fish harvest is increasing dramatically, but without due regard to sound management or the legitimate concerns of coastal states. Shifting population patterns will soon place new strains on the ecology of the world's coastlines.

The current negotiation may thus be the world's last chance. Unilateral national claims to fishing zones and territorial seas extending from fifty to two hundred miles have already resulted in seizures of fishing vessels and constant disputes over rights to ocean space. The breakdown of the current negotiation, a failure to reach a legal consensus, will lead to unrestrained military and commercial rivalry and mounting political turmoil.

The United States strongly believes that law must govern the oceans. In this spirit, we welcomed the United Nations mandate in 1970 for a multilateral conference to write a comprehensive treaty governing the use of the oceans and their resources. We contributed substantially to the progress that was made at Caracas last summer and at Geneva this past spring which produced a "single negotiating text" of a draft treaty. This will focus the work of the next session, scheduled for March 1976 in New York. The United States intends to intensify its efforts.

The issues in the Law of the Sea negotiation stretch from the shoreline to the farthest deep seabed. They include:

-- The extent of the territorial sea and the related issues of guarantees of free transit through straits;

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-- The degree of control that a coastal state can exercise in an offshore economic zone beyond its territorial waters; and

-- The international system for the exploitation of the resources of the deep seabeds.

If we move outward from the coastline, the first issue is the extent of the <u>territorial sea</u> -- the belt of ocean over which the coastal state exercises sovereignty. Historically, it has been recognized as three miles; that has been the long-established United States position. Increasingly, other states have claimed twelve miles or even two hundred.

After years of dispute and contradictory international practice, the Law of the Sea Conference is approaching a consensus on a twelve-mile territorial limit. We are prepared to accept this solution, provided that the unimpeded transit rights through and over straits used for international navigation are guaranteed. For without such guarantees, a twelve-mile territorial sea would place over 100 straits -- including the Straits of Gibraltar, Malacca, and Bab-el-Mandeb -- now free for international sea and air travel under the jurisdictional control of coastal states. This the United States cannot accept. Freedom of international transit through these and other straits is for the benefit of all nations, for trade and for security. We will not join in an agreement which leaves any uncertainty about the right to use world communication routes without interference.

Within 200 miles of the shore are some of the world's most important fishing grounds as well as substantial deposits of petroleum, natural gas, and minerals. This has led some coastal states to seek full sovereignty over this zone. These claims, too, are unacceptable to the United States. To accept them would bring thirty percent of the oceans under national territorial control -- in the very areas through which most of the world's shipping travels.

The United States joins many other countries in urging international agreement on a 200-mile offshore economic zone. Under this proposal, coastal states would be permitted to control fisheries and mineral resources in the economic zone, but freedom of navigation and other rights of the international community would be preserved. Fishing within the zone would be managed by the coastal state, which would have an international duty to apply agreed standards of conservation. If the coastal state could not harvest all the allowed yearly fishing catch, other countries would be permitted to do so. Special arrangements for tuna and salmon, and other fish which migrate over large distances, would be required. We favor also provisions to protect the fishing interests of land-locked and other geographically disadvantaged countries.

In some areas the <u>continental margin</u> extends beyond 200 miles. To resolve disagreements over the use of this area, the United States proposes that the coastal states be given jurisdiction over continental margin resources beyond 200 miles, to a precisely defined limit, and that they share a percentage of financial benefit from mineral exploitation in that area with the international community.

Beyond the territorial sea, the offshore economic zone, and the continental margin lie the deep seabeds. They are our planet's last great unexplored frontier. For more than a century we have known that the deep seabeds

hold vast deposits of manganese, nickel, cobalt, copper, and other minerals, but we did not know how to extract them. New modern technology is rapidly advancing the time when their exploration and commercial exploitation will become a reality.

The United Nations has declared the deep seabed to be the "common heritage of mankind." But this only states the problem. How will the world community manage the clash of national and regional interests, or the inequality of technological capability? Will we reconcile unbridled competition with the imperative of political order?

The United States has nothing to fear from competition. Our technology is the most advanced, and our Navy is adequate to protect our interests. Ultimately, unless basic rules regulate exploitation, rivalry will lead to tests of power. A race to carve out exclusive domains of exploration on the deep seabed, even without claims of sovereignty, will menace freedom of navigation, and invite a competition like that of the colonial powers in Africa and Asia in the last century.

This is not the kind of world we want to see. Law has an opportunity to civilize us in the early stages of a new competitive activity.

We believe that the Law of the Sea Treaty must preserve the right of access presently enjoyed by states and their citizens under international law. Restrictions on free access will retard the development of seabed resources. Nor is it feasible, as some developing countries have proposed, to reserve to a new international seabed organization the sole right to exploit the seabeds.

Nevertheless, the United States believes strongly that law must regulate international activity in this area. The world community has an historic opportunity to manage this new wealth cooperatively and to dedicate resources from the exploitation of the deep seabeds to the development of the poorer countries. A cooperative and equitable solution can lead to new patterns of accommodation between the developing and industrial countries. It could give a fresh and conciliatory cast to the dialogue between the industrialized and so-called Third World. The legal regime we establish for the deep seabeds can be a milestone in the legal and political development of the world community.

The United States has devoted much thought and consideration to this issue. We offer the following proposals:

-- An international organization should be created to set rules for deep seabed mining.

-- This international organization must preserve the rights of all countries, and their citizens, directly to exploit deep seabed resources.

-- It should also ensure fair adjudication of conflicting interests and security of investment.

-- Countries and their enterprises mining deep seabed resources

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should pay an agreed portion of their revenues to the international organization, to be used for the benefit of developing countries.

-- The management of the organization and its voting procedures must reflect and balance the interests of the participating states. The organization should not have the power to control prices or production rates.

-- If these essential United States interests are guaranteed, we can agree that this organization will also have the right to conduct mining operations on behalf of the international community primarily for the benefit of developing countries.

-- The new organization should serve as a vehicle for cooperation between the technologically advanced and the developing countries. The United States is prepared to explore ways of sharing deep seabed technology with other nations.

-- A balanced commission of consumers, seabed producers, and land-based producers could monitor the possible adverse effects of deep seabed mining on the economies of those developing countries which are substantially dependent on the export of minerals also produced from the deep seabed.

The United States believes that the world community has before it an extraordinary opportunity. The regime for the deep seabeds can turn interdependence from a slogan into reality. The sense of community which mankind has failed to achieve on land could be realized through a regime for the ocean.

The United States will continue to make determined efforts to bring about final progress when the Law of the Sea Conference reconvenes in New York next year. But we must be clear on one point: The United States cannot indefinitely sacrifice its own interest in developing an assured supply of critical resources to an indefinitely prolonged negotiation. We prefer a generally acceptable international agreement that provides a stable legal environment before deep seabed mining actually begins. The responsibility for achieving an agreement before actual exploitation begins is shared by all nations. We cannot defer our own deep seabed mining for too much longer. In this spirit, we and other potential seabed producers can consider appropriate steps to protect current investment, and to ensure that this investment is also protected in the treaty.

The Conference is faced with other important issues:

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-- Ways must be found to encourage marine scientific research for the benefit of all mankind while safeguarding the legitimate interests of coastal states in their economic zones.

-- Steps must be taken to protect the oceans from pollution. We must establish uniform international controls on pollution from ships and insist upon universal respect for environmental standards for continental shelf and deep seabed exploitation.

-- Access to the sea for land-locked countries must be assured.

-- There must be provisions for compulsory and impartial thirdparty settlement of disputes. The United States cannot accept unilateral interpretation of a treaty of such scope by individual states or by an international seabed organization.

The pace of technology, the extent of economic need, and the claims of ideology and national ambition threaten to submerge the difficult process of negotiation. The United States therefore believes that a just and beneficial regime for the oceans is essential to world peace.

For the self-interest of every nation is heavily engaged. Fallure would seriously impair confidence in global treaty-making and in the very process of multilateral accommodation. The conclusion of a comprehensive Law of the Sea treaty on the other hand would mark a major step towards a new world community.

The urgency of the problem is illustrated by disturbing developments which continue to crowd upon us. Most prominent is the problem of fisheries.

The United States cannot indefinitely accept unregulated and indiscriminate foreign fishing off its coasts. Many fish stocks have been brought close to extinction by foreign overfishing. We have recently concluded agreements with the Soviet Union, Japan, and Poland which will limit their catch and we have a long and successful history of conservation agreements with Canada. But much more needs to be done.

Many within Congress are urging us to solve this problem unilaterally. A bill to establish a 200-mile fishing zone passed the Senate last year; a new one is currently before the House.

The Administration shares the concern which has led to such proposals. But unilateral action is both extremely dangerous and incompatible with the thrust of the negotiations described here. The United States has consistently resisted the unilateral claims of other nations, and others will almost certainly resist ours. Unilateral legislation on our part would almost surely prompt others to assert extreme claims of their own. Our ability to negotiate an acceptable international consensus on the economic zone will be jeopardized. If every state proclaims its own rules of law and seeks to impose them on others, the very basis of international law will be shaken, ultimately to our own detriment.

We warmly welcome the recent statement by Prime Minister Trudeau reaffirming the need for a solution through the Law of the Sea Conference rather than through unilateral action. He said, "Canadians at large should realize that we have very large stakes indeed in the Law of the Sea Conference and we would be fools to give up those stakes by an action that would be purely a temporary, paper success."

That attitude will guide our actions as well. To conserve the fish and protect our fishing industry while the treaty is being negotiated, the

United States will negotiate interim arrangements with other nations to conserve the fish stocks, to ensure effective enforcement, and to protect the livelihood of our coastal fishermen. These agreements will be a transition to the eventual 200⁻mile zone. We believe it is in the interests of states fishing off our coasts to cooperate with us in this effort. We will support the efforts of other states, including our neighbors, to deal with their problems by similar agreements. We will consult fully with Congress, our states, the public, and foreign governments on arrangements for implementing a 200-mile zone by virtue of agreement at the Law of the Sea Conference.

Unilateral legislation would be a last resort. The world simply cannot afford to let the vital questions before the Law of the Sea Conference be answered by default. We are at one of those rare moments when mankind has come together to devise means of preventing future conflict and shaping its destiny rather than to solve a crisis that has occurred, or to deal with the aftermath of war. It is a test of vision and will, and of statesmanship. It must succeed. The United States is resolved to help conclude the Conference in 1976 -- before the pressure of events and contention places international consensus irretrievably beyond our grasp.

Outer Space and the Law of Nations

The oceans are not the only area in which technology drives man in directions he has not foreseen and towards solutions unprecedented in history. No dimension of our modern experience is more a source of wonder than the exploration of space. Here, too, the extension of man's reach has come up against national sensitivies and concerns for sovereignty Here, too, we confront the potential for conflict or the possibility for legal order. Here, too, we have an opportunity to substitute law for power in the formative stage of an international activity.

Space technologies are directly relevant to the well-being of all nations. Earth sensing satellites, for example, can dramatically help nations to assess their resources and to develop their potential. In the Sahel region of Africa we have seen the tremendous potential of this technology in dealing with natural disasters. The United States has urged in the United Nations that the new knowledge be made freely and widely available.

The use of satellites for broadcasting has a great potential to spread educational opportunities, and to foster the exchange of ideas.

In the nearly two decades since the first artificial satellite, remarkable progress has been made in extending the reach of law to outer space. The Outer Space Treaty of 1967 placed space beyond national sovereignty and banned weapons of mass destruction from earth orbit. The Treaty also established the principle that the benefits of space exploration should be shared. Supplementary agreements have provided for the registry of objects placed in space, for liability for damage caused by their return to earth, and for international assistance to astronauts in emergencies. Efforts are underway to develop further international law governing man's activities on the moon and other celestial bodies. Earth sensing and broadcasting satellites, and conditions of their use, are a fresh challenge to international agreement. The United Nations Committee on the Peaceful Uses of Outer Space is seized with the issue, and the United States will cooperate actively with it. We are committed to the wider exchange of communication and ideas. But we recognize that there must be full consultation among the countries directly concerned. While we believe that knowledge of the earth and its environment gained from outer space should be broadly shared, we recognize that this must be accompanied by efforts to ensure that all countries will fully understand the significance of this new knowledge.

The United States stands ready to engage in a cooperative search for agreed international ground rules for these activities.

Hijacking, Terrorism and War

The modern age has not only given us the benefits of technology; it has also spawned the plagues of aircraft hijacking, international terrorism, and new techniques of warfare. The international community cannot ignore these affronts to civilization; it must not allow them to spread their poison; it has a duty to act vigorously to combat them.

Nations already have the legal obligation, recognized by unanimous resolution of the UN General Assembly, "to refrain from organizing, instigating, assisting, participating (or) acquiescing in" terrorist acts. Treaties have been concluded to combat hijacking, sabotage of aircraft, and attacks on diplomats. The majority of states observe these rules; a minority do not. But events even in the last few weeks dramatize that present restraints are inadequate.

The United States is convinced that stronger international steps must be taken -- and urgently -- to deny skyjackers and terrorists a safehaven and to establish sanctions against states which aid them, harbor them, or fail to prosecute or extradite them.

The United States in 1972 proposed to the UN a new international Convention for the Prevention of Punishment of Certain Acts of International Terrorism, covering kidnapping, murder, and other brutal acts. This convention regrettably was not adopted -- and innumerable innocent lives have been lost as a consequence. We urge the United Nations once again to take up and adopt this convention or other similar proposals as a matter of the highest priority.

Terrorism, like piracy, must be seen as outside the law. It discredits any political objective that it purports to serve and any nations which encourage it. If all nations deny terrorists a safehaven, terrorist practices will be substantially reduced -- just as the incidence of skyjacking has declined sharply as a result of multilateral and bilateral agreements. All governments have a duty to defend civilized life by supporting such measures.

The struggle to restrain violence by law meets one of its severest tests in the law of war. Historically nations have found it possible to observe certain rules in their conduct of war. This restraint has been extended and codified especially in the past century. In our time new, ever more awesome tools of warfare, the bitterness of ideologies and civil warfare, and weakened bonds of social cohesion have brought an even more brutal dimension to human conflict.

At the same time our century has also witnessed a broad effort to ameliorate some of these evils by international agreements. The most recent and comprehensive is the four Geneva Conventions of 1949 on the Protection of War Victims.

But the law in action has been less impressive than the law on the books. Patent deficiences in implementation and compliance can no longer be ignored. Two issues are of paramount concern: First, greater protection for civilians and those imprisoned, missing, and wounded in war. And, second, the application of international standards of humane conduct in civil wars.

An international conference is now underway to supplement the 1949 Geneva Conventions on the law of war. We will continue to press for rules which will prohibit nations from barring a neutral country, or an international organization such as the International Committee of the Red Cross, from inspecting its treatment of prisoners. We strongly support provisions requiring full accounting for the missing in action. We will advocate immunity for aircraft evacuating the wounded. And we will seek agreement on a protocol which demands humane conduct during civil war; which bans torture, summary execution, and the other excesses which too often characterize civil strife.

The United States is committed to the principle that fundamental human rights require legal protection under all circumstances; that some kinds of individual suffering are intolerable no matter what threat nations may face. The American people and government deeply believe in fundamental standards of humane conduct; we are committed to uphold and promote them; we will fight to vindicate them in international forums.

Multinational Enterprises

The need for new international regulation touches areas as modern as new technology and as old as war. It also reaches our economic institutions, where human ingenuity has created new means for progess while bringing new problems of social and legal adjustment.

Multinational enterprises have contributed greatly to economic growth in both their industrialized home countries where they are most active, and in developing countries where they conduct some of their operations. If these organizations are to continue to foster world economic growth, it is in the common interest that international law, not political contests, govern their future.

Some nations feel that multinational enterprises influence their economies in ways unresponsive to their national priorities. Others are concerned that these enterprises may evade national taxation and regulation through facilities abroad. And recent disclosures of improper financial relationships between these companies and government officials in several countries raise fresh concerns. But it remains equally true that multinational enterprises can be powerful engines for good. They can marshal and organize the resources of capital, initiative, research, technology, and markets in ways which vastly increase production and growth. If an international consensus on the proper role and responsibilities of these enterprises could be reached, their vital contribution to the world economy could be further expanded. A multilateral treaty establishing binding rules for multinational enterprises does not seem possible in the near future. However, the United States believes an agreed statement of basic principles is achievable. We are prepared to make a major effort and invite the participation of all interested parties.

We are now actively discussing such guidelines, and will support the relevant work of the UN Commission on Transnational Enterprises. We believe that such guidelines must:

-- accord with existing principles of international law governing the treatment of foreigners and their property rights;

-- call upon multinational corporations to take account of national priorities, act in accordance with local law, and employ fair labor practices;

-- cover all multinationals, state-owned as well as private;

-- not discriminate in favor of host country enterprises except under specifically defined and limited circumstances;

-- set forth not only the obligations of the multinationals, but also the host country's responsibilities to the foreign enterprises within their borders;

-- acknowledge the responsibility of governments to apply recognized conflict-of-lawsprinciples in reconciling regulations applied by various host nations.

If multinational institutions become an object of economic warfare, it will be an ill omen for the global economic system. We believe that the continued operation of transnational companies, under accepted guidelines, can be reconciled with the claims of national sovereignty. The capacity of nations to deal with this issue constructively will be a test of whether the search for common solutions or the clash of ideologies will dominate our economic future.

Conclusion

Since the early days of the Republic, Americans have seen that their nation's self-interest could not be separated from a just and progressive international legal order. Our founding fathers were men of law, of wisdom, and of political sophistication. The heritage they left is an inspiration as we face an expanding array of problems that are at once central to our national well-being and soluble only on a global scale.

The challenge of the statesman is to recognize that a just international order cannot be built on power but only on restraint of power. As

Felix Frankfurter said, "Fragile as reason is and limited as law is as the instituionalized expression of reason, it is often all that stands between us and the tyranny of will, the cruelty of unbridled, unprincipled, undisciplined feeling." If the politics of ideological confrontation and strident nationalism become pervasive, broad and humane international agreement will grow ever more elusive and unilateral actions will dominate. In an environment of widening chaos the stronger will survive, and may even prosper temporarily. But the weaker will despair and the human spirit will suffer.

The American people have always had a higher vision -- a community of nations that has discovered the capacity to act according to man's more noble aspirations. The principles and procedures of the Anglo-American legal system have proven their moral and practical worth. They have promoted our national progress and brought benefits to more citizens more equitably than in any society in the history of man. They are a heritage and a trust which we all hold in common. And their greatest contribution to human progress may well lie ahead of us.

The philosopher Kant saw law and freedom, moral principle and practical necessity, as parts of the same reality. He saw law as the inescapable guide to political action. He believed that sooner or later the realities of human interdependence would compel the fulfillment of the moral imperatives of human aspiration.

We have reached that moment in time where moral and practical imperatives, law and pragmatism point toward the same goals.

The foreign policy of the United States must reflect the universal ideals of the American people. It is no accident that a dedication to international law has always been a central feature of our foreign policy. And so it is today -- inescapably -- as for the first time in history we have the opportunity and the duty to build a true world community.

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November 24, 1975

MEMORANDUM FOR:

JACK MARSH

THRU:

MAX L. FRIEDERSDORF VERN LOEN

CHARLES LEPPERT, JR.

FROM:

SUBJECT:

Contempt Citations of Secretary Henry

Paul Ahern tells me that Rep. Bob McClery has requested Rep. Bartler Combie to put the issue of the contempt citations of Secretary Kissinger on the agends for the GOP Policy Committee meeting on December 1, Combie has agreed to do so.

A. Kissinger

H.R. 13179--STATE DEPARTMENT AUTHORIZATION ACT, FY 77 Committee on International Relations, H. Rept. 94-1083 Introduced by Mr. Hays on April 12, 1976

BACKGROUND

Until Congress passed the 1971 Foreign Assistance Act, which required annual authorization for all foreign affairs programs, the State Department was funded under a continuing authorization. Although the Senate combines authorizations for the State Department, the USIA, the Peace Corps, and the Board for International Broadcasting in one bill, the House has traditionally considered the authorizations separately.

This year, as in the past, the President requested a 2-year State Department authorization, but the committee rejected his proposal. Major items included in the FY 77 request of \$1 billion were: 1) \$552 million for administration expenses; 2) \$338.9 million for US participation in international organizations and conferences; and 3) \$68.5 million for educational and cultural exchange programs.

PROVISIONS

H.R. 13179 authorizes total FY 77 funding for the State Department and other related activities of \$1.1 billion--an increase of \$33.6 million (3.3%) over the FY 77 request and \$123.2 million (13.3%) over the FY 76 appropriation. The bulk of the money goes to the State Department, with \$32 million for other activities. Funds for State Department administration, international commissions, exchange programs, general refugee programs, and participation in international organizations and conferences may be transferred among these categories as long as no category increases more than 10%.

The committee notes that \$69.9 million of the authorization increase is attributable to a new interagency accounting system, the Foreign Affairs Administrative Support System (FAAS), which replaces the present Shared Administrative Support system (SAS). The new system (affecting the State Department and 24 other agencies operating abroad) places all overseas administrative costs in the State Department budget rather than including overseas support funds in the authorization for each agency. The following chart details the FY 77 committee recommendations.

Program	FY 76 Appropriation	FY 77 Request	FY 77 Cormittee Bill	% Change fro FY 76 Appropriation	FY 77	
	(in millions)					
Administration of Foreign Affairs	\$500.7	\$552.0	\$552.5	+10.3	+0.1	
International Organiza- tions and Conferences	271.0	338.9	338.9	+25.0	0	
International Commissions	20.3	17.1	17.1	-15.7	0	
Educational Exchange	63.4	68.5	68.5	+8.0	0	
ligration and Refugee ssistance	9.0	10.0	10.0	+11.1	0	
Russian Refugee Assistance	e 15.0		20.0	+33.3		
S Passport Office			1.0			
North Atlantic Assembly		· • •	.05			
Foreign Service Buildings	48.9	31.5	31.5	-35.6	C	
an American Games	alay salay 		12.0			
TOTAL	\$928.2	\$1,017.9	\$1,051.4	+13.3	+3.3	

STATE DEPARTMENT AUTHORIZATION, FY 77

Note: Figures may not add to totals due to rounding.

State Department

Administration--A total of \$552.5 million is authorized for State Department administration expenses. This will cover salaries, expenses, and allowances for approximately 17,000 State Department employees.

International Organizations--The bill provides \$338.9 million for US involvement in international organizations and conferences, including the United Nations, the International Atomic Energy Agency, various inter-American organizations such as OAS, regional organizations such as NATO, and 17 smaller international organizations. No funds are included for UNESCO. Monies also fund US activities at multilateral intergovernmental conferences, such as the Geneva trade negotiations, and US contributions to the Mideast peacekeeping forces, estimated at \$45 million.

International Commissions--Authorizations of \$17.1 million are included for international commissions dealing with US boundaries with Mexico and Canada. Funding also covers US obligations in connection with participation in 10 international fisheries commissions. Educational Exchange--A total of \$68.5 million is included for various international educational and cultural exchange programs, including \$10 million for the development and operation of a Center for Cultural and Technical Interchange between East and West, in Hawaii--a program to promote study of mutual problems of the US and Asian and Pacific nations and to improve relations among these nat

Refugee Assistance--The bill authorizes \$10 million for assistance to migrants and refugees, through contributions to organizations such as the United Nations High Commissioner for Refugees and through unilateral assistance to refugees designated by the President.

US Passport Office--An authorization of \$1 million is provided for the State Department's Passport Office to enable the office to miniaturize files and consequently reduce the need for storage space.

Foreign Service Buildings--The bill authorizes \$31.5 million, an addition to the \$94.7 million previously authorized for FY 76-77, for the State Department's Office of Foreign Buildings. Of this total, \$30 million is for initiating the construction of a new embassy community in Moscow (permitting parallel progress with a comparable Soviet embassy to be built in Washington); the remaining \$1.5 million results from changes in accounting practices.

Russian Refugee Assistance

An FY 77 authorization of \$20 million is provided to assist in the resettlement of Jewish refugees from Russia or Eastern European Communist countries. Funds may only be provided for refugees resettling in Israel.

Pan American Games

An authorization of \$12 million is provided to allow the Federal government to assist the Puerto Rican government with the cost of the 8th Pan American Games to be held in 1979. The games are expected to cost about \$30 million, with the governments of Puerto Rico, private sources, and revenue from the games to provide the rest of the funding.

Miscellaneous Authorizations

The bill provides \$50,000 for expenses to be incurred when the US hosts the North Atlantic Assembly this fall. Also authorized is an ex gratia payment of \$10,000 to the wife of the former Australian Ambassador, Lady Catherine Helen Shaw, for injuries suffered in a street attack in Washington.

Legislative Provisions

<u>Cultural Exchange</u>--The bill amends the Mutual Educational and Cultural Exchange Act of 1961 to allow a Federal employee, with the approval of the Secretary of State, to accept a foreign government's assistance for participation in a cultural exchange program, removing the current prohibition against accepting assistance valued over \$50.

Annuity Increases--The Secretary of State is authorized to supplement the civil service annuity payments to retired alien employees, the value of whose benefits has diminished due to changes in exchange rates. The committee estimates this change will cost \$500,000 annually.

<u>Cost-of-living Adjustments</u>--As recommended by the President and the State Department, the bill deletes the extra 1% feature in the cost-of-living adjustment formula of the Foreign Service retirement system, which has operated to overcompensate retirees.

COMMITTEE ACTION

After 4 days of subcommittee hearings were held in February, the full committee unanimously ordered the bill reported by voice vote on May 4.

VIEWS

The administration supports enactment of this bill in general. However, it recommends deletion of section 10 which would authorize State Department appropriations that would be transferred to the Recreational Development Company of Puerto Rico for general expenses of the Eighth Pan American Games. United States support of that activity should be limited to construction of permanent sports facilities and be provided through other existing programs.

RULE

H.R. 13179 will be considered under a 1-hour, open rule.