THE DEPARTMENT OF STATE BULLETIN

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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.

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The Department of State and National Security Policy

Statement by Joseph J. Sisco
Under Secretary for Political Affairs [1]

I welcome your invitation to appear before this subcommittee to engage in a dialogue on national security issues. I will make my opening statement brief to allow us more time to exchange views in the question period.

Defense is a fundamental concern for all of us, not just the Armed Forces who are the custodians of our military might and the executors of military policies. We in the State Department are equally involved, for security is the first principle of a successful foreign policy. And sufficient military strength is the foundation of our ability to achieve our foreign policy objectives.

The basic elements of our foreign policy which we believe should guide the United States are these:

—To maintain our strength and purpose as a nation.

—To maintain and continually revitalize our relations with allies and friendly countries with which we share values and interests.

—To reduce the risk of war with our potential adversaries and move toward more rational and normal relationships despite continuing differences.

—To discourage the spread of nuclear weapons capability and otherwise to help to resolve regional conflicts that threaten world peace.

—To resolve international economic issues in a way which enhances economic and political stability, prosperity, and justice.

We need little reminder that the world is an uncertain and dangerous place. It is certainly not a time when any nation bearing the burden of leadership can afford to slacken its vigilance.

The times call for a sober assessment of what we need to assure our own security and to remind other nations that the United States will continue to provide responsible leadership and will keep its commitments to those who depend on our help for their defense. How we handle the allocation of our resources for defense purposes remains critical. How we act to meet the defense requirements necessary to maintain the world balance of power will have an important effect on the morale and steadfastness of our friends and allies, the policies of our adversaries, as well as our own security and national interests.

The question of the future balance is as important for the shapers of foreign policy as it is for the shapers of military policy. In determining the military force posture which meets our policy requirements, we naturally need a standard of measurement that must reflect many factors, of which the size of Soviet forces is but one. Numbers

[1] Made before the Subcommittee on International Political and Military Affairs of the House Committee on International Relations on Apr. 29. 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.

are not the only measures of military strength; quality is an important consideration, too. So are geopolitical factors. What serves the Soviets well might not do for the United States, and vice versa. We must also take into account our political and economic interests in various parts of the world and those of our allies.

Over the years since they took power, the Soviet leaders have chosen to devote a substantial proportion of their vast resources to building a powerful military establishment. The United States could not have prevented the Soviet Union from achieving superpower status. That is a fact of life.

Our task is to restrain Soviet power and prevent it from upsetting global stability. At the same time, we face the long-term challenge of putting the U.S.-Soviet relationship on a more secure, constructive, and durable basis. In an age when the threat of thermonuclear war remains ever present, we must move beyond a simple balance of force and periodic challenges to more stable relations. As President Ford has said, peace and a constructive relationship with the Soviet Union can only proceed from strength and an ability to negotiate our differences. This dual approach to relations with the Soviet Union has been the principal foundation of American policy in recent years.

The defense posture which matches these requirements must be relevant to our dangers, comprehensible to our friends, credible to our adversaries, and sustainable over the long term. The principal facet of this posture has not changed in 30 years: our strategic forces must be sufficient to deter attack and credibly maintain the nuclear balance. I believe our present forces do that. With our technological lead and with continuing effort, we can and must insure that these forces will be sufficient.

But strategic forces are not enough. World peace in the present circumstances of rough strategic equivalence is more likely to be threatened by shifts in local or regional balances—in Europe, the Middle East, Asia, Latin America, or Africa—than by a strategic nuclear attack. Thus it is more important than ever to maintain and improve forces that can be used for local defense in support of our allies and to help maintain regional stability.

Under current conditions, the task of identifying those interests and areas of the world of highest priority to the United States demands more precision than ever. Three areas are clearly of vital interest to us: Europe, the Pacific, especially Northeast Asia, and the Middle East. We have defended our vital interests there by firm alliances and a U.S. military presence in or near these areas.

I need not rehearse for the members of this committee the basis for our judgment with regard to Western Europe; the historic, economic, political, and cultural imperatives of this enduring association are well known. So is the presence of the continuing Soviet military threat.

American military strength in Asia is essential to preserving a stable balance of power. In Northeast Asia in particular, the interests of three great powers are engaged —the United States because of its close economic and political ties with Japan and Korea; China and the Soviet Union because of geography and their own national interests. This adds cogency to the need for a strong, continuing U.S. presence in the area. Additionally, American strength lends credibility to our relationship with the People's Republic of China.

In the Middle East the credibility of American power is vital. Renewed hostilities between Israel and the Arab states would dangerously engage the interests of the Soviet Union and the United States. U.S. forces in the Mediterranean and Europe serve as a deterrent to the U.S.S.R. Our security assistance programs are vital to Israel's security and survival. They also serve to strengthen and improve America's relations with Arab nations and bulwark the central diplomatic role of the United States in the Arab-Israeli problem.

Elsewhere in the world there are many places where our interests are important. Africa is another case in point, and the

Secretary of State's current visit to that area serves to emphasize our commitment to project purpose and steadfastness lest our adversaries be tempted to take advantage of the continent's many difficulties for their own immediate gain. We must be prepared to recognize genuine threats to the global balance, whether they emerge as direct challenges to the United States or as regional encroachment at greater distance. And we must be prepared to meet them.

Our diplomacy, then, demands two types of general-purpose forces: forces fully committed to the defense of our main alliances and forces available to meet contingencies elsewhere which threaten vital U.S. interests or which have implications for great-power confrontation.

While we need arms to insure our national security in the world of today, we also need arms control to provide a more enduring basis for maintaining it. That is the objective of SALT [Strategic Arms Limitation Talks] and our other arms control initiatives. If both sides can have confidence in an arms limitation agreement that puts neither at a disadvantage, then both national security and world stability are served. Moreover, effective and equitable arms limitation accords which constrain the Soviet buildup can prevent major future increases in expenditures on our strategic forces.

An agreement on strategic arms limitation is not, therefore, incompatible with maintaining a strong defense. We negotiate best when we negotiate from strength. And particularly in the absence of agreed long-term limitations, we will need to keep our guard up. For the foreseeable future we will need to follow both tracks, military strength and the pursuit of arms control.

Thus far I have discussed the nature of the Department of State's interest in military developments as essential factors in the design and conduct of our foreign policy. Now I would like to sketch very briefly how we work with the Department of Defense in dealing with those aspects of military policy of interest to us.

Every day officials of the State Department and the officers in our missions abroad at all levels deal with military issues of wide variety and complexity. We have an entire bureau (Politico-Military Affairs) structured and staffed to deal with military problems across the board. On a higher level of policy formulation, the State Department has specific interests which are met through institutionalized procedures backed up by informal consultations. On SALT and other major arms control issues State and Defense representatives meet regularly with those of other interested agencies in working groups under the aegis of the NSC [National Security Council] Verification Panel, the senior-level body which is the arbiter of major arms control issues. Other ad hoc groups meet under NSC auspices when problems arise which require interagency coordination, on a wide range of issues in which foreign policy and military policy are intertwined. In addition to arms control, we in the State Department are concerned on the national level with U.S. military bases on foreign soil, arms sales and assistance policies, arms procurement policies which involve foreign manufacturers, NATO planning, and mutual security agreements.

The relationship between foreign policy and defense programs has recently been recognized by the Congress and is embodied in section 812 of the fiscal year 1976 Defense Authorization Act, which requires the Secretary of Defense, after consultation with the Secretary of State, to submit to the Armed Services Committees a written annual report on this subject. We have chosen to use the Secretary of Defense's annual budget report as the vehicle for meeting this requirement, and section I of the fiscal year 1977 report is our response. It was developed through close coordination between State and Defense at both the working level and the policy level.

I do not wish to imply an omnipresent State Department role in military policy-making. Obviously there are areas where we lack the technical competence to participate meaningfully, and we do not seek to chal-

lenge legitimate military prerogatives. But, as I hope this brief exposition has shown, our interest in military plans, programs, and policies is broad and fundamental to the success of our foreign policy objectives, and we use every available avenue to communicate our concerns.

That being said, I wish to assure this committee that we agree with the general shape and thrust of the Defense programs now before the Congress for approval. We must of course insure that we do not overreact to the Soviet challenge with ill-conceived programs. But the dangers we face, the precarious balance in which the future of humanity hangs in the nuclear age, make it incumbent on the leadership of the United States to see to it that the balance of power does not tilt against us.

U.S. Reaffirms Position on Decade To Combat Racism

Following is a statement made before the U.N. Economic and Social Council by U.S. Representative William W. Scranton on April 28.

USUN press release 48 dated April 28

The creation in 1973 of the Decade for Action To Combat Racism and Racial Discrimination was the product of consensus. Every member of the United Nations supported this program. The United States played a leading role in shaping that consensus; and we did so with enthusiasm, with hope, and with that most critical ingredient, realism. We ourselves were a full two decades into the effort to institutionalize the results of the civil rights revolution that had been sparked by the U.S. Supreme Court in the case of *Brown* v. *Board of Education*. We knew the difficulties of lifting a moral principle to the level of national law and then reducing it to the level of particularity —taking the ideals of justice and social and racial equality and making them part of the daily life of the land.

We know that this is a complex and a painful task, that even small steps stir strong resistance, that to prevail we must persist, and most important, that our efforts depend crucially on developing and sustaining a strong supporting consensus.

There has been no more difficult social problem in the United States of the sixties and seventies than maintaining that basic consensus among the people, their political representatives, among lay leaders and leadership institutions. But we have done so. And we shall continue to do so. For without a general belief that the elimination of racism and racial discrimination is a central goal of our society rightly defined and fairly pursued, our efforts would falter and then inevitably fail.

Over a period of 30 years, the United Nations built and maintained a similar consensus. The early work of the United Nations on human rights, the adoption of the Convention To Eliminate Racial Discrimination, and the launching in 1973 of the Decade To Combat Racism and Racial Discrimination were all inspired by a common commitment to work against certain universally defined wrongs.

We Americans could not be true to ourselves if we failed to support every proper effort to combat racism and racial discrimination at the international level. I have in mind most particularly one of the worst contemporary manifestations: apartheid. We flatly and absolutely oppose apartheid. We find the practice odious. It is a system which brutalizes all the people of South Africa—blacks, coloreds, Asians, and whites. It remains my government's belief that South Africa must be exposed to relentless demands of the world community until this deplorable system is eradicated. Our feelings extend beyond South Africa to racial discrimination anywhere.

Mr. President, I must also reaffirm the U.S. position regarding the Decade. The un-

wise, unjust, and completely unacceptable action by the General Assembly in adopting Resolution 3379, equating Zionism with racism and racial discrimination, deformed the meaning of those terms. It demolished the U.N. consensus on questions relating to racial discrimination.

Zionism is not racism. It is not racial discrimination. It is a justifiable and understandable manifestation of national feeling on the part of a people entitled to a homeland, whose claim to a homeland was recognized by the United Nations almost 30 years ago. The final borders of that homeland have not been agreed upon, and the search for a just and lasting settlement of this dispute has absorbed our energies and our attentions for a number of years; but this early act of recognition by the United Nations is not at issue.

The United States will never accept the thesis of General Assembly Resolution 3379, any more than it would agree that other legitimate national movements are to be condemned as forms of "racism" or "racial discrimination." This attitude is not the policy of a particular Administration at a particular moment. It is a view strongly held throughout the Congress, the executive branch, and the nation as a whole.

Because the United States felt so strongly about Resolution 3379, it concluded and announced that it could no longer participate in the Decade or support it or, specifically, attend the planned conference in Ghana. We will adhere to this position. The United States could resume its participation in the Decade only if the Decade were to return to its original basis, which was once accepted by a broad consensus.

What I have said today I have said not out of anger or out of self-righteousness, but as a deeply felt expression of concern for the integrity and the vitality of the U.N. system. Too much is at stake—the world too filled with political strife—to continue to permit this great forum to be used to inflame racial and religious antagonisms. Too many nations and peoples suffer the consequences of poverty and economic instability to permit our time to be wasted in political vilification. That is no answer. The answer is stable agreements reached through consensus.

World Trade Week, 1976

A PROCLAMATION[1]

When our Nation's founders met two hundred years ago in Philadelphia to declare our independence, they categorized in unambiguous terms the reasons that compelled them to embark upon such a momentous and irrevocable course. "Cutting off our Trade with all Parts of the World" was high on the list of grievances.

The patriots who declared independence in 1776 set the United States on the path to leadership in the interdependent world of 1976. Their action enabled us, over a period of two centuries, to construct a firm foundation of commercial alliances with nations around the globe. Last year our two-way trade with other nations amounted to $204 billion, with a record trade surplus of more than $11 billion.

America's performance in the world marketplace is a true measure of the quality of American products, the extent of American ingenuity, and the dedication of American labor and industry to international commerce. Trade has been indispensable to our economic growth, to the greater well-being of our citizens, and to peaceful progress in our relationships abroad. It remains indispensable as we look to the new horizons of our third century.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby proclaim the week beginning May 16, 1976, as World Trade Week. I call upon all Americans to join with business, labor, agricultural, educational, professional and civic groups, and public officials at all levels of Government, in observing World Trade Week with appropriate activities and ceremonies.

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

GERALD R. FORD.

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[1] No. 4427; 41 *Fed. Reg.* 14997.

The Challenge of Transnational Corporate "Wrongdoing" to the Rule of Law

Address by Monroe Leigh
Legal Adviser [1]

When I was invited to speak at this Law Day gathering in Dallas, I accepted with alacrity. I saw it as an opportunity to discuss one of the most urgent of our current foreign policy problems—an opportunity to express my concern that in our preoccupation with exposing corporate wrongdoing abroad, we not overlook the individual's claim to due process. Law Day, above all days, is the day on which we should recall the great traditions of our legal history, the great principles of our professional heritage. The concept of due process is at the very center of that heritage.

In one sense, the phenomenon of transnational corporate bribery which is now agitating both the government and the corporate world is as old as sin itself. Certainly there is nothing new in the existence of bribery, whether it be called "cumshaw," "baksheesh," "grease," or any of a variety of regional epithets. Certainly there is nothing new about attempts to influence government action. Our own domestic laws are replete with special provisions designed to curb abuses in government procurement both by those who give bribes and by those who receive bribes.

In some respects, there *is* something new in the phenomenon of the multinational corporation. At worst, it has been depicted as an octopus reaching across international boundaries to seize whatever rights and privileges its superior economic power enables it to procure. On the other hand, at best the multinational corporation has been a veritable catalyst of progress and development—not only for this country but also for innumerable foreign countries who need, and have profited from, the economic benefits which the multinational corporation can bring to bear in alleviating poverty and in raising living standards throughout the world.

But still the question arises: Why has the phenomenon of transnational wrongdoing assumed in recent months the prominence it has achieved? In part it is attributable to the size and economic power of the multinational corporations involved and the economic dependence of certain foreign governments. In part it is due to the fact that the allegations so far made have involved prominent political figures abroad, if not by name, at least by innuendo. And in part it is due to the fact that one particular American multinational corporation, by its own admission, resorted to bribery on a grand scale as a matter of company policy in order to promote the sale of its products to foreign governments.

The reaction to these disclosures in the United States has been profound. The reaction abroad to the allegations that senior political figures in various foreign countries have been the recipients of bribes has been even more profound. The Japanese are in the throes of what has been called their greatest political crisis since 1946. In Holland the allegations are directed at the Royal Consort. In Italy the allegations come at a

[1] Made before the Southwestern Legal Foundation at Dallas, Tex., on Apr. 29.

juncture when it appears that the Communist Party, for the first time, may be invited to participate in the government. Thus the foreign policy implications of the allegations are of enormous consequence.

Although the fact of bribery has been admitted by one or more American and foreign corporations of multinational scope, the specifics in most cases remain ill defined. They remain obscure because the law enforcement agencies in the United States and abroad have not yet completed their investigations. Investigation of criminal activity is a tedious and time-consuming matter. Yet there have been, as is well known, almost daily leaks of information about the particulars of one or another corporation's activities abroad.

For present purposes we must assume that quite a number of American corporations have made payments abroad which were either outright bribes or unconscionably inflated commission fees or direct contributions to political parties. The Securities and Exchange Commission (SEC) has reported the use of dummy foreign subsidiaries and numbered Swiss bank accounts as techniques for concealing such payments. Finally, it now seems clear that not all of the payments which companies claim to have made to politicians abroad have in fact been made as alleged. This is a fact of particular importance to what I shall say later about due process.

Perhaps of equal importance from the standpoint of American law enforcement is the disclosure that a number of corporations have falsified their books and records in a way that conceals from their lawyers and auditors, as well as from the SEC and the investing public, the fact that such payments have been made.

Unfortunately, it cannot be said that the practice of making questionable payments abroad is confined to a few wayward companies. In early March the SEC, according to its Chairman, was investigating 84 publicly held companies, whose 1974 revenues amounted to more than $200 billion. Fifty-five of these companies were included in the "Fortune 500" list of the largest industrial enterprises in the United States.

I recognize the weight of the justifications which have been offered. Some say the American corporations were only doing abroad what all competing foreign companies do anyway. "When in Babylon, do as the Babylonians do." I recognize also that there is nothing morally or legally wrong with the payment of commissions to a legitimate business agent, provided the amounts are reasonable and not inflated for purposes of influencing official actions by foreign governments. I also recognize that the payment of contributions by corporations to political parties is not a violation of local law in most countries. Indeed, this practice was entirely legal in the United States until comparatively recent times and is still legal in Canada. I recognize also that the United States does not have authority to punish offenses against the laws of foreign countries.

Respect for Rights of Individuals

Having said this, however, it is necessary to step back and take a broader view. In terms of broad national interest, we must put our own house in order. No other objective is consonant with the rule of law. No other objective will be consistent with the long-term self-interest of U.S. companies. We have for many years tried to assure that American enterprises respect the moral imperatives which undergird the economic order within the United States. And it now seems obvious that we must take steps to contain the corrosive effects of bribery on the activities of our companies abroad.

But the rule of law cannot look only to the behavior of corporations. The rule of law also requires a decent respect for the rights of individuals who are alleged to have received bribes from American companies. It is essential that the names of individuals mentioned in unverified allegations not be prematurely disclosed prior to the completion of the investigation process—prior to some confirmation that the allegations are based on reliable evidence.

This brings me, of course, to the controversy which is now absorbing the attention of the media. This is especially true in Washington, and it is hardly less true in Japan or in Italy.

As the press has reported, the State Department has been requested by various foreign governments to make available "the names" of those foreign officials in high places alleged to have received bribes from American companies. Let me add that the State Department cannot itself supply the names because it does not have any of the documentary evidence. That information is held by the SEC, the Church subcommittee [Subcommittee on Multinational Corporations of the Senate Committee on Foreign Relations], and the Department of Justice.

Nevertheless, these requests have presented a dilemma for the American policymaker. On the one hand, the U.S. Government condemns bribery as strongly as any government on earth. Moreover, its natural instinct would be to cooperate with foreign law enforcement officials in securing convictions for crimes which have been committed in foreign countries.

On the other hand, there are competing considerations. First, our own law enforcement agencies, such as the Department of Justice and the SEC, have not completed their investigations. Premature disclosure of names can prejudice the orderly processes of American criminal investigation and law enforcement. Secondly—and of perhaps even greater importance, to my mind—we do not believe that unverified allegations should be made public until such time as appropriate authorities either in this country or abroad have had an opportunity to verify the reliability of the evidence.

Consider for a moment the character of the evidence so far available. It consists of documentation supplied by American corporations in response to subpoenas from the SEC and the Senate Subcommittee on Multinational Corporations. Included in these files is the day-to-day correspondence between the American company and its commission agents abroad. It is inherent in the relationship between the U.S. principal and its foreign agent that the latter is inclined to exaggerate the value of his services, the level of his contacts, and the sums of money required to achieve the objective of selling expensive military and other equipment to foreign governments. Moreover, there is an unfortunate tendency on the part of such overseas agents to justify their demands for more money by claiming the necessity to pay bribes, cumshaw, baksheesh, or what you will, in order to secure company objectives. All too often, the principal in the United States accepts the claims of the agent on the spot without any significant investigation.

What I am saying is that the fact that a commission agent abroad mentions the name of a senior politician high in the government councils of a particular foreign country does not prove that money was actually paid to such an official. Indeed, one well-known foreign commission agent now states that although he reported to the American company that he used certain sums to bribe a government official, in fact he kept the money for himself. There is no easy way to get at the truth.

Promoting Concepts of Fairness

To be sure, the truth of any allegation should be investigated; but prior to an investigation by law enforcement officials as to whether the evidence warrants prosecution, the name of the alleged individual should not, in my judgment, be publicly revealed.

In saying this, I am claiming no more for the foreign individual than we would take for granted in connection with a criminal investigation in the United States. The Department of Justice in its investigation of criminal activities treats all such investigations as confidential. The same is true of the SEC investigations. Foreign law enforcement officials generally do the same. Moreover, the Senate Subcommittee on Multinational Corporations has taken the same position in that it has declined to make public the names of foreign politicians mentioned in the documentation which it has secured.

I am familiar with the line of argument

which contends that if a foreign government requests the names of its nationals involved in alleged bribetaking, that request should be complied with because the foreign government, not the United States, is responsible for protecting the rights of its own citizens.

Ordinarily, under customary international law, one would say that a foreign sovereign has the right to investigate and punish the wrongdoing of its own nationals within its own territory. But does this mean that the United States has no interest in how the investigation is pursued? Much of the evidence *is* in this country and has come from American nationals. And what of due process? In transmitting evidence, should the United States totally abstain from promoting concepts of fairness in the investigative process?

I believe that we should not abstain. In fact, if one takes a broader view of international law, one could well argue that the concept of fairness is central to international principles of human rights. One might point, for example, to articles 55 and 56 of the U.N. Charter, where all U.N. members undertake to promote human rights. Article 12 of the Universal Declaration of Human Rights guarantees to an individual the protection of the law against arbitrary interference with his privacy and against "attacks upon his honor and reputation." This would at least support, if not mandate, efforts by all countries concerned to protect the rights of individuals involved in transnational investigations.

To put it another way, the fact that evidence is to be sent outside the territorial confines of the United States does not mean that law enforcement officials either in this country or abroad should disregard elementary considerations of due process. This would be true whether the reputation at stake was that of an ordinary citizen or of a senior politician high in the councils of government. We should not allow formalistic notions of territorial sovereignty to frustrate new modes of international cooperation which safeguard these interests.

In sum, American policymakers have had two objectives: First, to cooperate with foreign law enforcement officials, but second, to do so in a way which would safeguard the rights of the individual.

Agreements on Exchange of Evidence

It is a source of great personal satisfaction to me to be able to report that when the interested agencies of the American Government met to discuss this problem, there was unanimous agreement among those involved concerning applicable standards—in particular, that considerations of due process required that individual names be treated confidentially until appropriate law enforcement officials could determine whether the evidence justified a prosecution. I have been even more gratified to find that, without exception, foreign law enforcement officials have readily accepted this concept, although in some countries the function of law enforcement is allocated among branches of government in ways which are unfamiliar to Americans.

In implementing this policy, our Department of Justice has concluded a half-dozen evidence exchange agreements with foreign law enforcement officials. These agreements provide for reciprocal exchange of evidence between the U.S. Justice Department and the foreign law enforcement agency, usually the foreign Ministry of Justice. They provide for mutual cooperation in securing additional information on illicit payments. They provide that frequent consultation shall occur so that the activities of law enforcement officials in one country do not adversely affect investigations in the other country. And —most important—they provide that during the period of investigation the evidence exchanged will be treated as confidential.

None of these exchange agreements contemplates a holding back of evidence because it may be particularly sensitive. On the contrary, full exchange is to take place between our Department of Justice and the foreign law enforcement agency, but on the understanding that evidence will be treated as confidential until a decision is made to prosecute.

I have chosen to be rather specific about the objectives and conditions of this cooperation because there is no other way to deal with a question of due process. Due process has significance only in its specific application. Due process means dealing with large issues in small bits. It means adapting traditional concepts of fairness to fit new situations and unforeseen events. I believe it is the hallmark of our legal tradition that specific questions, like transnational wrongdoing, have been the focus of our legal development.

This year the British people are lending us, in commemoration of the Bicentennial year, a rare copy of the Magna Carta, to remind us of the common legal heritage of our two peoples. It is worth remembering that the concept of due process, which I have stressed tonight, is traceable to the Great Charter, which stands as the first milestone in the struggle for due process—in the struggle for balance between the individual rights of citizens and the claims of government. But if one were to go back and read the Great Charter, he would be surprised by the particularity of its content. It is merely a contract of 63 parts, each dealing in detail with a practical grievance of a small group of rebellious barons. It defines the scope of feudal rights to such occult notions as "wardship," "relief," and "scutage"—and contains elaborate provisions for enforcing these rights. It is a practical document, largely a lawyer's document—dull on its face but rich in historical significance.

The same could be said of most of the other great title deeds of Anglo-American constitutional development: the Petition of Right, the Constitutions of Clarendon, the Bill of Rights. Even our own Declaration of Independence, after an eloquent introduction, is devoted to a list of specific grievances—essentially a lawyer's bill of particulars. In short, our legal tradition is pragmatic more often than philosophical. We have chosen to focus upon the particular rather than the general.

And so it has been in the application of the concept of due process to the problem of transnational bribery. We have sought to find a practical way to assure that the rule of law is applied to enforce the claims of *justice* across international boundaries while, at the same time, protecting the rights of the individual against the *injustice* of premature and ill-considered disclosure.

U.S. Initiatives for International Solutions

I have mentioned the evidence exchange agreements which have been negotiated between our Department of Justice and foreign law enforcement agencies. However, the scope of U.S. governmental action to remedy the corrosive effect of corporate bribery is far greater.

I would mention in particular the SEC's activities over the last 18 months under its "voluntary" program. Under this program the SEC has sought to encourage more stringent accounting standards in the auditing profession and comprehensive disclosure by companies of illegal, improper, or questionable payments abroad. Many companies have opened their books to complete reauditing of their financial returns over the last several years.

While the program I have just described applies only to companies listed on the American stock exchanges, there is reason to believe that this unilaterally applied policy of the United States will have widespread effects abroad and result in a general raising of standards throughout the world.

I would mention also that the Internal Revenue Service (IRS) has recently accelerated its program to track down cases in which payments of bribes to foreign officials have improperly been claimed as tax deductions in the United States.

However, no amount of U.S. regulation of companies subject to the jurisdiction of the SEC and the IRS can achieve a comprehensive longrun solution to the problem of transnational wrongdoing. Solutions to problems of this sort can only be achieved through international cooperation in establishing common standards of conduct.

Recently the State Department has taken a number of initiatives that will, we hope,

lead to such international standards. For example, the Organization for Economic Cooperation and Development, to which the United States and other industrialized nations belong, has for some time been considering a set of guidelines for multinational enterprises. The United States has recently taken steps to insure that these guidelines will condemn both the giving and the soliciting of bribes or other improper benefits to government officials.

More comprehensive is the United States proposal for an international convention on illicit payments. The United States proposed such an agreement at a meeting last month of the U.N. Commission on Transnational Corporations in Lima, Peru. It is contemplated that such an international agreement would be based on the following principles:

—First, the agreement would apply to all international trade and investment transactions between companies and governments. And it would apply equally to those who offer or make improper payments and to those who request or accept them.

—Second, host governments would agree to establish clear guidelines concerning the use of agents in connection with government procurement. Host governments would also prescribe criminal penalties for corrupt practices by enterprises and officials in their territory. This emphasis on clear guidelines reflects a fundamental element of due process—that companies and their agents should have advance notice of what conduct is to be considered illegal.

—Third, there would be uniform provisions for disclosure by enterprises, agents, and officials of any political contributions, gifts, or payments made in connection with the covered transactions.

—Fourth, all governments would agree to cooperate and to exchange information concerning corrupt practices. It is, of course, contemplated that such exchanges of information would take into account the rights of individuals.

This is an ambitious proposal. It requires cooperation among agencies within individual countries as well as cooperation throughout the international community. And it clearly provides a major challenge for those who believe in the rule of law. But because transactions between companies and governments have become a regular feature of modern international economic life, this challenge must be met.

How successfully the challenge is met will, in large part, be determined by how well our solutions take into account traditional principles of fairness, due process, and rights of the individual. In this effort the legal profession, both here and abroad, has a crucial role to play if the rule of law is to be advanced.

First Sinai Support Mission Report Transmitted to the Congress

Following is the text of a message from President Ford to the Congress dated April 30, together with the text of a letter to President Ford dated April 13 from C. William Kontos, Special Representative of the President and Director, U.S. Sinai Support Mission, transmitting the first report of the mission.[1]

PRESIDENTS FORD'S MESSAGE TO CONGRESS

White House press release dated April 30

To the Congress of the United States:

I am transmitting herewith the First Report of the United States Sinai Support Mission. The Report describes the manner in which the Support Mission is carrying out its mandate to implement the United States' responsibility for the early warning system in the Sinai, as specified in the Basic Agreement between Egypt and Israel of September 4, 1975, and the Annex to the Basic Agreement. This Report is provided to the

[1] Single copies of the report (39 pp. and 11 annexes) may be obtained from the U.S. Sinai Support Mission, c/o Department of State, Washington, D.C. 20520, as long as supplies are available.

Congress in conformity with Public Law 94–110 of October 13, 1975.

The Report includes an account of American participation in the establishment of the Sinai early warning system during the first six months following the enabling legislation, a report on the current status of the early warning system, and a discussion of the actions now under way which will permit the Sinai Support Mission to conclude its construction and installation phase by early summer. When this preparatory period has been completed and we have had an opportunity to observe the ongoing operations of the early warning system, we will be better able to assess the feasibility of making technological or other changes that could lead to a reduction in the number of American civilians assigned.

As you know, the functions which the American volunteers are performing were requested by the Governments of Egypt and Israel. We have accepted responsibility for these functions, with the concurrence of both Houses of the Congress, because we believe the United States has an important stake in a stable Middle East.

The early warning system in the Sinai is an important investment in peace. It helps support the Basic Agreement between Egypt and Israel which represents a significant step toward an overall settlement. Continuing presence of the system provides in itself an important contribution to stability in the area and to the creation of a climate of confidence so necessary for further progress toward a just and durable peace.

GERALD R. FORD.

THE WHITE HOUSE, *April 30, 1976.*

TRANSMITTAL LETTER TO PRESIDENT FORD

APRIL 13, 1976.

DEAR MR. PRESIDENT: On October 13, 1975, you signed the Joint Resolution of the Congress which authorized implementation of the United States Proposal for a U.S. early warning system in the Sinai, manned by up to 200 American civilians. The attendant duties and responsibilities were, at your direction, entrusted to the United States Sinai Support Mission. I am submitting herewith an account of the Mission's activities to April 13, 1976 for inclusion in the six-month report to the Congress required by Section 4 of the Joint Resolution. In addition, illustrative material and copies of documents are provided to contribute to an understanding of accomplishments to date.

This initial six-month period has been a time of intense and productive activity for the Sinai Support Mission, its overseas arm, the Sinai Field Mission, and the private contractors who have been installing the early warning system under our direction and supervision. With the full cooperation of the Governments of Egypt and Israel and the United Nations authorities in the area, we were able to achieve operational surveillance capability on February 22, 1976 simultaneously with the final movements of the Israeli armies and the assumption by the United Nations Emergency Force of responsibility for the Buffer Zone in accordance with the Basic Agreement of September 4, 1975 between Egypt and Israel and the Annex to the Basic Agreement.

Since then, we have been engaged in improving our initial capability and continuing the construction of life-support facilities for the men and women who will comprise the Sinai Field Mission. Although the Joint Resolution agreed to the assignment of 200 Americans with the Field Mission, we have kept in mind Congressional interest in reducing this number. I am pleased to report that the total number of United States Government and contractor staff of the Sinai Field Mission will be 174 once the construction period has ended. Other Congressional concerns raised during the Fall, 1975, hearings or expressed in the Joint Resolution have also been addressed: every member of the Sinai Field Mission is an American civilian who volunteered to work in the early warning system; no member was previously employed by a foreign intelligence gathering agency of the United States Government and none is operating under the control of the Central Intelligence Agency or the Department of Defense. The health and welfare of each American in the Sinai were given priority consideration in the formulation of our plans. Security precautions have been integrated into the Field Mission's physical structures and daily procedures. Finally, with specific reference to Section 1 of the Joint Resolution, emergency evacuation plans have been prepared for the rapid removal of Sinai Field Mission personnel in the circumstances specified, or in such other circumstances as you may decide.

From its inception, the Sinai Support Mission has been mindful of the need to act with dispatch in order to fulfill its responsibility "to ensure that the United States' role in the early warning system enhances the prospect of compliance in good faith

with the terms of the Egyptian-Israeli agreement and thereby promotes the cause of peace."[2] The work schedule that was developed as a consequence is divided into three successive and distinct periods:

1. An unusually compressed procurement/contracting period began with the formation of the Mission in November, 1975, and ended on January 16, 1976 with the award of a competitive contract to install, operate and maintain the early warning system under Mission management to E-Systems, Inc. of Dallas, Texas, an electronic systems and equipment manufacturer. Close to fifty American firms participated at various stages of the procurement process; without their full cooperation, it would not have been possible to maintain the accelerated schedule we required.

2. It was highly desirable that the date on which the early warning system entrusted to the United States was to become operational coincide with the completion of the final troop redeployments in the Sinai and the establishment of the UN Buffer Zone. By making do with rudimentary shelters and concentrating on the installation of the sensor fields and related hardware and communications links, and on the procedures to be followed in monitoring the Egyptian and Israeli surveillance stations, the men in the field successfully completed the first phase of contract implementation three days in advance of the February 22 deadline. Since then the sensor fields and watch stations have been working at full effectiveness and no untoward incidents have occurred.

3. The post-February 22 construction schedule is directed to improving the living and working conditions in the Field Mission's temporary structures and preparing the permanent facilities required for its ongoing operations. This period will end on July 1 of this year. By then, all Field Mission personnel and operations will have been installed in their permanent quarters.

The components and capabilities of the early warning system are also described in some detail in the report in order that the Congress may be assured that the American role in the Sinai is fully responsive to the provisions of the United States Proposal and the requirements of the Joint Resolution. I hope that other readers who may be less familiar with the role that you have assigned to us will find the documentation of value.

Sincerely yours,

C. WILLIAM KONTOS
Director

[2] For text of Executive Order 11896 establishing the United States Sinai Support Mission, signed by President Ford on Jan. 13, see BULLETIN of Feb. 23, 1976, p. 232.

North Pacific Fur Seal Commission Meets at Moscow

Joint Statement

Press release 161 dated April 7

Representatives of Canada, Japan, the U.S.S.R., and the United States met at the 19th Annual Meeting of the North Pacific Fur Seal Commission in Moscow on March 22–26, 1976.

After a brief review of the Commission's history, Chairman E. B. Young of Canada introduced V. M. Kamentsev, Deputy Minister of Fisheries of the U.S.S.R. In his welcoming address, Mr. Kamentsev placed the Commission's work in the context of today's concern with man's influence on the environment.

The Standing Scientific Committee, which met March 15–22, presented to the Commission its review of research conducted in 1975 and research plans for 1976. Construction was reported to be near completion on a new fur seal research facility at Nanaimo, Canada. This facility will be used to study reproductive cycles of captive seals. Scientists reported that, while the seal population on Robben Island (U.S.S.R.) is still in a depressed state, those on the Commander and Kuril Islands (U.S.S.R.) continue to increase significantly. Substantial increases in counts of adult males and in pup production were found on St. George and St. Paul Islands (U.S.A.). The small colonies recently discovered on San Miguel Island and nearby Castle Rock (U.S.A.) were also found to be increasing rapidly, with annual pup production now in excess of 300 in each colony.

The Committee discussed the interactions between fur seals and fishing operations and agreed to intensify investigations into this important matter. Delegates from all member nations again expressed their concern with mortality of fur seals as a result of steadily increasing evidence of entanglement with lost or discarded fishing nets, net scraps, plastic cargo bands, and other debris.

The proportion of seals found entangled in such items continued to increase rapidly in 1975. The Commission once again agreed to request the cooperation of all countries whose vessels fish in the North Pacific Ocean and Bering Sea, in mitigating the problem. It was reported that a poster on the subject has already been distributed by Japan to the Japanese fishermen, and that Canada and the United States have nearly completed a poster for distribution to their nationals fishing the North Pacific. The U.S.S.R. indicated that it is also preparing a similar poster.

The Commission is composed of representatives from the member countries of Canada, Japan, the U.S.S.R., and the United States. The Commissioners are: Mr. E. B. Young, Associate Director, International Fisheries Policy, Fisheries and Marine Service, Department of the Environment, Ottawa; Mr. K. Fujimura, President, Japan Fisheries Resource Conservation Association, Tokyo; Mr. V. V. Kidanov, Deputy Chief, Department of Commercial Fisheries, Moscow; and Mr. C. J. Blondin, Assistant Director for International Fisheries, National Marine Fisheries Service, Department of Commerce, Washington, D.C.

During the past year, under the Commission's scientist exchange program, Commissioner Young, Dr. M. A. Bigg, and Mr. I. B. MacAskie of Canada visited fur seal scientists at the Marine Mammal Laboratory in Seattle, Wash., to discuss plans for a joint analysis of pelagic data collected by Canada and the United States during the period 1958–74. In July, Dr. G. Y. Harry of the United States traveled to Robben Island on a Japanese research vessel for the purpose of studying the condition of the fur seal herd.

In 1976 Canada plans to send two researchers to the Pribilof Islands to obtain live fur seals for studies on reproduction. Japan also proposes to send one scientist to the Pribilof Islands and one scientist to Robben Island during 1976.

According to the tradition of rotating Commission offices among the party governments, Commissioner Fujimura of Japan was elected to be the next Chairman of the Commission and Commissioner Kidanov of the U.S.S.R. was elected Vice-Chairman. The next meeting of the Commission will be held in Tokyo starting March 21, 1977. The Standing Scientific Committee will meet for one week preceding the Commission meeting.

Pan American Day and Pan American Week, 1976

A PROCLAMATION[1]

Eighty-six years ago the International Union of the American Republics, the predecessor of today's Organization of American States, was founded. During the long history of this distinguished international body—the oldest of the world's regional organizations—it has made important contributions to the preservation of peace and the promotion of social and economic welfare in our hemisphere. The purposes of the OAS remain the same, but conditions in the world are changing and new adaptations are required. Last year the nations of the hemisphere agreed on an updating and strengthening of the Inter-American Treaty of Reciprocal Assistance. The United States strongly supports the common effort presently underway to modernize and revitalize the Organization of American States, the key organ of the Inter-American System. We hope this important effort will be crowned by success and that it will continue to serve as an example of international cooperation.

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, do hereby proclaim Wednesday, April 14, 1976, as Pan American Day, and the week beginning April 11 and ending April 17 as Pan American Week, and I call upon the Governors of the fifty States, the Governor of the Commonwealth of Puerto Rico, and appropriate officials of all other areas under the flag of the United States to issue similar proclamations.

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

GERALD R. FORD.

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[1] No. 4428; 41 *Fed. Reg.* 15395.

Department Supports Extension of Federal Energy Administration

Following is a statement by Julius L. Katz, Deputy Assistant Secretary for Economic and Business Affairs, made before the Senate Committee on Government Operations on May 5.[1]

I welcome this opportunity to meet with this committee today to present the State Department's views in support of S. 2872, a bill to extend the life of the Federal Energy Administration (FEA) until September 30, 1979.

The State Department has a vital interest in our nation's energy policy. Events of recent years have made energy one of the critical international issues, with serious implications for our security and foreign policy objectives. I think it useful to briefly retrace for the committee the events leading to what is commonly termed the "international energy crisis" and, more significantly, to underline the degree to which our domestic and international energy policy decisions have become interdependent and self-reinforcing. Finally, I will touch upon the relationship between the State Department and FEA in the energy field and what I believe to be the respective roles of the two agencies.

The energy crisis emerged as a major international issue through a sequence of events—an oil embargo in October 1973 followed by price increases of some 400 percent in less than a single year. These actions —largely the result of political decisions— created an immediate crisis, both in the United States and around the world. The elements of the energy problem, however, had been developing over the last 20 years and are highlighted by the following facts: In 1950, the United States was virtually self-sufficient in oil, whereas by 1973 our reliance on foreign oil had reached 35 percent of our requirements. Europe and Japan had become even more dependent on low cost, abundant, and convenient sources of imported oil. The experience of the October 1973 embargo taught us all how vulnerable we had become.

The crisis focused attention dramatically on the reality of increasing global interdependence. The sheer magnitude and complexity of the issues involved compelled us to work toward a cooperative response—initially among the oil-consuming countries and ultimately between consumers and producers.

In December 1973 Secretary Kissinger called for collective action by the nations of Europe, North America, and Japan to meet the challenge. The outcome was the establishment of the 18-nation International Energy Agency (IEA) in Paris in November 1974.

The IEA has made remarkable progress in forging consumer solidarity in its brief 18 months of existence. It already has in place cooperative programs in two key areas—an oil-sharing program to reduce the group's vulnerability to future embargoes and a comprehensive long-term program to reduce its dependence on imported oil. We now have the framework—the basic tools and analytical structure—to reduce our import dependence and thus regain a greater degree of influence over the world price of oil. But we must not delude ourselves—much work remains to be done here at home as well as in the other IEA countries to implement the substance of our long-term cooperative energy programs.

A recent preliminary IEA analysis of oil import dependency trends in IEA countries is highly discouraging, however. This forecast suggests that collective IEA dependence on OPEC [Organization of Petroleum Exporting Countries] oil imports could increase substantially over the next 10 years—from a 1975 level of 21 million barrels per day to 25.6 million barrels per day in 1980, and some 31.6 million barrels per day by 1985.

This estimate assumes the continuation of

[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.

current policies, constant real oil prices, and relatively modest economic growth. Furthermore, the bulk of the projected increase in imports would result from import growth in the United States and Japan, with European imports increasing only slightly as North Sea oil and gas come into production. This underlines the critical importance of U.S. energy policy—both domestically and in terms of our relations with other industrialized countries and the oil-exporting nations.

Preliminary figures for 1976 show that U.S. dependence on imported oil—and particularly Arab oil—is rising sharply. This is due to a variety of factors, including the progressive decline in domestic production, the phasing-out of Canadian supplies, the continuing momentum of our economic recovery, and finally, the leadtimes inherent in implementation of energy conservation and import substitution efforts.

Arab oil as a percentage of imports has increased nearly 60 percent between 1973 and 1976, from a level of 22 percent to 35 percent. OPEC sources taken together now provide some 78 percent of our import requirements, with the share of our traditional suppliers, Canada and Venezuela, down sharply.

These trends—a growing import dependence compounded by an ever-increasing Arab share of our import market—are cause for serious concern. They lead us to question the effect of the lessons of the October 1973 embargo and subsequent massive price increases. Unfortunately, human nature is such that we prefer to forget disagreeable memories. I hope that this will not be the case. We can ill afford to ignore the memory of the severe damage caused by the 1973–74 oil embargo to our economy in terms of unemployment, lost production, and reinforced inflation—not to mention the consequences for the entire world economy. The events of 1973–74 constituted perhaps the most severe challenge to the industrialized world since the Second World War.

We are meeting the challenge. In an unprecedented initiative, we successfully mobilized the major consuming countries into a new international institution, the International Energy Agency, in which we have made clear our political will and determination for energy cooperation. In record time, the IEA has established a framework for long-term cooperation which gives us the tools to reduce significantly our energy dependence and thus our vulnerability. The risk is that now, with a diminished sense of urgency, we will fall back into our old and admittedly comfortable ways.

The role of the United States in this effort is critical. We consume a third of the world's energy and half of the total oil within the IEA. Clearly, U.S. production and demand are key to the world oil supply-demand balance, and our action or inaction in the fields of conservation and new energy supplies will to a large extent influence the ultimate direction of world oil prices.

Our partners in the IEA are acutely aware of this, as are the oil producers themselves. Thus, a strong and convincing U.S. energy program is essential—not only for domestic reasons but also in a broader global context. Effective measures adopted at home, reinforced by complementary policies on the part of the other IEA industrialized economies, can and will work to enable us to achieve our agreed objectives of increased security of supply and prices which are determined by market forces.

Both the State Department and FEA have important roles to play in defining and carrying out our national and international energy objectives. The State Department's focus, of course, is primarily on the development of our international energy policy. Our international policy must, however, be founded upon domestic policies and actions. The FEA is responsible for formulating and carrying out U.S. national energy policy and objectives. The State Department, in carrying out its responsibility for international energy policy, must necessarily work closely with FEA.

Officials from the FEA have been actively involved with the State Department and other agencies in defining and giving substance to U.S. international energy initiatives in the International Energy Agency in Paris and in the planning for the energy dialogue presently underway between industrialized, oil-producing, and developing countries under the auspices of the Conference on International Economic Cooperation.

The programs and activities of several of the IEA standing groups are backstopped by FEA, and in some cases FEA and ERDA [Energy Research and Development Administration] head our delegations to meetings of some IEA working groups, particularly with respect to energy conservation, nuclear activities, the IEA oil market information system, the accelerated development of new energy sources, and the oil storage program.

The State Department has a close working relationship with FEA and ERDA and values highly their input into and support for the IEA program. We expect these IEA activities to continue to expand, particularly those relating to the long-term program to reduce dependence on imported oil. Such will necessitate our calling on FEA and ERDA expertise and resources to an even greater extent in backstopping these IEA programs as well as in formulating U.S. programs to meet our IEA commitments.

Mr. Chairman, as we seek to develop a national energy policy the State Department and FEA have had and must necessarily have important complementary roles deriving from the predominantly international and domestic focus of the two agencies respectively. And we look forward to a continued close working relationship with FEA as our country moves ahead to attain its objectives of secure energy supplies at fair prices. Therefore, because of the important role of FEA, we strongly urge enactment of legislation extending the life of FEA until September 30, 1979.

President Ford Rejects Import Relief for Footwear Industry

Following is the text of a message from President Ford to the Congress transmitted on April 16 and released on April 19.

White House press release dated April 19

To the Congress of the United States:

As required by Section 203(b)(2) of the Trade Act of 1974, I am transmitting this report to the Congress setting forth my determination to provide adjustment assistance to the U.S. footwear industry producing footwear covered by the affirmative finding of February 20, 1976 of the United States International Trade Commission (USITC) under section 201(d)(1) of the Trade Act. As my decision does not provide import relief to that industry, I am setting forth both the reasons why I have determined that import relief is not in the national economic interest and other actions I am taking to help the footwear industry and workers.

I have decided, considering the interests of both the American consumers and producers, that expedited adjustment assistance is the most effective remedy for the injury to the U.S. footwear industry and its employees as a result of imports.

My decision was based upon my evaluation of the national economic interest. A remedy involving import restraints would have lessened competition in the shoe industry and resulted in higher shoe prices for American consumers at a time when lowering the rate of inflation is essential. Footwear makes up 1½ percent of the Consumer Price Index.

Import restraints would also have exposed industrial and agricultural trade to compensatory import concessions or retaliation against U.S. exports. This would have been detrimental to American jobs and damaged U.S. exports.

Adjustment assistance will benefit the many smaller enterprises which have been

seriously injured, whereas the USITC report casts grave doubt on import relief as an effective remedy for these firms; import relief would disproportionately benefit the 21 larger firms which produce 50% of domestic output, but which have been found to be competitive with imports.

Adjustment assistance is consistent with the President's efforts to control inflation, including costs to all consumers, which import restrictions would raise.

The U.S. footwear industry is benefitting from a substantial increase in production, shipments, and employment as a result of the economic recovery. Additionally, a number of plants have reopened, order backlogs of domestic manufacturers have increased, and profitability has improved.

As the U.S. economy recovers from the recession, domestic production of nonrubber footwear is rising significantly. In February, 1976 (the latest month for which data are available) the output was 41,137,000 pairs. This is up from 40,985,000 in January, and is the highest monthly production figure since May, 1974. The monthly average for 1976 to date is 41,106,100; for the year 1974, 37,750,000; for 1975, 36,143,000.

U.S. employment in the industry, which has also been steadily declining over recent years, also shows signs of picking up. The total average monthly employment for the industry in 1975 was 163,000 workers, compared to 178,000 for the year 1974. For the first two months of 1976 the monthly average is 172,000 the highest since July, 1974.

Meanwhile, imports of the nonrubber footwear covered by the USITC recommendation (all except zoris and paper slippers) have been leveling off. In February, 1976, there were 29,238,000 pairs, down from 32,200,000 in January.

In considering the effect of import restraints on the international economic interests of the United States, as required by the Trade Act of 1974, I have concluded that such restraints would be contrary to the U.S. policy of promoting the development of an open, nondiscriminatory and fair world economic system. The goal of this policy is to expand domestic employment and living standards through increased economic efficiency.

I have directed the Secretaries of Commerce and Labor to give expeditious consideration to any petitions for adjustment assistance filed by footwear firms producing articles covered by the USITC report, and their workers. I have also instructed the Secretaries to file supplementary budget requests for adjustment assistance funds, if necessary, to carry out my program.

I have also directed the Special Representative for Trade Negotiations to monitor U.S. footwear trade, watching both the levels and quantities of imports as well as of domestic production and employment. If significant changes occur, they will be reported to me with appropriate recommendations.

GERALD R. FORD.

THE WHITE HOUSE, *April 16, 1976.*

Congressional Documents Relating to Foreign Policy

94th Congress, 2d Session

Prohibiting Hostile Use of Environmental Modification Techniques. Hearing before the Subcommittee on Oceans and International Environment of the Senate Committee on Foreign Relations on the draft convention on the prohibition of military or any other hostile use of environmental modification techniques. January 21, 1976. 46 pp.

The Vietnam-Cambodia Emergency, 1975. Part III—Vietnam Evacuation: Testimony of Ambassador Graham A. Martin. Hearing before the Special Subcommittee on Investigations of the House Committee on International Relations. January 27, 1976. 88 pp.

Angola. Hearings before the Subcommittee on African Affairs of the Senate Committee on Foreign Relations on U.S. involvement in civil war in Angola. January 29–February 6, 1976. 212 pp.

The Southwest Pacific 1976. Report of a special delegation of Members of the Senate to the Senate Committee on Foreign Relations. February 1976. 6 pp.

Foreign Boycotts and Domestic and Foreign Investment Improved Disclosure Acts of 1975. Report of the Senate Committee on Banking, Housing and Urban Development, together with additional views, to accompany S. 953. S. Rept. 94–632. February 6, 1976. 33 pp.

TREATY INFORMATION

Current Actions

MULTILATERAL

Biological Weapons

Convention on the prohibition of the development, production and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow April 10, 1972. Entered into force March 26, 1975. TIAS 8062.

Ratification deposited: Switzerland, with reservations, May 4, 1976.

Cultural Property

Statutes of the International Center for the Study of the Preservation and Restoration of Cultural Property. Adopted at New Delhi November-December 1956. Entered into force May 10, 1958; for the United States January 20, 1971.

Accession deposited: Ethiopia, December 5, 1975.

Economic Cooperation

Agreement establishing a financial support fund of the Organization for Economic Cooperation and Development. Done at Paris April 9, 1975.[1]

Ratification deposited: Belgium, April 16, 1976.

Energy

Agreement on an international energy program. Done at Paris November 18, 1974. Entered into force January 19, 1976.

Notification of consent to be bound deposited: Netherlands, March 30, 1976.[2]

Narcotic Drugs

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

Accession deposited: Cuba, April 26, 1976.

Ocean Dumping

Convention on the prevention of marine pollution by dumping of wastes and other matter, with annexes. Done at London, Mexico City, Moscow, and Washington December 29, 1972. Entered into force August 30, 1975. TIAS 8165.

Accessions deposited: Kenya, January 7, 1976; Nigeria, March 19, 1976.

Oil Pollution

International convention relating to intervention on the high seas in cases of oil pollution casualties, with annex. Done at Brussels November 29, 1969. Entered into force May 6, 1975. TIAS 8068.

Accession deposited: Mexico, April 8, 1976.

Patents

Strasbourg agreement concerning the international patent classification. Done at Strasbourg March 24, 1971. Entered into force October 7, 1975. TIAS 8140.

Notification from World Intellectual Property Organization that ratification deposited: Luxembourg (with a declaration), April 9, 1976.

Postal Arrangements

Second additional protocol to the constitution of the Universal Postal Union of July 10, 1964 (TIAS 5881, 7150), general regulations with final protocol and annex, and the universal postal convention with final protocol and detailed regulations. Done at Lausanne July 5, 1974. Entered into force January 1, 1976.

Ratifications deposited: Belgium, October 23, 1975; Canada, September 8, 1975; France, October 30, 1975;[3] Fiji, October 14, 1975; Federal Republic of Germany, December 29, 1975;[4] Iceland, October 6, 1975; Japan, August 1, 1975; Republic of Korea, December 23, 1975; Liechtenstein, August 20, 1975; Malaysia, January 30, 1976; Netherlands, November 21, 1975;[5] Switzerland, September 9, 1975; Thailand, March 5, 1976; Tunisia, December 30, 1975; United Kingdom, February 23, 1976.[6]

Accession deposited: South Africa, February 2, 1976.

Money orders and postal travellers' checks agreement, with detailed regulations. Done at Lausanne July 5, 1974. Entered into force January 1, 1976.

Ratifications deposited: Belgium, October 23, 1975; France, October 22, 1975;[3] Federal Republic of Germany, December 29, 1975;[4] Iceland, October 6, 1975; Japan, August 1, 1975; Republic of Korea, December 23, 1975; Liechtenstein, August 20, 1975; Netherlands, November 21, 1975;[5] Switzerland, September 9, 1975; Thailand, March 5, 1976; Tunisia, December 30, 1975.

Property—Industrial

Convention of Paris for the protection of industrial property of March 20, 1883, as revised. Done at Stockholm July 14, 1967. Articles 1 through 12 entered into force May 19, 1970; for the United States August 25, 1973. Articles 13 through 30 entered into force April 26, 1970; for the United States September 5, 1970. TIAS 6293.

Notification from World Intellectual Property Organization that ratification deposited: Greece, April 15, 1976.

Safety at Sea

Convention on the international regulations for pre-

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[1] Not in force.

[2] Applicable only to the Kingdom in Europe.

[3] Including the territories represented by the French Overseas Postal and Telecommunication Office.

[4] Applicable to Berlin (West).

[5] For Surinam and the Netherlands Antilles.

[6] Including the Channel Islands and the Isle of Man.

venting collisions at sea, 1972. Done at London October 20, 1972.[1]
Accession deposited: Mexico, April 8, 1976.

Seabed Disarmament

Treaty on the prohibition of the employment of nuclear weapons and other weapons of mass destruction on the seabed and ocean floor and in the subsoil thereof. Done at Washington, London, and Moscow February 11, 1971. Entered into force May 18, 1972. TIAS 7337.
Ratification deposited: Switzerland, May 4, 1976.

Seals

1976 protocol amending the interim convention on conservation of North Pacific fur seals (TIAS 3948). Done at Washington May 7, 1976. Enters into force on the date on which the fourth instrument of ratification or acceptance is deposited.
Signatures: Canada, Japan, Union of Soviet Socialist Republics, United States, May 7, 1976.

Wheat

Protocol modifying and further extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144, 7988). Done at Washington March 17, 1976. Enters into force June 19, 1976, with respect to certain provisions, and July 1, 1976, with respect to other provisions.
Declaration of provisional application deposited: Morocco. April 30, 1976.

World Heritage

Convention concerning the protection of the world cultural and natural heritage. Done at Paris November 23, 1972. Entered into force December 17, 1975.
Ratification deposited: Senegal, February 13, 1976.

BILATERAL

Australia

Treaty on extradition. Signed at Washington May 14, 1974. Entered into force May 8, 1976.
Proclaimed by the President: May 5, 1976.

Bangladesh

Agreement amending the agreement for sales of agricultural commodities of September 11, 1975 (TIAS 8191). Effected by exchange of notes at Dacca April 26, 1976. Entered into force April 26, 1976.

Canada

Interim arrangement relating to safeguards covering uranium imported from Canada to the United States. Effected by exchange of notes at Ottawa March 18 and 25, 1976. Entered into force March 25, 1976.

Agreement extending the agreement of June 15, 1973, as extended (TIAS 7676, 8057), on reciprocal fishing privileges in certain areas off the coasts of the United States and Canada. Effected by exchange of notes at Ottawa April 14 and 22, 1976. Entered into force April 22, 1976.

Chile

Agreement amending the agreement for sales of agricultural commodities of July 31, 1975 (TIAS 8188). Effected by exchange of notes at Santiago April 19, 1976. Entered into force April 19, 1976.

Japan

Agreement extending the agreement of May 2, 1975 (TIAS 8088), concerning an international observer scheme for whaling operations from land stations in the North Pacific Ocean. Signed at Tokyo April 9, 1976. Entered into force April 9, 1976.

Republic of Korea

Arrangement for exchange of technical information in regulatory and safety research matters and cooperation in development of safety standards, with patent addendum and appendices. Signed at Seoul March 18, 1976. Entered into force March 18, 1976.

United Kingdom

Agreement for the continuation of a cooperative meteorological program in the Cayman Islands. Effected by exchange of notes at Washington April 6 and 13, 1976. Entered into force April 13, 1976.

Agreement amending the convention of December 31, 1975, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains. Effected by exchange of notes at London April 13, 1976. Enters into force on the same date as the convention.

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[1] Not in force.

Name Index

Check List of Department of State Press Releases: May 3–9

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

No.	Date	Subject
*217	5/3	U.S. and Brazil sign textile agreement, Apr. 22.
*218	5/3	Overseas Schools Advisory Council, May 27.
†219	5/3	U.S.-Egypt claims agreement signed May 1.
*220	5/3	Northwest Atlantic Fisheries Advisory Committee, May 25.
†221	5/3	Kissinger, Corea: toasts, Nairobi.
†222	5/5	U.S., U.K., and France sign stratospheric monitoring agreement.
*223	5/4	Kissinger: remarks at dinner for 13 heads of delegations to UNCTAD.
†224	5/5	Kissinger: UNCTAD, Nairobi.
†225	5/5	Kissinger: remarks at luncheon for heads of OECD delegations to UNCTAD.
*226	5/6	Kissinger: interview with ABC, CBS, NBC.
*227	5/6	Frank E. Maestrone sworn in as Ambassador to Kuwait (biographic data).
†228	5/6	Kissinger: departure, Nairobi.
*229	5/6	Kissinger: arrival, Paris.
*230	5/7	Kissinger: remarks to press, Paris.
*231	5/7	Kissinger, Houphouet-Boigny: remarks, Paris.
†232	5/7	Kissinger: departure, Paris.
*233	5/7	Fine Arts Committee, June 18.
*234	5/7	Study Group 7 of the U.S. National Committee for the International Radio Consultative Committee, Atlantic City, N.J., June 4.
†235	5/7	Kissinger: arrival, Andrews AFB.
*236	5/7	Francis E. Meloy, Jr., sworn in as Ambassador to Lebanon (biographic data).
†237	5/7	Kissinger: Chizuk Amuno Synagogue, Baltimore.

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