



THE DEPARTMENT OF STATE BULLETIN

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Secretary Kissinger Interviewed by Sigma Delta Chi Panel at Atlanta

Following is the transcript of an interview with Secretary Kissinger by a panel of members of Sigma Delta Chi professional journalistic society at Atlanta, Ga., on March 6. Members of the panel were Carroll Dadisman, editor, the Columbus (Ga.) Enquirer; Bill Landrey, foreign affairs editor, the St. Petersburg (Fla.) Times; John Pruitt, anchor man, WSB-TV, Atlanta; and Bill Shipp, associate editor, the Atlanta Constitution. Former Secretary Dean Rusk was moderator.

Press release 116 dated March 6

Mr. Rusk: I am delighted to be in my hometown of Atlanta as a guest of Sigma Delta Chi. I am very pleased indeed to be able to introduce the Honorable Henry Kissinger, Secretary of State.

I think we will go right into our questions. We will turn first to our friend and colleague Mr. John Pruitt.

Mr. Pruitt: Mr. Secretary, a number of presidential candidates were attacking the policy of détente with the Soviet Union. They claim it is a one-way street in favor of the Soviets and that Russia has been able to expand its sphere of influence, as in Angola, and its military power under détente. President Ford has even dropped the word "détente" from his campaign vocabulary. The question is: Has détente been a success for the Soviet Union and a failure for the United States?

Secretary Kissinger: I think we ought to remember that the basic interests of the United States are permanent and do not reflect Presidential campaigns. And I hope that all candidates will keep that in mind as they progress.

What is the policy that has been called "détente"? It has these elements:

It recognizes that the United States and the Soviet Union are both strong powers, neither of which can impose its will on the other.

Second, it is based on the determination by the United States not to permit any expansion of the Soviet sphere by military force or military pressure.

Third, it is based on the realization that a nuclear war with modern weapons would have catastrophic consequences and therefore it has to be our objective to prevent the erosion of the American and free-world position without a nuclear holocaust.

That is a complicated position, a complicated policy, and it can therefore be easily attacked in a demagogic way.

I do not believe that the Soviet Union has made any unilateral gains. I do not believe that the United States is not still the strongest nation in the world. I think it is essential not to create any illusion in the world that the United States is either weak or irresolute. The policy we have been pursuing is complex, but it has been successful and we will continue to pursue it.

Viet-Nam and Angola

Mr. Landrey: Mr. Secretary, in the past two years the U.S. Congress has repudiated your position on basically two major questions—they have been called questions of war and peace—on the last-minute aid to Viet-Nam and now Angola. Do you have any further reflections on your original position in those? What do you think about them now?

Secretary Kissinger: I would like to stress that it is important for Americans to keep

in mind that whatever setbacks we have suffered in the recent past we have inflicted on ourselves. They have not been inflicted on us by a foreign country.

Now, with respect to Viet-Nam, it was my position and the position of the Administration in which I served—as it was the position of the previous Administration—that the United States should not leave Viet-Nam under dishonorable conditions.

We had achieved this. Last year, in the final phase of the war in Viet-Nam when the North Vietnamese, in flagrant violation of all agreements, had sent 19 of their 20 divisions into the South, I did argue that whatever the outcome it should not be produced by the failure of the United States to give aid. And it was my view that the United States should do its utmost, once the collapse became inevitable, to rescue as many Vietnamese as we could.

I do not regret this position. I do not believe that it was compatible with American principles to cut off ammunition to the defenders of Phnom Penh, even when the outcome was foreordained. But at least Viet-Nam was a matter which we then decided to put behind us on a bipartisan basis, and no spokesman of the Administration has ever referred to it in criticism of the Congress or anyone else.

As far as Angola was concerned, the United States was prepared to accept any outcome that resulted from African decisions and any decision of the Organization of African Unity. Our basic concern was the massive introduction of Soviet military equipment in amounts larger than all the military equipment introduced by all other powers into the rest of black Africa and the introduction of a Cuban expeditionary force of 12,000 men. And I believe that it was a tragedy—for which we will pay for a long time—that the United States did not permit aid to be given, financial aid to be given, to those black African states and those people in Angola who were willing to resist this.

I believe that our position with respect to Angola will unfortunately be vindicated by

events in more serious crises that will arise in the future.

Mr. Shipp: Mr. Secretary, there is evidence that Cuba intends to keep a permanent military presence in Angola. In your opinion, does that mean that we will see more of Soviet-armed Cubans in Africa—Mozambique, Rhodesia—and even the Middle East?

Secretary Kissinger: We have no information as to Cuban intentions in Angola or elsewhere. But I would like to repeat again that the United States will not accept any further Cuban military adventures, that the United States will not accept the introduction of Cuban military forces in other parts of the world.

The Soviet Union must consider that any policy of relaxation of tensions is incompatible with the massive introduction of armaments and the continual encouragement of this kind of turmoil.

Former President Nixon's Visit to P.R.C.

Mr. Dadisman: Mr. Secretary, do you believe the best interests of the United States and the objectives of our foreign policy were served by former President Nixon's recent visit to the People's Republic of China?

Secretary Kissinger: Well, President Nixon went to China as a private citizen. He did not ask our opinion before he went. He did not inform us until the announcement was imminent and had, in fact, already been communicated to us by the Chinese Government. He therefore went in a private capacity and not in order to serve the foreign policy of the United States.

On the whole, if foreign governments wish to communicate with us, they should do so through established channels.

While former President Nixon was in China, the Chinese leaders made a number of pronouncements regarding their view of U.S.-Chinese relations and the future of these relations, which we considered constructive and which we welcome. We

note of these statements and as I said, we welcome them. But the visit as such was a private visit.

Strategic Arms Limitation Agreements

Mr. Pruitt: Mr. Secretary, do you have any specific details about the Soviets cheating on SALT One, and what is the outlook for SALT Two?

Secretary Kissinger: There is no agency of the U.S. Government, no department of the U.S. Government, which holds the view that there were Soviet violations of the SALT One agreement. There exist, of course, in any agreement of this complexity, with military forces of this nature, various gray areas—either of ambiguous technology or of ambiguous interpretation of the agreement.

None of these so far would affect the American national security. Nevertheless each of these cases is being energetically pursued; and those that have not yet been satisfactorily resolved will be put before the Standing Consultative Commission, which was established by the SALT One agreement, in order to deal with the issue of possible or alleged violations.

With respect to SALT Two, we believe that it is in the interest of the United States and in the interest of mankind that a ceiling be placed on the elaboration of armaments, the numbers of armaments, of a category that can already do catastrophic damage to the United States, the Soviet Union, and the rest of mankind.

Therefore we are prepared to make an agreement that puts a ceiling, an equal ceiling, on both sides. And we think that if such an agreement could be achieved it would be in the interest of both sides.

We have made a proposal to the Soviet Union in response to ideas that the Soviets put before us which the Soviet Government is now considering. Until we have their response I cannot judge what the possibilities of an agreement are.

But I would like to stress that our position has the unanimous support of all agencies of the government—the military, the Arms Control agency, and the State Department.

Mr. Landrey: Mr. Secretary, I would like to go back to Africa. Are we going to recognize the black liberation movements now trying to gain power in South West Africa and in Rhodesia? And what can we do if the Cubans are in there?

Possible Cuban Activity in Southern Africa

Secretary Kissinger: The United States favors majority rule in Rhodesia. The United States supports the U.N. resolutions with respect to Namibia, or South West Africa. With respect to Rhodesia, it is our view that the time in which negotiations are possible is rapidly running out, and we therefore urge the authorities in Rhodesia to show flexibility and to move forward in the negotiations.

On the other hand, whatever our views on the merits of the problem, I want to emphasize once again that we do not accept the proposition that the Cuban military forces armed by the Soviet Union can make themselves the enforcer of the views of other countries and that we cannot accept the proposition that they can appear in every part of the world to foster turmoil or to exploit conflict. And therefore I would sharply distinguish our position with respect to the authorities in Rhodesia from our position with respect to Cuban military intervention.

We support actively a successful outcome of the negotiations that are now going on, and we are urging the authorities in Rhodesia to keep in mind that the time for a settlement is running out. But we do not accept the proposition that Cuba has a right to intervene in this conflict.

Events in People's Republic of China

Mr. Shipp: Mr. Secretary, could you tell us what you think the significance is in the Peo-

ple's Republic of China—Mr. Hua becoming the Acting Premier in place of Teng Hsiao-p'ing? Is that a signal for a second Cultural Revolution?

Secretary Kissinger: Well, I bet in China they are trying to analyze our domestic turmoil in the same way.

I have no clear view about what is meant—what the significance is of the appointment of the Acting Prime Minister of China. During a toast a few weeks ago, the Acting Prime Minister described the events as a continuation of the Cultural Revolution, but he also stressed—which is what is of significance to us—that it does not affect the foreign policy of the People's Republic of China and that the lines established by the Shanghai communique—that is to say, the basic principles of U.S.-Chinese relations—will remain intact.

As far as the United States is concerned, our concern with respect to the People's Republic of China is its foreign policy and not its domestic policy. And therefore as long as the main lines of the foreign policy continue, we cannot get involved in making judgments about personalities.

Allegations of Business Corruption

Mr. Dadisman: Mr. Secretary, is the State Department playing any role—or do you see any role of the State Department—in helping to resolve the crises that have developed in some of our allies as a result of the Lockheed payoff scandals?

Secretary Kissinger: No, the State Department is not playing a direct role in this. Those of our allies or other friendly countries that have requested information with respect to these allegations have been referred to the Justice Department and the SEC [Securities and Exchange Commission], and their requests will be handled by established American judicial procedures without intervention by the State Department.

In my capacity as Secretary of State, I must point out that the impact of these allegations—some of them unsubstantiat-

ed—on the domestic structure of some close allies has been extremely serious and may have consequences that affect foreign policy as well.

This is not a judgment on the merits of the case. And I repeat: We will handle any request for information by established American judicial proceedings, and the State Department will not get involved in this.

But, as Secretary of State, I must point out what the consequences are.

Panama Canal Negotiations

Mr. Pruitt: Mr. Secretary, could you bring us up to date on the negotiations concerning the Panama Canal, and do you think the American people are going to accept relinquishing the Canal Zone in Panama?

Secretary Kissinger: Well, the issue is not relinquishing the Canal Zone to Panama, no is the issue, as has been presented, a debate between the United States and Torrijos [Brig. Gen. Omar Torrijos, Head of Government] in Panama. The issue is whether the United States wants to confront all of the Latin American states, all of whom are backing the Panama negotiations, without having first explored whether our security interests and our interests in the operations of the canal can be safeguarded by other means.

The United States is determined to safeguard our security interests in the Canal Zone and those vital interests related to the operation of the canal.

Under three Administrations over a period of 10 years, negotiations have been going on. These negotiations are now proceeding. It is too early for me to tell whether the negotiations can succeed. If they should succeed, we will submit them to the Congress, in the light of all the conditions that enter into them. And I think the Congress will see that our essential security and operational interests will be preserved. But it is too early to do this, though we are keeping the Congress constantly and currently informed as to the status of negotiations. I cannot yet say they will succeed.

Communist Parties in Western Europe

Mr. Landrey: Mr. Kissinger, you have been quoted several times as expressing concern about the possibility of Communist participation in the Governments of Italy and France. And currently there is a political uproar in France because this concern was apparently expressed to Gaston Defferre of the French Socialist Party. What can we really do in the situation, and what do you see the dangers as being?

Secretary Kissinger: Well, I have heard allegations that this view was expressed to Gaston Defferre of the French Socialist Party. If so, it was not done by instructions from Washington.

I have to separate two things: One, whether we are actively participating in the domestic policies of the countries that are close friends, like Italy and France, by giving advice to political parties; and second, what is our view if somebody asks our opinion.

With respect to the first question, obviously the political evolution of Italy and France is for the Italians and the French to decide. It is not a matter for the decision of the United States. On the other hand, if somebody asks our opinion, then I am bound to say that significant participation by the Communist parties in the governments of these or other countries is bound to affect the relationship with the United States. It is bound to affect the NATO relationship. And it is bound to bring about a change of priorities in those countries that will change the nature of the world as we now know it. If the countries concerned wish to do this, it is their business. But if we are being asked to encourage it, then we cannot participate in this.

Human Rights in Eastern Europe

Mr. Shipp: From the Helsinki agreement, have there been any substantive effects in terms of less repression—things are eased up in Eastern Europe and the Soviet Union?

Secretary Kissinger: I don't have the sta-

tistics with me, but there has been some improvement with respect to the reunification of families. There has been some improvement with respect to journalists, for example, in receiving multiple-entry visas. There has been some relaxation in certain categories of emigration.

It has not gone as far as we would wish, but there has been some progress with respect to these issues in the Soviet Union—somewhat less so, actually, with respect to some of the countries of Eastern Europe.

We are monitoring this constantly, and we are periodically calling it to the attention of the various signatories of the Helsinki agreement. And we are using the Helsinki agreement as a means to encourage a greater concern for these human problems in Eastern Europe.

Mr. Shipp: May I ask you another question in that connection? Has the practical effect of the Jackson amendment to the Trade Act been to help or hamper emigration from the Soviet Union?

Secretary Kissinger: In 1969 the emigration of Jews from the Soviet Union was 400. In 1973, by the methods which we had considered the most effective—which is quiet representation and separation from the American political process—that emigration had been raised to 38,000 a year. After the Jackson amendment became the major issue, the emigration was gradually reduced. It is now at the level of 11,000.

I would therefore have to judge that the practical effect has been to lower rather than to increase the rate of emigration.

Possible Report by Former President Nixon

Mr. Dadisman: Mr. Secretary, I would like to return to the Nixon China visit. I recognize, of course, that Mr. Nixon is a private citizen now, as you said; but he was treated as much more than a private citizen in the People's Republic and his visit certainly drew much more attention and had more impact than the visit of any other private citizen. Could you tell us whether you think that the

result of the visit paid more dividends to the United States or was more a negative influence? If Mr. Nixon had asked you beforehand whether he should go or not, what would have been your advice?

Secretary Kissinger: Well, I have my hands full advising President Ford. [Laughter.]

We obviously didn't originate the idea, and that may be some indication of how it related to our conception of the conduct of foreign policy. But beyond that, I think— He didn't ask my advice and—

Mr. Dadisman: *Excuse me. What kinds of information do you think you may be able to get that will be useful? I understand that he is going to write a report.*

Secretary Kissinger: Former President Nixon, of course, spoke with Chairman Mao for an hour and 40 minutes, and he had meetings lasting about 10 hours, I understand, with the Acting Prime Minister. None of us have had an opportunity to talk to the Acting Prime Minister, and I do not recall even having met him. So it is a matter, of course, of considerable interest to us what he said and what his interpretation of international events is.

We have not yet received the written report that President Nixon said he would submit to us, and therefore we cannot judge at this point what it will add to the information we have from our own sources. But it would be in that area that we would look for information.

Middle East Issues

Mr. Pruitt: *Mr. Secretary, Foreign Policy magazine says that President Ford has told Egyptian President Sadat the American objective in the Sinai is to have Israel withdraw to its pre-1967 boundaries. Is that true?*

Secretary Kissinger: Well, this article—which I frankly have not had a chance to study—is based on a collection of miscellaneous interviews which the author had with many people.

Obviously I cannot be in a position of commenting on conversations which the President may have had with other heads of government, but I can say that the American position with respect to final boundaries has been repeatedly stated. And it is that the final boundaries should be negotiated between the parties concerned; that we support Security Council Resolution 242, which calls for secure and recognized borders; and that we are leaving it to the parties to give these terms complete context. This has been our public position, and this remains our position.

Mr. Shipp: *Mr. Secretary, do you detect any change in Israel's attitude of refusing to negotiate directly with the PLO [Palestine Liberation Organization]?*

Secretary Kissinger: I have not found an change in that attitude. And the American attitude has been and remains that unless the PLO recognizes the relevant Security Council resolutions and the existence of the State of Israel, we have no decision to make in that respect either.

Mr. Rusk: *Well, our thanks to our distinguished panel—Mr. Shipp, Mr. Dadisman, Mr. Pruitt, Mr. Landrey—and very special our thanks to the distinguished Secretary of State who has been with us today. We are glad to take some questions from the floor within the time we have available.*

Cuban Interventionism

Q. Dr. Kissinger, at the beginning of your remarks you said we are determined—the United States is determined—to stop Soviet expansion by military force or pressure. A several times you said we cannot accept Cuban intervention. Can you translate diplomatic language a little further into words: what actions the United States would take to prevent Cuban intervention in Rhodesia, or any other country in Latin America?

And the second question which I have asked is: because of all the political pressures, do you plan to resign soon? [Laughter.]

Secretary Kissinger: With respect to

second question, how can I be so heartless as to deprive the candidates of something to talk about? [Laughter.]

And with respect to the first question, when I say we are determined to prevent expansion, that does not mean we have to do it by military means. In fact, the history of the postwar period has been that when aggressive countries have clearly recognized that the United States would resist expansion, then war could be avoided.

What we would do, in given circumstances, in particular Cuban actions—whether we act locally or elsewhere—would depend, obviously, on the circumstances; and it is not a matter that it would be useful for me to talk about.

My purpose in speaking so clearly and explicitly is to leave no doubt in anybody's mind about our views so that there would not be any action taken on the basis of misapprehensions of American intentions.

Q. Mr. Secretary, the grain agreement with the Soviet Union. My question: Does that guarantee us a Soviet market for American wheat for five years? And if so, how much?

Secretary Kissinger: The grain agreement guarantees us a market for five years to a minimum of 6 million tons a year, with the Soviet option to buy 2 million tons a year more, which are guaranteed. If the Soviet Union wishes to buy beyond 8 million tons, then they must negotiate with us again in the light of the requirements of other nations and our own domestic requirements. But we are guaranteed the sale of 6 million tons a year for a period of five years.

Q. I forgot—what price?

Secretary Kissinger: The price will be at the then market price.

Q. At the what?

Secretary Kissinger: At the market price.

Q. Dr. Kissinger, I have two brief questions. First of all, it is widely rumored that the OPEC [Organization of Petroleum Exporting Countries] nations are traveling to Panama City this weekend for a secret meet-

ing. Can you confirm if this is true and, if so, what the purpose is? And will you attend?

Secretary Kissinger: I have been harassed with questions about this meeting in Panama City—the alleged meeting in Panama City. Nobody has told me about it. Nobody has told the Air Force about it, which has the air base down there—or if they have, the Air Force is not telling me.

I cannot find out what this is all about, and I am as certain as I can be about anything that there is no OPEC meeting going on in Panama City. In fact, I received so many questions on this issue that I even checked with Panama City, Panama, just to see if there was something going on down there. [Laughter.]

Sale of C-130's to Egypt

Q. My second question is: Ambassador Dinitz of Israel asked the State Department last night to register Israel's formal objections to the Ford Administration's plan to sell six C-130's to Egypt. What is going to be your reply to Israel?

Secretary Kissinger: Well, first of all, what Ambassador Dinitz indicated was Israel's objection to a military supply relationship to Egypt, not to any specific individual sale. Of course, the decision of what to sell to other countries has to be a decision that is taken in the American national interest, in light of all the considerations of our relationship to the Arab world—the relationship of Egypt, the previous relationship of Egypt to the Soviet Union—and other matters.

The United States has made a decision with respect to only one matter; namely, the sale of six C-130's to Egypt. It has made no decision with respect to the sale of any other item. And we will proceed with that sale of the C-130's and submit this in a formal request to the Congress within the next few weeks.

With respect to other sales of other items, this is a matter that we will take up if we decide to do it later on. But it is not a decision that has now been made.

Q. Under Secretary Sisco was quoted as saying this was the beginning of a military relationship between the United States and Egypt. Is that correct? Is that your position?

Secretary Kissinger: Well, I outrank Under Secretary Sisco. [Laughter.]

I think where the confusion arose was as follows. When we discussed with the Congress the question of the sale of the six C-130's, in order to give the Congress as frank and honest a feel for what we had in mind we explained to them the kind of military supply that might be considered in the future, if it ever became necessary or desirable from the American point of view—so that rather than answer in a piecemeal fashion the question that would inevitably arise for what else we had in mind, we told them two things: One, we had nothing specific in mind right now; second, we gave some idea of the sort of categories that further down the road might be considered as a means of reassuring them that we were not entering a massive relationship at this moment. And if you look at this briefing, you will see that this was the thrust of it.

But I repeat: The policy of the United States now is to sell six C-130's. This does not imply any other decisions. And if any other decisions are made, there will be a formal discussion with the Congress on the subject.

Q. Dr. Kissinger, Senator Barry Goldwater has been very critical of President Nixon going to Communist China as a private citizen. You have said that the U.S. Government officially thinks that former President Nixon was in fact a private citizen. My question is this: Do you think that as a private citizen he was in violation of Federal law in discussing foreign policy with Communist China? And do you think he should have done America a favor and stayed in Communist China?

Secretary Kissinger: I do not believe that President Nixon was in violation of Federal law in going to China, and it is not a violation of Federal law to speak about foreign policy in foreign countries—although there have been occasions in recent years when perhaps I wished it had been. [Laughter.]

But what the Logan Act prohibits, and to our knowledge it has never been enforced, is for a private citizen to negotiate in a foreign country.

So I do not believe there has been a violation of the law. And former President Nixon has now returned to San Clemente, so that your second question is moot.

Mr. Rusk: If any one of us in this room had gone to Peking recently and had the talks that Mr. Nixon had, wouldn't you want to know what they said when any of us got back?

Secretary Kissinger: If any private citizen had spent 10 hours with the new Acting Prime Minister of China and nearly two hours with Chairman Mao, we of course would want to know what was said—and when it was said to somebody who, after all has considerable experience in foreign policy it is a matter of interest to us what the leaders of China considered important to convey.

Q. Mr. Secretary, what would you tell the Russians about the degree of significance in President Ford's abandonment of the word "détente"? And does it represent any change in American policy toward the Soviet Union?

Secretary Kissinger: President Ford has explained that the reason he felt that the word "détente" was not appropriate was because no one knew what it meant. He gave a speech last summer in Minneapolis which he pointed out that the word "détente" was of foreign derivation and therefore did not lend itself to easy comprehension by Americans. And in his remarks last Monday, he simply picked up this idea again. And given the quadrennial excitement which we are now approaching, it was given a significance which he did not intend.

President Ford has stated that the policy of seeking peace while remaining strong—the policy of negotiations with our adversaries—will be continued. Our policy is to prevent the translation of military power to political advantage, but it is also to seek a world in which peace is achieved by means other than constant confrontations. A

those twin prongs of our foreign policy we believe reflect permanent interests of the American people, and they will be continued.

Q. Mr. Secretary, what is the latest development in your investigation into the harmful rays beamed against the U.S. Embassy in Moscow?

Secretary Kissinger: This is an issue that involves some rather sensitive intelligence matters, and therefore we have been reluctant to discuss it publicly while we are attempting to safeguard the health of our employees—a matter which we have substantially done—and while we are trying to negotiate a solution to this difficulty.

If these negotiations should prove impossible to conclude, we will then of course have to be more explicit in our explanations. But while these negotiations are going on, I would prefer not to go further than to say: One, that our principal concern is the health and safety of our employees, which we have substantially safeguarded now; and second, to end the condition that has brought about this question—and we are in the process of negotiating that now.

U.S.-Japan Environmental Protection Committee Meets at Washington

*Joint Communiqué*¹

The first meeting of the Joint Planning and Coordination Committee was held February 26-27, 1976, in Washington, D.C. The meeting was convened in pursuance of the agreement between the Government of the United States of America and the Govern-

ment of Japan on Cooperation in the Field of Environmental Protection signed August 5, 1975. Article 2 states that "A Joint Planning and Coordination Committee will be established to discuss major environmental policy issues, to coordinate and review activities and accomplishments under this Agreement, and to make necessary recommendations to the two governments with regard to the implementation of this Agreement."

Dr. Russell Peterson, Chairman of the Council on Environmental Quality, led the United States delegation. Mr. Kanetsugu Kido, Vice-Minister, Environment Agency, led the Japanese delegation.

Several basic procedures for the implementation of the bilateral agreement were discussed and agreed upon.

Projects presently under way under the bilateral agreement were discussed and briefly evaluated. The two delegations engaged in exchange of information and views concerning environmental impact assessments, toxic chemicals, particularly PCB's [polychlorinated biphenyls] and heavy metals and their transport through the environment. The two sides exchanged views concerning possible proposals for new project activity in the areas of Stationary Sources Pollution Control Technology and Technology for Closed Systemization on Industrial Waste Liquid Treatment.

The Japanese delegation expressed their appreciation for the hospitality extended to them by the United States Government and stated that they would welcome the United States delegation in Tokyo for the second meeting of the Joint Committee within the next year.

¹ Issued on Mar. 11 (text from press release 120).

International Terrorism

Address by Robert A. Fearey¹

First let me say how much I appreciate your invitation to be here today. The World Affairs Council is a widely known and highly respected forum. I welcome the opportunity to discuss how our government views the problem of international terrorism and how we are meeting it.

My topic is *international* terrorism. I shall not be specifically addressing the indigenous, or national, form of terrorism, such as we see in Northern Ireland, Argentina, and many other countries and which accounts for most terrorism today. Nevertheless a good deal of what I shall say about international terrorism will apply also to the indigenous form.

What precisely is "international terrorism"? It has three characteristics.

First, as with other forms of terrorism, it embodies an act which is essentially criminal. It takes the form of assassination or murder, kidnaping, extortion, arson, maiming, or an assortment of other acts which are commonly regarded by all nations as criminal.

Second, international terrorism is politically motivated. An extremist political group, convinced of the rightness of its cause, resorts to violent means to advance that cause—means incorporating one of the acts I have just cited. Often the violence is directed against innocents, persons having no personal connection with the grievance motivating the terrorist act.

And *third*, international terrorism tran-

scends national boundaries, through the choice of a foreign victim or target, commission of the terrorist act in a foreign country, or effort to influence the policies of a foreign government. The international terrorist strikes abroad or at a diplomat or other foreigner at home, because he believes he can thereby exert the greatest possible pressure on his own or another government or on world opinion.

The international terrorist may or may not wish to kill his victim or victims. In abduction or hostage-barricade cases he usually does not wish to kill—though he often will find occasion to do so at the outset to enhance the credibility of his threats. In other types of attacks innocent deaths are his specific, calculated, pressure-shock objective. Through brutality and fear he seeks to impress his existence and his cause on the minds of those who can, through action or terror-induced inaction, help him to achieve that cause.

An example: On September 6, 1970, the Popular Front for the Liberation of Palestine hijacked three airliners flying from Europe to New York, diverted them to airports in the Middle East, and moments after the passengers had been evacuated, blew them up. The terrorists' purposes were:

—To attract world attention to the Palestinian cause;

—To convince the world that the Palestinians could not be ignored in a Middle East settlement or there would be no lasting settlement; and

—To demonstrate that they had destructive powers which they were prepared to use not just against Israel but far afield again

¹ Made at Los Angeles, Calif., on Feb. 19 before the Los Angeles World Affairs Council and the World Affairs Council of Orange County. Mr. Fearey is Special Assistant to the Secretary and Coordinator for Combating Terrorism.

other governments and peoples, until their aims were achieved.

Another recent and vivid example: Last December 21, five professional international terrorists—a Venezuelan, two Palestinians, and two Germans—took control of the OPEC [Organization of Petroleum Exporting Countries] ministers and their staffs in Vienna, killing three persons in the process, demanded and received publicity for their “Arab rejectionist” cause over the Austrian national radio, and finally released the last of their understandably shaken hostages in Algeria. Their purpose appears to have been to pressure the more moderate Middle East governments into tougher oil and anti-Israel policies.

Historical Origin

Terrorism as a form of violence for political ends is as old as history, probably older. It is said to have acquired its modern name from the French Reign of Terror of the mid-1790's. The first use of international terrorism is hard to pinpoint. However, the historians among you will recall the Moroccan rebel Raisuli's kidnaping of an American and an Englishman in 1904 in a successful attempt to force the U.S. and British Governments to pressure France into compelling the Sultan of Morocco to comply with Raisuli's ransom, prisoner-release, and other demands.

Perhaps the opening phase of the international terrorist threat we face today, though itself a reaction to oppression and error, was the hijackings by freedom-seeking escapees from the East European Communist countries in the middle and late forties. In the early sixties the stream of hijackings from the United States to Cuba commenced. Terrorist groups around the world saw the potential for publicity in hijackings and began to use them for attention-getting political objectives. Beginning about 1968, Palestinian and other violence-centered political groups in several parts of the world began to extend their terrorist activities to countries—or to the diplomats

of countries—not directly involved in the dispute giving rise to the violence.

Modern Terrorism

The years since 1968 have seen a progressive development of the employment of international terrorism for the attainment of national, ethnic, or world revolutionary political goals. They have also seen a marked development of intelligence, training, financial, and operational collaboration among terrorist groups in different parts of the world. And they have seen such groups take increasingly telling advantage of technological advances which afford the terrorist opportunities he never had before:

Air Transport. Two or three individuals can take control of a large airplane with 200–300 passengers, divert it wherever they wish, and blow it up when they get there, with or without its passengers aboard. Or a loaded aircraft can be downed by a bomb placed in its hold. Little wonder that the airplane has figured in so many terrorist acts of the last 15 years.

Communications. Today's television, radio, and press enable a terrorist to achieve an almost instantaneous horrified, attention-riveted audience for his action. Since public attention to his cause is usually one of his key objectives, communications advances have been critically valuable to the terrorist.

Weapons. New types of weapons are constantly adding to terrorists' capabilities. A leading example: the Soviet SA-7 heat-seeking rocket, equivalent of our Red Eye, easily portable by one man, capable of bringing down commercial aircraft. Two of these weapons were found in the hands of Arab terrorists at the end of a runway in Rome in 1973; fortunately they were found in time. Another key terrorist weapon: plastic explosives.

Targets. Finally, our complex and interdependent modern world society presents a plethora of vulnerable, damaging targets for terrorists. Large aircraft are one such target. But there are also supertankers, electric power grids, gaslines, nuclear power plants,

and others. Modern terrorists can cause destruction far beyond anything possible in earlier, simpler ages.

The U.S. Response

So beginning about 1968, our government faced a clear problem of terrorist use of aircraft, of modern communications media, of powerful light-weight precision weapons, and of cooperation among terrorist groups in different countries, all to achieve political shock effects in an increasingly interdependent and vulnerable world. The danger grew, with a mounting series of kidnappings, bombings, murders, and shoot-outs, by Palestinians, Croatians, Tupamaros, Cubans, Turks, and others. In September 1972, 11 Israeli athletes were killed, along with five terrorists, at the Munich Olympic games before an appalled TV audience of hundreds of millions.

Our government had until that time pursued a number of antiterrorist efforts, mainly in the hijacking area. But with Munich, President Nixon and Secretary of State Rogers decided to adopt a more systematic approach. The President directed Secretary Rogers to chair a "Cabinet Committee to Combat Terrorism" and also to establish an operating arm of the Committee called the Cabinet Committee Working Group. The Working Group originally consisted of senior representatives of the 10 Cabinet Committee members, but 12 other agencies concerned with different aspects of terrorism have since been added.

The Cabinet Committee and Working Group have a broad mandate to devise and implement the most effective possible means to combat terrorism at home and abroad. The Cabinet Committee meets as required, and the Working Group has met 101 times. It is the coordinating forum for the entire U.S. Government antiterrorism effort. When a terrorist abduction of an American abroad or of a foreigner in the United States occurs, we set up and run a task force in the State Department's Operations Center. A similar, complementary task force is established in the concerned U.S. Embassy abroad. We have, unfortunately, gained considerable ex-

perience in coping with such incidents after hostage cases in Port-au-Prince, Khartoum, Guadalajara, Córdoba, Santo Domingo, Kuala Lumpur, Beirut, and other places.

Means of Combating Terrorism

What have we learned from our study of terrorism and from our practical experience with it? How does one combat terrorism? Basically in three ways:

Intelligence. If you can learn his plans ahead of time, you can sometimes forestall the terrorist. It was through intelligence that the terrorists armed with SA-7's were apprehended at the edge of the airport in Rome before they could destroy their intended Israeli Airlines target. The CIA, the FBI, and other intelligence agencies coordinate their antiterrorist efforts through the Cabinet Committee Working Group.

Physical Security of Target Installations and People. Here again, we have improved our position significantly since 1972. U.S. civil airport security has been strengthened to the point where, in combination with bilateral and multilateral antihijacking conventions, we have not had a successful commercial hijacking in the United States in three years—though there was, of course, the recent terrible bombing at L Guardia. The security of our diplomatic posts abroad has been upgraded with armored limousines, more marine guard closed-circuit TV systems, careful briefing of personnel, et cetera.

Apprehension and Punishment of Terrorists. To achieve this key objective we seek international cooperation. The threat is international and can be met only by international means. A major focus of U.S. effort and initiative with other nations has been in the antihijacking area. We took the lead in negotiating in the International Civil Aviation Organization three conventions on hijacking and aircraft sabotage. The general idea of all these conventions, now ratified or adhered to by about 70 countries, to deter terrorists by internationalizing their criminal acts and thus providing leg-

means of apprehending and punishing them.

But we have not been altogether successful in this purpose. Hijacking has declined sharply, but more because of improved airport security than the antihijacking conventions—except for our highly effective bilateral agreement with Cuba. Too few countries are willing to arrest, try, and severely punish international hijackers and saboteurs, or indeed international terrorists of any kind. U.S. efforts for the adoption of enforcement mechanisms to give the international aircraft-hijacking and sabotage conventions sanctions teeth, by denying air services to noncomplying countries, have been completely unavailing. A U.S.-proposed convention in the 1972 U.N. General Assembly which would have obliged participating states to prosecute or extradite international terrorists coming under their control, at safe haven destinations or in other ways, won the support of only about half a dozen nations. It did, however, serve as the genesis of the U.N. convention to protect diplomats and foreign officials, adopted in 1973 but still awaiting the necessary ratifications to come into effect.

The Rand Corporation recently calculated, on the basis of experience since 1968, that there is an 80 percent chance that an international terrorist involved in a kidnapping will escape death or capture. The terrorist kidnaper has a close to even chance that all or some of his ransom demands will be granted. Worldwide publicity, normally an important terrorist objective, is achieved in almost every case. For all crimes of terrorism (as opposed to just kidnaping), the average sentence for the small proportion of terrorists caught and tried is less than 3 months.

In a word, outside the hijacking area, our and a small but, hopefully, growing number of other governments' efforts to make terrorism unprofitable for the terrorists have made little headway.

So these are the ways we seek to combat terrorism: intelligence, physical security, and apprehension and punishment of terrorists. In addition, and very importantly, we

encourage and assist other nations to alleviate the inequities and frustrations from which international terrorism mainly—though by no means entirely—arises. Unfortunately, effective action to reduce these inequities and frustrations is in many instances a very long-term proposition. The trend in most countries and regions is the other way. The awakening political consciousness of oppressed, poverty-stricken, or otherwise frustrated peoples on every continent threatens an increasing resort to terrorism in areas now relatively free of it.

U.S. Policies in Terrorist Incidents

From time to time Americans abroad are assassinated or abducted by international terrorist groups. What are our policies in such incidents?

With respect to assassinations, we seek to deter or thwart such attacks through intelligence warning and physical security, both in cooperation with the host government. If an American is nevertheless assassinated, we do our utmost to insure that the murderer is brought to justice and that intelligence and security measures in that country affecting American citizens are intensified.

With respect to abductions, our policies were made very clear by Secretary Kissinger at Vail last August. He said:

The problem that arises in the case of terrorist attacks on Americans has to be seen not only in relation to the individual case but in relation to the thousands of Americans who are in jeopardy all over the world. In every individual case, the overwhelming temptation is to go along with what is being asked.

On the other hand, if terrorist groups get the impression that they can force a negotiation with the United States and an acquiescence in their demands, then we may save lives in one place at the risk of hundreds of lives everywhere else.

Therefore it is our policy . . . that American Ambassadors and American officials not participate in negotiations on the release of victims of terrorists and that terrorists know that the United States will not participate in the payment of ransom and in the negotiation for it.

The following month, at Orlando, the Secretary said:

When Americans are captured, we are always in great difficulty because we do not want to get into a position where we encourage terrorists to capture Americans in order to get negotiations started for their aim. So our general position has been—and it is heartbreaking in individual cases, always heartbreaking—that we will not, as a Government, negotiate for the release of Americans that have been captured.

. . . we will not negotiate . . . because there are so many Americans in so many parts of the world—tourists, newsmen, not only officials—that it would be impossible to protect them all unless the kidnapers can gain no benefit from it.

For these reasons, the U.S. Government has not and will not pay ransom, release prisoners, or otherwise yield to terrorist blackmail. Nor will it negotiate with respect to any of these matters. We urge the same policy on other governments, private companies, and individuals. We rely for the safe return of American hostages on the responsibility under traditional international law of a host government to protect all persons within its territories, including the safe release of hostages. We consider it the host government's sovereign right to decide during an incident how it will fulfill this responsibility.

This may sound somewhat cold and unfeeling. But you may be sure that those of us charged with managing cases of Americans abducted abroad feel keenly both the plight of the hostage and our government's legal and moral responsibility to exert every appropriate effort for his safe return. The local U.S. Embassy abroad, and the task force at home, go to work with all the experience, energy, and imagination they can muster. They stay in close and continuous contact with the host government, supporting it with all practicable intelligence, equipment, technical services, and other assistance and advice it may request, *except* advice on how it should respond to demands from the abductors. This decision we consider to be the exclusive responsibility of the host government, taken in awareness, however, of our own government's policy not to accede to terrorist demands.

Sometimes a host government proves unwilling or unable effectively to discharge its

responsibility to secure the hostage's release, perhaps because he has been seized by a rebel or outlaw group within the country. In such cases we do not wring our hands helplessly. We may nominate an intermediary to the host government, we may enlist the assistance of a third government, or we may ourselves conduct discussions with the abductors. But if we hold such discussions they are strictly confined to such matters as the well-being of the hostage and to humanitarian and other factors arguing for his unconditional release. There are no negotiations. The host government is kept closely informed.

So we do not allow ourselves to be rendered helpless as a result of our no-concessions policies or the failure of a host government to fulfill its obligations under international law. Sometimes the terrorist has decided in advance to execute the hostage or stubbornly holds to his demands to the point of fulfilling his threat to execute. But in the more typical case the terrorist is not anxious to kill the hostage and when he sees, usually over time, that he is not going to succeed in his blackmail effort, he will begin to have second thoughts and eventually will move toward release. We recently witnessed this process in the Netherlands, British, and Irish Governments' patient but firm handling of the Moluccan, Balcomb Street, and Herrema incidents. 1975 saw an encouraging trend of greater firmness by number of NATO Governments in the handling of terrorist incidents. It also saw a welcome trend of a higher level of terrorist arrests and trials and of sterner laws against terrorism, notably in Germany.

Some argue that we are misreading the situation—that acceding to terrorist demands to save an American hostage's life would have no, or insignificant, effect on the safety of other Americans abroad or on our effort to combat international terrorism. Such reasoning is tempting, but I for one would be reluctant to assume the responsibility of following it. On the other hand, we have repeated, convincing evidence that our government's no-negotiations, no-concessions policies are widely known by t

rorist groups abroad, that they are believed, and that they are having important deterrent effect.

The United States has not yet had to face seizures or attacks within its own territories by international terrorist groups. Would our government, as a host government responsible for dealing with such incidents at home, practice the same firm no-concessions policies it has urged on other governments, including when our own citizens have been abducted abroad?

The answer is yes. We are convinced of the soundness of these policies. And we have seen other governments, faced with a series of terrorist incidents of a type we have thus far been spared, arrive by hard experience at the conclusion that firmness is the only course. We have dealt as firmly as the law allows with domestic terrorist organizations, such as the Black Panthers, Symbionese Liberation Army, Weather Underground, and Puerto Rican Liberation Armed Force. I do not think you will find your government wanting if, unhappily, the international terrorist menace reaches our shores.

I have discussed the international terrorist threat and the U.S. response to that threat. What are the principal issues and requirements as we look to the future?

International Cooperation Against Terrorists

First, how are we to achieve more effective international cooperation for the apprehension, trial, and punishment of international terrorists?

This objective is as intractable as it is central. Most countries apparently remain unwilling to apply strict legal sanctions to international terrorists. In the Third World, where most of the difficulty lies, many countries sympathize with the political aspirations of groups which practice terrorism. There is the sympathy of Arab governments for the Palestinian cause, including approval of terrorist attacks on Israel and, in the case of the radical Arab governments, approval and support of Palestinian terrorist attacks in Europe and elsewhere as well.

There is the sympathy of newly independent countries, many of which used terrorism to help achieve their freedom, for anti-colonial terrorist groups. And there is the sympathy of practically all Third World governments for terrorists striking against repressive authoritarian regimes, particularly in the developed world. Third World governments generally accept the terrorists' argument that the weak and oppressed, with their pleas for justice unheeded, and lacking the means for conventional war, have no alternative to terrorism—that terrorism in a perceived "just" cause is not criminal but patriotic and heroic.

We, with our Judeo-Christian tradition, can understand this reasoning up to a point, but we can never accept it. We believe there can be no justification, in any circumstances, for the deliberate killing of innocent individuals. We recognize that the alternatives to terrorism, centering on peaceful protest, constructive proposals, and negotiation, often involve frustration and delay. But we believe that, in an interdependent world attempting to move away from violence before it is too late, they offer the only acceptable means of change.

For different reasons than those put forward by Third World countries, most advanced countries are also disinclined to commit themselves to clear and unequivocal sanctions against terrorists. Sometimes they are inhibited by political or commercial interests from offending governments that support or condone terrorism. Or they are concerned that if they convict and imprison terrorists this will attract more terrorists to their territories seeking, through further violence, to free their comrades. Or they are reluctant to see rights of political asylum weakened. The Communist giants, the Soviet Union and China, appear to share our conviction that hijacking, aircraft sabotage, and other forms of international terrorism are a criminal threat to civilized society and should be stopped. But they also share the Third World's belief that terrorism as an instrument of "wars of national liberation" is acceptable, and they support such terrorism.

A succession of major international terrorist incidents during 1975, culminating in the seizures in Vienna and the Netherlands, appears to have somewhat enhanced awareness of the common danger presented by international terrorism.

Venezuela and Colombia have jointly proposed a new consideration of the problem by the General Assembly in the fall. Our government earnestly hopes that this increased awareness and concern is widespread and that antiterrorism proposals in the 1976 General Assembly will find a different atmosphere and reception from that accorded the convention we proposed in 1972. In an address in Montreal last August Secretary Kissinger urged the United Nations once again to take up and adopt our 1972 proposals, or some similar convention, as a matter of the highest priority. In December our representative on the U.N. Sixth Committee reiterated this position.

All stand to suffer if the present apparently heightened interest in the control of international terrorism is allowed to die without result and has to be reawakened by further terrorist acts of even more serious proportions than those suffered in 1975.

Effectiveness of Terrorism

A second question: How effective has international terrorism been for the terrorists' purposes?

Clearly, international terrorists have had tactical successes, as recently at Kuala Lumpur and Vienna, achieving their objectives of publication or broadcasting of manifestos, release of imprisoned comrades, or extortion of ransom. And these successes have been achieved at small cost to the terrorists—most have escaped to safe havens, or, if caught, have later been rescued by comrades or served very short terms. On the other hand, international terrorist groups have fruitlessly suffered suicidal losses in attacks within Israel. And such groups operating in Europe and elsewhere have in a number of cases suffered heavy

casualties while achieving none of their purposes, except dubious publicity, as in the Baader-Meinhof seizure of the German Embassy in Stockholm last April or the earlier mentioned South Moluccan, Balcombe Street, and Herrema incidents.

How about terrorist groups' attainment of their fundamental political goals—the causes their abductions and attacks are intended to serve?

Here, too, the overall record is hardly a source of encouragement for terrorists. Certainly the Baader-Meinhof Gang and the Japan Red Army have not succeeded in advancing their nihilist, world revolution cause significantly. The kidnappings and murders of U.S. and other diplomats in Brazil, Guatemala, Argentina, and elsewhere have won the terrorists no discernible political gains. The terrorism perpetrated by South Moluccan extremists in the Netherlands achieved world publicity, as sensational crimes are wont to do. But the terrorism was essentially negative in its consequences for the South Moluccan cause, embarrassing the group's responsible members and outraging the Netherlands Government and people.

As for Palestinian terrorism, the Palestinian cause is unquestionably more widely known as a result of Palestinian terrorism than it otherwise would be. But against this must be set the revulsion of all civilized peoples over the crimes committed by Palestinian terrorist groups at Lod, Munich, Khartoum, within Israel, and elsewhere. And terrorist attacks have contributed importantly to the hatred and bitterness which impede a Middle East settlement from which the Palestinians might hope to achieve their goal of a Palestinian state. The decline in Palestinian terrorism within the past two years suggests that the moderate Palestinian leaders have come in part, at least, to share the view that terrorism is counterproductive to the attainment of Palestinian objectives.

International terrorism, in short, is a success story, for the Palestinians, the South Moluccans, or any other group.

Seriousness as a World Problem

A third question, then, is: How deeply need we be concerned about international terrorism as a world problem?

Up to now international terrorism's toll in dead and wounded and property damage has been relatively small. This is true of all forms of terrorism, compared with the casualties and property losses of even the most minor conventional wars. But it is particularly true of international terrorism. It has been estimated that some 800 people have been killed, including terrorists, and some 1,700 injured, in all international terrorist incidents from 1968 through the present. Year by year this is no more than the crime rate of one moderate-sized American city, intolerably high as that rate is. Property damage, principally in destroyed aircraft, has been equally limited.

But international terrorism's limited toll in lives and property thus far is only part of the story. There are a number of things we should note and ponder:

—Most of the world's airports are now manned by guards and inspectors, aided where possible by expensive X-ray machines. Even so, no air traveler is secure from terrorist attack.

—U.S. and other nations' Embassies in Beirut, Buenos Aires, Nicosia, and many other capitals are heavily guarded, in sharp contrast with, and derogation of, their diplomatic function. Diplomats can no longer go about their business in any capital without varying degrees of fear of being kidnaped or killed.

—The world's leading statesmen work and travel under costly and inhibiting restrictions.

—Mail received at potential target addresses, such as my own government department, must be X-rayed for explosives before delivery.

—State authority is weakened as governments accede to terrorist demands for release of prisoners, ransom, and publicity.

—The principles and standards of justice are impaired as the perpetrators of horrible

acts of violence are given short sentences or let free.

None of these conditions has reached critical proportions. But in combination they signal a potential for mounting, serious erosion of world order if we do not succeed in bringing the international terrorist threat under control.

Future of Terrorism

So, finally, what of the future?

I just noted terrorism's, particularly international terrorism's, relatively small toll in killed and wounded and property damage. This could soon begin to change. New weapons are constantly enlarging terrorists' destructive capabilities.

Particularly rapid advances are being made in individual weapons development as we and other advanced nations seek to equip our foot soldiers with increased, highly accurate firepower. There is obvious risk of growing quantities of these weapons coming into the hands of terrorists, weapons which are as capable of being employed against civil aircraft, supertankers, motorcades, and speakers' podiums as against military targets. The Soviet SA-7 heat-seeking, man-portable missile has already, as I mentioned, been found in the hands of terrorists.

And there are more serious hazards. As nuclear power facilities multiply, the quantity and geographical dispersion of plutonium and other fissionable materials in the world will increase greatly. The possibility of credible nuclear terrorist threats based on illicitly constructed atomic bombs, stolen nuclear weapons, or sabotage of nuclear power installations can be expected to grow. Even more plausible would be threats based on more readily and economically produced chemical and biological agents, such as nerve gas and pathogenic bacteria.

Would terrorists actually use such weapons? Probably not. They could already have attacked cities with toxic aerosols, for example, but have not done so. Terrorists, at least the rational ones, fundamentally seek

to influence people, not kill them. The death of thousands, or tens of thousands, of persons could produce a tremendous backlash against those responsible and their cause. But the possibility of credible nuclear, chemical, and biological threats, particularly by anarchists, is real. Though the chances of such threats being carried out may be small, the risk is there and must be met.

There is a further danger—one of international terrorist groups for hire, which we may already be seeing in an incipient stage. A government might employ such groups to attack, alarm, or subvert another government or international organization. Powerful pressures might be brought to bear through a small, deniable expenditure by the aggressor government.

The future, some believe, holds a prospect of reduced resort to open warfare but of a high level of subversive and terroristic violence and insecurity originating with governments or subgovernmental elements using, or threatening to use, against our vulnerable modern societies, the frightening small, or even more frightening mass-effect, weapons I have cited. A world of many Ulsters might be statistically safer for the average man than the world of the past 60 years of repeated major conflicts. But it would be a more nerve-racking and unsettled world of continuing low-level violence and threatened mass-destruction terrorist attack.

Conclusion

In conclusion, man's inhumanity to man is not confined to war. Terrorism, too, inflicts brutal suffering on the innocent. We see its toll daily in atrocious acts of indigenous or international terrorism.

To combat the latter the United States presented to the 1972 General Assembly the carefully formulated draft Convention for the Prevention and Punishment of Certain Acts of International Terrorism, which I

mentioned earlier. The idea of the convention was simple. States, we felt, should be left to deal themselves, under their domestic law, with acts of terrorism against persons within their own territories, except diplomats and other internationally protected persons. However, when terrorists sought to export terrorism by blackmailing states through acts committed on the territory of other states or in international air or waters, international law should impose obligations on the states parties to the convention to prosecute or extradite such terrorists coming under their control. Had this convention come into force with a full range of parties, international terrorism would have been dealt a heavy, perhaps fatal, blow. There would today be no safe havens.

Instead our proposal foundered in a discussion of definitions and of the causes of international terrorism. It was argued that we had ignored the problem of terrorism practiced by repressive governments—state terrorism—to which group terrorism is often a response. It was further argued that international terrorism practiced in a just cause, such as the self-determination of peoples and human rights, could not be considered criminal.

Our reply to the first of these arguments was, and is, that there is a wealth of existing law and ongoing effort in the field of state action, including state terrorism. Though these laws and effort have not given us a perfect world, mixing of the problem of international terrorism with the problem of state terrorism would not assist the reduction of either.

With respect to the causes of terrorism, we have pointed out that none of the many states which have won their independence the hard way, including our own nation, engaged in the type of international violence which our draft convention seeks to control. Our proposal is carefully restricted to the problem of the spread of violence to persons and places far removed from the

scene of struggles for self-determination. We have further noted that even when the use of force may be legally justified, there are some means which must not be used, especially when directed against innocents. This principle has long been recognized in the rules of war. Certainly if a state acting in a situation where its very survival may be at stake is legally precluded from resorting to atrocities, individuals or groups purportedly seeking to advance some self-determined cause should be similarly limited.

Terrorism is an affront to civilization. Like piracy, it must be seen as outside the law. In Secretary Kissinger's words last August in Montreal, "It discredits any political objective that it purports to serve and any nations which encourage it." The United States is not wedded to its 1972 proposal, but it is firmly wedded to that most precious of human rights, the right of the innocent person to life. It is time—past time—for the international community genuinely to address the affliction of international terrorism and to take effective action against it. The technological interdependence of the modern world enables the terrorist to carry out and publicize acts of terrorism in ways that were beyond reach a few decades ago. The international community must catch up with this modernization of barbarism before it is victimized by acts of terrorism as yet only imagined.

President Ford Establishes New Agricultural Policy Groups

Following is a fact sheet issued by the White House press office on March 5.

President Ford has announced [at Springfield, Ill., on March 5] a reorganization of the Administration's agricultural policymaking machinery.

A new Agricultural Policy Committee is

being formed with Secretary Butz as Chairman. The Committee will include:

- Secretary of Agriculture—Chairman
- Secretary of State
- Secretary of the Treasury
- Secretary of Commerce
- Assistant to the President for Economic Affairs
- Assistant to the President for Domestic Affairs
- Chairman of the Council of Economic Advisers
- Assistant to the President for National Security Affairs
- Director of the Office of Management and Budget
- Special Assistant to the President for Consumer Affairs
- Executive Director of the Council on International Economic Policy

This new Committee is being formed to consolidate agricultural policymaking into one group, which will report directly to the President and will advise him on the formulation, coordination, and implementation of all agricultural policy. The scope of the Committee will include both domestic and international issues.

The new Committee replaces the International Food Review Group, chaired by the Department of State, and the EPB/NSC [Economic Policy Board; National Security Council] Food Committee, cochaired by the Departments of State and the Treasury.

The EPB/NSC Food Committee was created on September 9, 1975, to develop negotiating strategy for American grain sales to the Soviet Union and to monitor those negotiations. This Committee has been chaired jointly by the Secretary of State and the Secretary of the Treasury. Other members include:

- Secretary of Agriculture
- Secretary of Labor
- Secretary of Commerce
- Director of the Office of Management and Budget
- Chairman of the Council of Economic Advisers
- Executive Director of the Council on International Economic Policy
- Assistant to the President for Economic Affairs
- Assistant to the President for National Security Affairs

The International Food Review Group was established on November 12, 1974, to coor-

dinate the followup to the World Food Conference. The IFRG has been chaired by the Secretary of State. Other members include:

Secretary of the Treasury
Secretary of Agriculture
Deputy Secretary of State
Assistant to the President for Economic Affairs
Chairman of the Council of Economic Advisers
Director of the Office of Management and Budget
Executive Director of the Council on International Economic Policy
Special Representative for Trade Negotiations
Assistant to the President for National Security Affairs

The Food Deputies Group, which currently provides staff-level assistance to the Economic Policy Board in agricultural policy matters, will become the Agricultural Policy Working Group. This Working Group will provide the Agricultural Policy Committee with staff assistance by monitoring agricultural developments and preparing issue papers and other analyses.

The Food Deputies Group was created to monitor agricultural developments and to prepare materials on selected issues being considered by the Economic Policy Board. This group is chaired by a member of the Council of Economic Advisers and includes representatives of the:

Department of Agriculture
Department of the Treasury
Department of State
Department of Commerce
Office of Management and Budget
Council on International Economic Policy
Domestic Council
National Security Council
Special Representative for Trade Negotiations
Council on Wage and Price Stability

United Nations Documents: A Selected Bibliography

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

Security Council

Letter dated January 22, 1976, from the Permanent Representative of the Libyan Arab Republic transmitting the Declaration of Dakar on Namibia and Human Rights adopted by the Dakar International Conference on Namibia and Human Rights held January 5-8, 1976. S/11939. January 23, 1976. 12 pp.

Letter dated January 26, 1976, from the Permanent Representative of the Netherlands transmitting the outlines of the démarche undertaken on the eve of the Security Council debate on Namibia by the Netherlands Ambassador to South Africa on behalf of the nine countries of the European Community. S/11945. January 27, 1976. 2 pp.

Letter dated January 27, 1976, from the Permanent Representative of South Africa in connection with "the current consideration by the Security Council of the question of South West Africa." S/11948. January 27, 1976. 17 pp. South West Africa Survey, 1974. S/11948/Add.1. January 27, 1976. 70 pp.

General Assembly

Alternative approaches and ways and means within the United Nations system for improving the effective enjoyment of human rights and fundamental freedoms. Report of the Secretary General. A/10235. October 7, 1975. 58 pp.

Letter dated October 24, 1975, from the Permanent Representative of Chile transmitting a report prepared by the Government of Chile on the situation regarding human rights in that country. A/C.3/639. October 27, 1975. 74 pp.

Secretary Kissinger Discusses U.S. Nonproliferation Strategy

Statement by Secretary Kissinger¹

I welcome this opportunity to speak to you on the subject of nuclear proliferation—one of the most urgent problems facing the United States and the world community and one which will vitally affect the security of all nations for the rest of this century.

As the committee is aware, your concerns over the dangers posed by further nuclear proliferation are widely and deeply shared throughout the U.S. Government. To convey to you both the seriousness with which we view this issue and the steps we are taking to deal with the proliferation problem, I propose to address the following questions in my statement:

First, how does nonproliferation fit into the framework of our overall foreign policy?

Second, what multilateral efforts to deter proliferation have already been initiated, and what further measures do we contemplate?

Third, what actions are we taking as a matter of U.S. national policy to reinforce and extend our international nonproliferation activities?

Fourth, how do we assess the longer term prospects for containing further nuclear spread through an evolving diplomatic and technical strategy?

¹Made before the Senate Committee on Government Operations on Mar. 9 (text from press release 1976). 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.

Before turning to these broader aspects of nonproliferation, I should note that I fully approve of the position on Senate bill 1439 set forth by Deputy Secretary Ingersoll before the committee. For the reasons outlined during his January 30 appearance, we cannot support this bill.

Nonproliferation Perspectives

Nonproliferation has been a primary foreign policy goal of the United States through six Administrations, with major accomplishments stemming from U.S. initiatives demonstrating the seriousness with which this policy has been pursued. I cite, for example, the adoption of bilateral safeguards and controls in our government-to-government cooperative agreements, the establishment of the International Atomic Energy Agency (IAEA) in Vienna, and the entering into force of the nuclear Nonproliferation Treaty. As a result of these steps, the number of nuclear-weapon states has been substantially limited.

After I assumed the office of Secretary of State, however, it became apparent that changing circumstances warranted a new look at our nonproliferation strategy:

—Other industrialized states were entering the international nuclear market, thereby challenging our longstanding dominance as a commercial nuclear exporter and threatening to diminish the ultimate effect of our national safeguards and control policies.

—The oil crisis has stimulated many developing as well as developed states to accelerate their peaceful nuclear power programs, both as a means of lowering the cost of generating electrical energy and reducing their reliance on imported petroleum products.

—The nuclear test by India underscored the fact that additional states, even those not part of the highly industrialized world, were capable of using nuclear technology to construct explosives.

In my speech to the U.N. General Assembly in September of 1974, I underscored our concerns over the rapid spread of nuclear technology with potential explosive implications. I chose this forum to address the pressing problem of proliferation since it is clear that the danger of further nuclear-explosive spread is a problem vital to every nation on this planet. At that time, I warned against complacency by observing that:

The world has grown so accustomed to the existence of nuclear weapons that it assumes they will never be used. But today, technology is rapidly expanding the number of nuclear weapons in the hands of major powers and threatens to put nuclear-explosive technology at the disposal of an increasing number of other countries.

Let me emphasize that pursuit of a vigorous nonproliferation strategy remains a fundamental dimension of this Administration's overall foreign policy:

—We see the need to reduce the danger of nuclear war as the centerpiece of our policy. If additional states acquired nuclear weapons, global stability would be endangered, and regional conflicts would run the risk of leading to nuclear war, with potentially catastrophic consequences not only for the nations involved but for all major powers.

—We view the peaceful settlement of regional conflicts and a more stable world order as crucial U.S. objectives. Yet a world of many nuclear powers would result in heightened political tensions and increased instabilities flowing from fears that nuclear weapons might be used, whether

deliberately or through miscalculation.

—We support the worldwide goal of finding alternative sources of energy to reduce reliance on oil. Yet a progressive pattern of proliferation could set back, if not cripple entirely, the continued growth of peaceful nuclear energy to serve mankind's needs, as exporters and importers alike came to lose confidence in the ability of the international system to find effective techniques for realizing the peaceful benefits of nuclear energy while eliminating its inherent security risks.

To meet these new dangers, I emphasized in my 1974 U.N. General Assembly speech—and again a year later before the same forum—the importance the United States attaches to nonproliferation. In both addresses, I outlined practical steps we saw as necessary to move forward effectively and comprehensively in this vital field. These included proposals for the major suppliers to strengthen nuclear safeguards; efforts to gain the widest possible support for the international safeguard system and the Nonproliferation Treaty; physical security measures to protect nuclear material against theft or diversion; and steps to prevent the unrestrained spread of sensitive nuclear facilities, such as national reprocessing plants.

I am pleased to take this opportunity to report to this committee on the progress we have made and the problems we still face. There have been solid accomplishments to date, and I will go into the detail of these successes in a few moments. But we are far from complacent, and even as we consolidate our gains, we seek to strengthen our nonproliferation strategy.

I do not have to tell this committee how difficult it is to devise a strategy that can guarantee success in preventing the number of nuclear-weapon states from increasing during the coming decades. But I cannot emphasize too strongly our belief that the effort can and must be made to contain nuclear spread, even if we cannot be certain of completely and effectively blocking additional nuclear proliferation.

It is within the foregoing framework that we have mounted a major effort during the past two years to strengthen the worldwide nonproliferation regime. This strategy has had two reinforcing elements:

—Multilateral actions to move forward with other states in meeting the nonproliferation challenge; and

—National nuclear export policies to insure that the United States continues to exert responsible leadership in nonproliferation.

Let me now describe in some detail the key elements of our nonproliferation strategy, what has been accomplished during the past two years, and what needs to be done to further advance our position.

Multilateral Strategy

Suppliers Consultation. I have noted earlier that the United States, practically speaking, does not have complete, unilateral freedom of action with respect to its nuclear export policy. Other major industrial powers have the capacity and desire to contribute to the world's needs for peaceful nuclear energy, and they fully recognize the need to safeguard their assistance.

It is important, however, that safeguards not become an element of commercial competition. U.S. constraints by themselves will have little effect if other nuclear suppliers decline to exercise the same restraint. In recognition of this, we have pursued a policy of consulting with other nuclear-exporting countries in an effort to devise a common set of standards concerning safeguards and other related controls associated with peaceful nuclear exports. I believe these efforts have met with a significant degree of success.

As a result of these consultations, the United States has decided to adopt, as a matter of national policy, certain principles which will govern our future nuclear exports. We have been informed that a number of other countries intend to do the same. As other Administration witnesses have testified in recent weeks before an-

other Senate committee, these principles include:

—Provisions for the application of IAEA safeguards on exports of material, equipment, and technology;

—Prohibitions against using assistance for any nuclear explosions including those for "peaceful purposes";

—Requirements for physical security measures on nuclear equipment and materials;

—Application of restraint in the transfer of sensitive technologies (such as enrichment and reprocessing);

—Encouragement of multinational regional facilities for reprocessing and enrichment; and

—Special conditions governing the use or retransfer of sensitive material, equipment, and technology.

These are significant principles which have moved the level and comprehensiveness of international nonproliferation controls substantially beyond where they were only a few short years ago. But it is important to recognize that further efforts are needed to improve and extend these principles and that our efforts are part of a progressive and evolving process which we will continue in close consultation with other suppliers.

NPT Adherence. A second important element of our international nonproliferation strategy is our effort to secure the widest possible adherence to the Nonproliferation Treaty. Adherence to the NPT is a key element in prevention of nuclear proliferation because it involves a comprehensive commitment by non-nuclear-weapon states not to develop nuclear explosives—a commitment verified by IAEA safeguards on all peaceful nuclear facilities in that country—and also because it requires safeguards on nuclear exports.

While NPT adherence is still far from universal, nearly 100 states are now party to the treaty. The past 18 months have seen a number of important new adherents, including the Federal Republic of Germany, Italy, the Benelux countries, the Republic

of Korea, Libya, and Venezuela, as well as submission of the treaty by Japan, which has already signed the treaty, to the Diet for ratification.

We must continue to do whatever we can to increase support for this most important treaty in the hope that non-nuclear-weapon states who see the disadvantages of acquiring nuclear weapons will perceive that their national interest would best be served by adherence.

IAEA Safeguards. Another essential feature of our international strategy—and, indeed, one that underpins the progress we have made in consultations with other suppliers and one that is basic to the Non-proliferation Treaty itself—is the comprehensive safeguards system of the International Atomic Energy Agency. Even in the case of recipient states not party to the NPT, the IAEA system provides internationally recognized safeguards arrangements to insure that nuclear exports are used for peaceful purposes.

IAEA safeguards entail techniques to account for nuclear materials, reinforced by containment and surveillance measures. Agency experts conduct onsite inspections to verify, through independent means, that safeguards material and facilities are being used for declared purposes. These safeguards can provide a high degree of assurance that any significant diversions will be detected and thus provide a real deterrent.

While a safeguards system cannot provide absolute assurance that all conceivable diversions, however modest, will be detected, it does not have to. What it must do—and what the IAEA accomplishes with confidence—is expose the would-be diverter to a high risk of detection.

We recognize that some question the adequacy of the international controls related to nuclear facilities and materials that have evolved over the years. However, in the one instance where a nuclear device was exploded through the use of equipment obtained from outside, safeguards did not exist on the facility or its products. Con-

sequently, the question of adequacy of safeguards in this case simply did not arise. In fact, since the inception of safeguards, we know of no nation that has acquired nuclear weapons through any diversion of nuclear material subject to either bilateral or IAEA safeguards.

We believe that the IAEA system—with the active technical, financial, and political support of key suppliers and all nations interested in using nuclear energy for peaceful purposes—will continue to fulfill this requirement. Indeed, the IAEA safeguards system continues to be a most vital and singularly important element in the battery of constraints developed over the years in support of our nonproliferation objectives.

Sensitive Exports. Another element in our international strategy is designed to meet what is perhaps the most troublesome non-proliferation issue confronting us; namely, dealing with sensitive technologies, such as reprocessing, enrichment, and heavy water production. The problem has been made more acute as more countries become interested in acquiring these sensitive facilities. In terms of proliferation risks, plutonium-reprocessing plants abroad pose the most immediate problem. This is unfortunate, since for most countries—those without very large nuclear power programs—the economic benefits of reprocessing spent fuel remain dubious.

As a result of growing perceptions of the direct proliferation risks, suppliers as well as recipients appear to be exercising increasing restraint in such sensitive areas and have concluded rigorous safeguard agreements. In this regard, we greatly welcomed Korea's decision not to acquire a national reprocessing facility and hope that it will enhance multilateral efforts to develop alternatives to national capabilities.

One course of action which might meet the future reprocessing needs of certain countries in a potentially economic manner and at the same time alleviate some of our concerns regarding the proliferation of such facilities is the concept of a multinational fuel-cycle center serving regional

needs, to which I have given my personal support before the U.N. General Assembly last year.

Such plants—involving management, operation, and perhaps ownership by more than one country—would reduce the incentive for small and inefficient national plants and provide useful added assurances against unilateral abrogation of nonproliferation undertakings, particularly if collocated with other parts of the fuel cycle such as the fabrication and storage of nuclear materials. They would also facilitate the application of international safeguards. The IAEA is currently carrying out a study of the multinational concept.

Physical Security. The final key element of our international nonproliferation strategy concerns the question of physical security of nuclear facilities and materials and specifically the concern that a subnational or terrorist group might seize nuclear materials.

We have received excellent cooperation in our consultations with other countries designed to insure that adequate physical security measures are applied. Major suppliers are including provisions in their nuclear cooperation agreements which specifically require adequate levels of physical security systems in recipient countries to protect nuclear materials and equipment. Experts from member countries are assisting the IAEA in developing an authoritative body of knowledge on the establishment of effective national physical security systems.

Also, we are pursuing our proposal of an international convention, setting standards to protect the physical security of nuclear materials, that might serve to facilitate international collaboration and greater uniformity of practice in this area.

S. National Strategy

Basic Premise. I have been discussing these multilateral measures we are pursuing in support of our nonproliferation objectives. U.S. national policies and prac-

tices in this area reflect our special concern with the problem of nonproliferation and are, in some respects, more stringent than those of some other supplier nations.

The basic premise of U.S. nuclear cooperation for over 20 years has been worldwide cooperation in the peaceful uses of nuclear energy under effective controls. Our approach has been to offer long-term assurances of enriched uranium supply, accompanied by the especially economical U.S. reactor technology, in exchange for agreement on effective safeguards arrangements.

In this connection, as I testified before another committee of the Congress last month in support of the Administration's proposed Nuclear Fuel Assurances Act, many of the positive advances we have made in pursuit of our nonproliferation objectives can be traced directly to our capability and willingness to furnish enriched uranium on a reliable and long-term basis, along with other elements essential to peaceful nuclear development.

Policy Elements. As I observed earlier, our policies with regard to nuclear exports are fully consistent with the principles adopted as a result of supplier consultations and, in fact, in some areas go beyond them. For example, in the areas of reprocessing, enrichment, and heavy water production activities, our basic approach has been to avoid the export of such sensitive technologies. To insure adequate control, the executive branch instituted, in 1972, special regulations governing all proposed transactions in these areas.

With regard to the general problem of reprocessing, the United States is providing significant technical and financial support to the IAEA in connection with its study of the concept of multinational regional fuel-cycle centers. We are also urging that relevant groups of countries initiate discussions of the potential of this concept among themselves.

In the area of international safeguards, I would note that in his most recent energy message, the President outlined the Administration's decision to make special con-

tributions of up to a total of \$5 million in the next five years to help strengthen the Agency's safeguards program. We will, of course, continue research programs and technical support activities aimed at assisting the IAEA to develop more effective safeguards procedures.

Pursuant to the physical security measures we have adopted as a result of supplier consultations, the United States has adopted the policy that significant quantities of sensitive nuclear materials will not be approved for export unless adequate physical protection measures are applied in the recipient countries, and U.S. physical security teams have visited numerous countries in this connection to observe their protection systems.

Proposals for Severe Constraints. Against the backdrop of the strategies that we are pursuing internationally and as a matter of U.S. national policy, I believe it appropriate that I respond to some of the critics of our nuclear export policies who have called for what I believe to be overly severe constraints which would seriously set back, rather than advance, our nonproliferation efforts. These proposals range from a complete moratorium on our nuclear exports, to an embargo on nuclear transfers to non-NPT parties, to proposals to agree to nuclear exports to states not party to the NPT only if they have accepted approved IAEA safeguards on all their peaceful nuclear programs.

In essence, it is our view that adoption of any of these proposals would, for example:

—Violate the spirit, if not the letter, of a number of international undertakings to cooperate in peaceful nuclear programs, including article IV of the Nonproliferation Treaty;

—Damage our political relationships well beyond the nuclear area with a large number of countries who have entered into long-term arrangements with us;

—Cast further doubt on the credibility of U.S. supply commitments and the constancy of our policy at precisely the mo-

ment when we can least afford such doubts;

—Reduce the influence we are now able to bring to bear in support of our nonproliferation objectives inasmuch as it is unlikely that such proposals will be supported by all major suppliers; and

—Might well result in the breakdown of supplier cooperation and a return to relatively uncontrolled competition among other supplier countries.

I have commented negatively on these proposals, not because I question the motivation and concern that underlie them but because I do not believe they would achieve our nonproliferation objectives. The problems of proliferation are complicated and not susceptible to quick and easy solutions.

To avoid the further spread of nuclear weapon capabilities will require the diligent pursuit of complex political and technical measures which minimize the pressures for proliferation and, at the same time, erect effective controls against it. This Administration is firmly committed to this objective, and I know we can count on the Congress to work with us in insuring we can achieve this vital goal.

Proliferation Prognosis

The arrangements I have described are designed to inhibit and detect any diversion. There remains the question of measures that could be applied in the event of a demonstrated diversion of nuclear material to nonpeaceful purposes or other violations of a nonproliferation or safeguard undertaking. This is a question of importance, since treaty assurances against proliferation, even when backed by effective safeguards, could lose much of their deterrent power if nations come to believe that violations of such arrangements would not be viewed with seriousness by the international community.

Under the Statute of the International Atomic Energy Agency, all further peaceful nuclear assistance would be discontinued in the event a state violated its IAEA safeguards commitments. If U.S. nuclear in-

material was involved, our bilateral agreements call for halting further assistance. The IAEA Statute also provides for suspension of membership in the Agency in the event of a violation and reporting to the U.N. Security Council. In addition, both our bilateral agreements and the IAEA Statute include the right to call for the return of supplied materials and equipment.

These actions are substantial. The discontinuance of supply to a country which has committed a major portion of its electrical energy generation to nuclear energy is in itself a significant disincentive to any violation. More generally, I can assure you that the United States would treat a violation of one of its agreements with the utmost gravity. And I am confident that the world community at large would view such an action with comparable concern.

However, these considerations do not relieve us of the need to insure that we have taken all available and practical preventive measures to forestall the spread of nuclear weapons. To this end, as I have indicated, we have strengthened and standardized the system of safeguards and controls in our national policies and through multilateral initiatives; identified the improvements needed to further diminish the likelihood that peaceful nuclear technology will be used to build explosives; and established procedural and institutional arrangements to enable us to consolidate our gains and move toward our future goals.

Perhaps most fundamentally, we recognize that proliferation is not a problem to

be addressed solely through the technical and legal framework of safeguards and export controls—vital as these avenues may be. There is a direct link, as I have stressed, between our efforts in nonproliferation and our broader efforts to construct a more secure international climate.

If countries remain convinced that regional and global tensions can be reduced through cooperation, that disputes can be resolved in a peaceful manner, and that their legitimate security requirements can be met, there will be no need for them to develop nuclear weapons.

To be successful in our nonproliferation endeavors, we must sustain and build upon the multilateral and national policy foundations we have established. As I indicated earlier, this requires constant attention to consultations with other nuclear suppliers, peaceful nuclear cooperation with recipients, and constructive support for international mechanisms which can lend permanence to our nonproliferation policies.

This task warrants the most vigorous U.S. and international efforts. We hope to work constructively with the Congress in continuing to develop and implement a balanced U.S. nonproliferation strategy—balanced in the need to maintain our influence through prudent and reliable national export policies, the importance of pursuing a multilateral as well as a national approach, and the recognition that our overall foreign objectives can reinforce our nonproliferation goals as we work to create a more stable world order.

Department Proposes Two New Actions To Deal With International Problem of Bribery

Statement by Deputy Secretary Robert S. Ingersoll¹

I am pleased to be here today to discuss a serious problem which bears directly on U.S. foreign relations and economic interests: the revelations about alleged corrupt practices involving U.S. multinationals abroad.

First, let me again state emphatically that the Department of State condemns in the strongest terms any and all corrupt practices involving corporations, whether U.S. or foreign. We have stated this position in several forums recently, but I want to reiterate it here as the basis for all the comments I make to you today. The Department's view—and my own personal view as one with experience in business and government—is that bribes or other illicit payments cannot be condoned. Moreover, this is not a new policy. The Department of State has never condoned such payments.

—They are ethically wrong.

—Their disclosure can unfairly tarnish the reputations of responsible American businessmen.

—They make it more difficult for the U.S. Government to assist U.S. firms in the lawful pursuit of their legitimate business interests abroad.

—They encumber our relations with friendly foreign governments.

¹ Made before the Subcommittee on Priorities and Economy in Government of the Joint Economic Committee on Mar. 5 (text from press release 114). 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.

—They are, in the long run, bad business,

as firms involved in such practices risk loss of contracts, sales, and even property.

—They contribute to a deterioration of the general investment climate.

The U.S. Government has taken the position that any investor who makes illegal payments cannot look to the United States to protect him from legitimate law enforcement actions by the responsible authorities of either the host country or of the United States. We support cooperation by the U.S. agencies investigating these cases with responsible foreign authorities seeking information consistent with the requirements of the laws and procedural fairness.

However, the U.S. Government will provide appropriate diplomatic protection American nationals abroad who are not treated fairly in accordance with international law. We are concerned at threats of extrajudicial sanctions which may be disproportionate to the offense and based on unproved allegations. We do not believe that economic retaliation is an appropriate response to payments which, although controversial, are either lawful under the foreign law concerned or, if unlawful, are subject to specific civil or criminal penalties prescribed by that law. Of course, we also oppose such retaliation for *failure* to make such payments, as alleged in some recent cases. The Department of State has a responsibility to assist American businessmen who are treated unfairly.

In international discussions of enterprise behavior, the United States has supported two basic principles:

—First, all sovereign states have the right to supervise and regulate the activity of foreign investors in their territory, consistent with the minimum standards of justice called for by international law; and

—Second, investors must respect the laws of the nations in which they operate and conduct themselves as good corporate citizens of these nations, refraining from improper interference in their internal affairs.

Unfortunately, however, in these matters foreign investors and traders are not always faced with clear-cut choices in unambiguous circumstances. Instead, they frequently find themselves operating under unclear rules and local customs and business methods far removed from those learned in business school. A foreign investor who receives "suggestions" from officials of the host government is placed in a difficult position. Many courageous businessmen have refused to go along with questionable practices abroad and, in some cases, have had to forgo business opportunities as a result.

We are told that businessmen from other countries take the view that what we call improper" payments are a basic requirement of the societies in which they operate and represent centuries-old practices which no amount of indignation or legislation can change. These businessmen are reluctant to support either domestic or international legal action for fear that such measures would not only do no good but would also burden commerce and provide a dangerous instrument for selective application against individual corporations. Some American businessmen may share this point of view, but an increasing number are concluding that some action is necessary to deal with the situation.

What can be done? Obviously, the principal responsibility for dealing with criminal acts in foreign countries is that of the governments directly concerned. But we, too, have a responsibility to make sure that U.S. laws regulating corporate behavior are rigorously enforced and that official U.S. programs in foreign countries are effectively managed to guard against these practices.

The responsible U.S. agencies are already taking significant steps. The Securities and Exchange Commission and the Internal Revenue Service are giving the problem vigorous attention, and their efforts can be expected to have a substantial deterrent effect.

The Departments of State and Defense have taken steps to insure that foreign governments who purchase defense articles and services under the foreign military sales (FMS) program are fully informed of any agents' fees that are included in the price of the goods sold. Under the applicable regulations, the foreign government is notified of any such fee at the time of the Department of Defense offer to sell. If the foreign government responds that the fee is unacceptable, the American supplier is advised that the Department of Defense will not consider the fee an allowable cost under the contract.

In several cases foreign governments have established a general policy that contingent fees are not to be allowed on FMS cases. The U.S. Government has responded to that policy by adopting a regulation with respect to such countries that no contingent fee will be allowed as an item for reimbursement unless it is specifically approved in advance by the purchasing government. We believe that our procedures on FMS transactions can be further improved and support the concept of systematic reporting along the general lines of the pending amendments to the security assistance bill. Of course, it is important that any such legislation respect the legitimate need for confidentiality of business information the public disclosure of which could harm the competitive position of American companies.

But this is an international problem, and significant progress will come only on a broad scale. It is tempting to try to deal with the situation unilaterally, but there are serious risks for the United States in such an approach. There is widespread recognition in the Congress that such unilateral action would put U.S. companies at a serious disadvantage in the export trade.

Senate Resolution 265, adopted by a vote of 93-0 last November 12, takes note of the trade-distorting effect of corrupt practices and calls upon the executive branch to negotiate a multilateral agreement to deal with the problem.

We have seen dramatic evidence in recent weeks of the potential consequences of disclosure in the United States of events which affect the vital interests of foreign governments. Preliminary results have included serious political crises in friendly countries, possible cancellation of major overseas orders for U.S. industries, and the risk of general cooling toward U.S. firms abroad. Many foreign commentators and opinion-makers have expressed concern about the effects of U.S. processes in their countries and suggested that the United States has a responsibility to take into account the interests of its allies when it is cleaning up its own house.

I wish to state for the record that grievous damage has been done to the foreign relations of the United States by recent disclosures of unsubstantiated allegations against foreign officials. As I said, we do not condone, nor does the U.S. Government condone, bribery by American corporations overseas. On the other hand, it is a fact that public discussion in this country of the alleged misdeeds of officials of foreign governments cannot fail to damage our relations with these governments.

We think there are many advantages to a multilateral approach which is based on international agreement both as to the basic standards to be applied in international trade and investment and the procedures to curtail corrupt practices. A coordinated action by exporting and importing countries would be the only effective way to inhibit improper activities of this kind internationally. An international agreement would also help insure that action would be taken against those who solicit or accept payments as well as those who offer or make them.

As a first step, we have negotiated strong language condemning bribery as part of the voluntary guidelines for multinational enterprises which are being drawn up in the

OECD [Organization for Economic Cooperation and Development].

However, in the area of criminal law, such as in the matter of bribery, more is needed. Effective action, consistent with individual rights, must be in accordance with established legal procedures. Thus, in this area, we favor action pursuant to national law and international agreement.

Therefore I am taking this occasion to announce that the United States is proposing a multilateral agreement on corrupt practices.

The agreement would be based *inter alia* on the following principles:

—It would apply to international trade and investment transactions with governments; i.e., government procurement and such other governmental actions affecting international trade and investment as may be agreed;

—It would apply equally to those who offer or make improper payments and those who request or accept them;

—Host (importing) governments would agree

1. To establish clear guidelines concerning the use of agents in connection with government procurement and other covered transactions; and

2. To establish appropriate criminal penalties for bribery and extortion by enterprises and officials;

—Governments would cooperate and exchange information to help eradicate such corrupt practices;

—Uniform provisions would be agreed for disclosure by enterprises, agents, and officials of political contributions, gifts, and payments made in connection with covered transactions.

Our delegation to the second session of the U.N. Commission on Transnational Corporations, now meeting in Lima, has been instructed to call for such an agreement.

At this point, I would like to say a few words about the Lockheed case. A number of foreign governments have expressed great concern about disclosures resulting from

Senate investigations, or reports attributed to those investigations, that are said to implicate high officials. These governments have requested the Department of State's assistance to obtain the documentation necessary to investigate these allegations.

The Department has always cooperated fully with foreign governments whose interests are affected by these disclosures. But we do not have the corporate documents in question. These, where they exist, are held by Lockheed, by the Senate subcommittee on multinationals, or by the SEC subject to a court order.

Press reports have given the erroneous impression that the State Department has not been responsive to the requests of foreign governments for information developed on this matter. This is not the case. The Department has been concerned that premature public disclosure of unsubstantiated charges against foreign officials might unfairly damage the rights of individuals and cause serious problems in U.S. relations with other countries. However, we have never questioned the need for friendly foreign governments to have access to the information they carry on their own legitimate investigations, and we have taken appropriate steps to facilitate that access.

In recent days we have been consulting gently with the SEC and with the Department of Justice to develop a procedure that would facilitate the exchange of information with interested foreign governments. Under this procedure, the Department of Justice would enter into cooperative arrangements with the responsible law enforcement agencies of other interested governments, as has been done in past cases of interest to more than one government. It will arrange for the exchange of information in accordance with traditional procedures established to protect the integrity of criminal investigations

and the rights of individuals affected. That is to say, foreign law enforcement officials would be expected to assure that information secured from U.S. sources would be treated on a confidential basis until such time as the foreign law enforcement agency had decided that it wished to proceed with a criminal prosecution against a particular individual.

Should any exchange of information require modification of the court order in the SEC-Lockheed case, the government will be prepared to propose suitable amendments to the court.

Finally, let me say that the Department of Justice is already making inquiries to determine whether overseas payments and related activities by Lockheed have involved violations of U.S. law. This matter is being pressed with vigor. It should be understood, however, that foreign governments have an equal interest in prosecuting offenses against their laws, and in some cases the nature of the alleged wrongdoing is such that foreign law enforcement officials have an even more urgent need to proceed than U.S. law enforcement officials. These varying priorities will have to be resolved by mutual discussion between our Department of Justice and foreign law enforcement officials.

In conclusion, Mr. Chairman, we are proposing two new actions to deal with the international bribery problem:

—First, a multilateral agreement to be negotiated within the U.N. system to help deter and punish such activities by enterprises, agents, and government officials.

—Second, a framework for bilateral cooperation with foreign law enforcement agencies with which we can make satisfactory arrangements for the exchange of evidence.

We are hopeful that these initiatives will prove to be effective.

Department Discusses Foreign Indebtedness to the United States

Statement by Paul H. Boeker

*Deputy Assistant Secretary for International Finance and Development*¹

I welcome the opportunity to appear before this subcommittee to discuss the issue of foreign indebtedness to the United States. I would like to discuss the importance of debt within the context of our overall foreign economic relations as well as describe the Department of State's responsibilities for debt collection and renegotiation. I will also address some of the problems we are encountering in carrying out our policy.

Outstanding indebtedness of foreign countries on U.S. Government credits (exclusive of indebtedness arising from World War I) totaled approximately \$35.2 billion as of June 30, 1975, of which \$34.5 billion related to long-term debt with maturities of over one year. This debt encompasses many different categories of loans, with the terms of lending reflecting the purpose of the program under which the loan was extended. Humanitarian or development loans are, for example, highly concessional, while loans by the Export-Import Bank are at market-related rates consistent with the Bank's legislative mandate to provide official financing for U.S. exports comparable to that of our major competitors. The original indebtedness of foreign governments to the United States arising from World War I was approximately \$12.2 billion. After taking into account interest charges of \$14.6 billion

and repayments of \$2.8 billion, the outstanding balance as of June 30, 1975, totaled more than \$24 billion.

The objective of our foreign policy is to protect the interests of the United States—among which are the assets represented by foreign debts. We expect these debts to be repaid, and we believe any delinquencies should be pursued vigorously. To do otherwise would be contrary to the interests of our overall foreign policy and a structure of relationships based on mutual respect and mutual responsibilities.

There is an inherent relationship between the management of our bilateral relations and our success in debt collection. The enhancement of debt repayment prospects is an ongoing consideration in foreign policy management. Our performance in collecting debt is best in countries where we maintain good bilateral relations; and converse countries where relations have been broken frequently constitute serious debt collection problems.

In their loan and guarantee operations, U.S. lending agencies give full consideration to protecting the U.S. taxpayer's right to expect full repayment of all debts. In contacts with debtor nations, they stress that the United States extends credits on the assumption that agreed repayment schedules will be fully adhered to.

Debt Arrearages

In the vast majority of cases, debts to the United States since the Second World War have been honored and repaid on schedule. Arrearages, in relation to overall U.S.

¹ Made before the Subcommittee on Legislation and National Security of the House Committee on Government Operations on Mar. 4. 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.

foreign debt, indicate a delinquency rate which compares favorably with the best performance on debt collection in the private sector. As of June 30, 1975, principal and interest due and unpaid 90 days or more totaled \$636 million. Without questioning the seriousness of any delinquent debt, it is important to place the problem in proper perspective. For example, of the approximately \$64 billion in long-term U.S. Government credits extended since 1940, repayments of over \$42 billion (including \$12 billion in interest) have been received, while only \$25 million in principal—all on loans to nongovernment entities—has been written off as uncollectable.

Naturally, the interests of the United States would be best served by the elimination of all arrearages. Thus, when lending agencies have exhausted their usual means of collecting overdue payments, the Department of State and U.S. Embassies overseas have the responsibility of pursuing collection efforts. In June, we reminded our Embassies of the importance we attach to timely repayments of debt. We also emphasized that we continue to regard a significant reduction in outstanding arrearages as a major department objective. At the same time, we reminded key lending agencies that we were anxious to provide any assistance that would facilitate the collection of overdue accounts. I would now like to discuss some of the more important arrearage problems we face. In so doing, I believe it is important to stress that much of the Department's effort—and that of U.S. Embassies—is of an ongoing nature, based on the need to remind debtor governments continuously of the importance we attach to prompt debt repayment. We believe such contacts are an effective way to prevent most collection problems, and to avert any that may arise.

Almost \$200 million of the \$636 million in overdue debts as of June 30, 1975, stems from logistical support provided by the United States to other nations during the Korean conflict. While the United States has reached formal agreements for repayment of its Korean conflict assistance with 14 countries, the accounts of six countries (Colom-

bia, Ethiopia, Greece, the Philippines, Thailand, and Turkey) have never been regularized. The history of these Korean conflict claims is complex and presents a unique situation as illustrated by the fact that the Tenth Report of the Committee on Government Operations (1973) noted "There is no reason for continuing to carry these claims on U.S. Treasury records."

The Department of State, together with the Department of the Treasury and the Department of Defense, has been reviewing this issue since last July. There is some doubt that the six nations ever agreed or implied willingness to pay for the logistical support. We have reached the same conclusion as did the 1973 committee report and believe it desirable to remove the claims from the category of outstanding debt. We think that special statutory authority is desirable to permit us to effect such a change. In this regard, we encourage and would fully support action by this subcommittee to initiate the necessary legislation.

Excluding the Korean conflict logistical support claims, the largest individual country arrearages relate to debt attributable to the Republic of China, Cuba, and Iran.

The Chinese delinquencies total approximately \$96 million and involve a number of issues, including the proper allocation of claims between the Republic of China and the People's Republic of China, the correct evaluation of the claims, and the problems of government succession.

Given our political relationships with Cuba, it has not been feasible for us to negotiate settlement of Cuba's \$68 million debt to the U.S. agencies, most to the Export-Import Bank. Nevertheless, we intend to pursue the debt as well as outstanding U.S. private claims against Cuba as soon as the state of our bilateral relations permits.

The Department is according priority attention to settlement of the \$35 million Iranian arrearage. The arrearage relates to lend-lease and surplus property debt, on which payments were halted during the period of instability of the 1950's. This arrearage is proving particularly difficult to resolve. In 1973, the Iranians indicated their

desire to postpone settlement to permit them to present us with claims against the U.S. Government stemming from damages to Iranian railways by Allied military forces during World War II. In December 1974, the Iranians presented us with a note detailing claims totaling approximately \$172 million. The Iranians wanted discussion of our lend-lease debt to coincide with discussion of their claims against us.

In high-level contacts with the Iranian Government, we continue to urge strongly that the lend-lease debt be settled in full. We have been discussing the Iranian claim but have stressed that we see no legal or factual connection between this claim and the lend-lease and surplus property debt. (We do not believe the evidence submitted to date by Iran supports their claim against the U.S. Government.) The Iranians have not disputed the validity of their obligation to the United States, and in response to Department initiatives they paid \$750,000 in March 1973 and \$1.8 million in October 1975. They have stated, however, that further payments would be contingent on negotiation of their claims against the United States. We have welcomed the latest payment on the lend-lease debt but continue to emphasize the importance of fully settling the debt.

There has been considerably more progress in the case of Egypt. The Government of Egypt has been making serious efforts to eliminate arrearages owed to the United States. Outstanding arrearages fell from approximately \$60 million at yearend 1974 to \$5 million at yearend 1975. The American Embassy in Cairo, which has been an important factor in this improvement, continues to pursue the matter vigorously.

American Embassies in Islamabad and Dacca also played active roles in helping to finalize the complex bilateral debt agreements just signed with Pakistan and Bangladesh. These agreements reduce outstanding arrearages by about \$60 million and implement a multilateral understanding among creditor countries resulting from the unique circumstances that arose from the 1971 war, the independence of Bangladesh,

and the desire of the creditor countries to insure full servicing of the prewar Pakistan debt.

The Korean conflict logistical support claims and the country situations describe above account for approximately 75 percent of the arrearages reported on June 30, 1975. The remaining 25 percent are attributable to several dozen countries. Many reflect administrative or technical billing difficulties rather than serious collection problems. The Department takes all arrearages seriously, regardless of size, and is willing to take whatever action appears appropriate to facilitate timely debt collections. I recall one case last year, for example, when we deemed necessary to have one of our Ambassadors intervene at the highest levels of a foreign government in an attempt to settle a long standing arrearage of less than \$100,000 owed to the Department of Defense. The Ambassador was, I might add, successful in his efforts.

Debt Rescheduling

The issue of "debt rescheduling" deserves specific mention. Recognizing that extraordinary circumstances may require a modification of loan terms to reflect a change in conditions in a borrowing country, the Congress has provided authority for debt rescheduling for each U.S. Government lending program. It is U.S. Government policy, however, to confine the use of this authority to exceptional situations where debt rescheduling is judged to enhance the probability of repayment of debt owed to the United States; alternative courses of action are clearly beneficial to U.S. interests.

Eligibility for debt relief has traditionally been based on a case-by-case examination of individual debt problems as they arise. This is normally done in a multilateral framework to insure equal treatment among creditors.

The uniqueness of debt rescheduling is evidenced by the fact that during the past two years—which were particularly difficult

years for most developing countries—the United States participated in multilateral debt renegotiation for only three countries: Chile, Pakistan, and India. In Chile's case, the choices open to the creditors were either to reschedule or to accept default. Chile is currently meeting its 1976 debt obligations to the United States on schedule. Negotiations with Pakistan were the result of the exceptional circumstances that arose from the 1971 war. The United States agreed to reschedule approximately one-third of the 1974 dollar debt service owed by India; subsequently India met fully its debt service to the United States in 1975.

The executive branch is of course fully complying with section 4 of the Foreign Disaster Assistance Act of 1974 requiring Congressional notification prior to entering into any negotiations with any foreign government regarding the cancellation, renegotiation, rescheduling, or settlement of debt owed to the United States under the Foreign Assistance Act of 1961.

Developing-Country Debt

Since approximately two-thirds of U.S. debt is owed by developing countries, the debt-servicing prospects of these countries are of particular importance.

In order to help finance their current account deficits, and thus minimize their immediate impact on development prospects, the non-oil developing countries have increased their external debt substantially. In 1975, principal and interest payments on external debt absorbed about one-fifth of the export earnings of the non-oil developing countries, with the ratio far above this level in certain countries. Loans on commercial terms constitute an increasingly large component of new debt and will in due course raise the debt service ratios of some countries rather substantially.

Projections of debt-servicing prospects are difficult, in view of the wide diversity of debt situations. A relatively small number of countries continue to account for the bulk of

private market borrowings. These countries generally have productive, diversified economies and the economic potential to generate adequate export earnings to service their debt. They are also likely to take advantage quickly of renewed growth in industrial countries. Moreover, the financing measures approved by the recently concluded Interim Committee meeting of the IMF [International Monetary Fund] should tend to increase the creditworthiness of these countries.

Some countries may have difficulty coping with accelerating debt service in the next five years. Countries whose exports depend largely on depressed commodities or have serious political problems which restrict policy options will be particularly vulnerable. The implementation of appropriate domestic policies within borrowing countries, as well as the actions of the international community in the areas of finance and development, will also be major factors in determining the severity of any financing problems which arise in individual countries.

The economic difficulties facing many developing countries have stimulated increased pressure for more generalized debt relief and made "debt" a major issue in the North-South dialogue. Many developing countries now view debt relief as a potential means of alleviating their balance-of-payments deficits and/or supplementing what they consider to be inadequate flows of development assistance.

The United States has taken a firm stand opposing generalized debt rescheduling, and we have stressed firmly that our insistence on the case-by-case approach is not subject to negotiation.

Debt Owed by the Member Countries of OPEC

During the past year, we have had numerous congressional inquiries regarding debt owed to the United States by the member countries of OPEC [Organization of Petroleum Exporting Countries].

As of June 30, 1975, the indebtedness of

the member countries of OPEC on U.S. Government loans and credits totaled approximately \$2.9 billion, of which about 45 percent was owed to the Export-Import Bank. Both past and present lending policy recognizes the significant differences in the economic prospects of the OPEC members as well as taking into account the totality of U.S. political and economic policy toward these countries.

Even before the surge in petroleum prices, concessional assistance to OPEC members was largely confined to three low-income countries, particularly Indonesia, but also Nigeria and Ecuador. In the case of Indonesia, which received by far the largest share of concessional loans going to OPEC members, the country's poverty and need has been only marginally mitigated by increased oil revenues.

The U.S. Agency for International Development recently inaugurated a system of annually reviewing the position of all countries with outstanding loan balances to determine on a case-by-case basis whether any should be asked to accelerate repayment of AID loans. The ultimate determination as to whether or not to make such a request takes into account overall U.S. interests in the debtor country—political, economic, and commercial—as well as its ability to repay its AID debt at a faster rate.

Negotiations for accelerated repayment of AID loans are in process with Venezuela, and we are optimistic about their successful conclusion. In view of the fact that a number of other major issues have been pending with Iran, the State Department does not believe that this particular matter should be raised with Iran at this time. The Department is regularly reviewing this position.

U.S. Claim Against France

In 1973, the House Committee on Government Operations recommended that the Department of State should intensify its efforts to reach a satisfactory settlement of the U.S.

claim against France arising from relocation of U.S. bases outside France in 1966. I would like therefore to describe to the subcommittee some of the details of the agreement signed with the Government of France on June 12, 1975.

The agreement states that the French Government will pay \$100 million to the United States over a period of five years beginning in June 1975. These payments are in settlement of the claim submitted by the United States in 1968 following the denial of further U.S. use of French military facilities in which the United States had made significant investment prior to 1966. The French Government made its initial payment of \$20 million to the United States on June 25, 1975.

Approximately 36 percent of the receipts from France are to be transferred by the Department of State each year to the account of NATO. This is in accordance with an undertaking to reimburse NATO for any such receipts in partial compensation for an extraordinary NATO undertaking to finance about \$100 million in U.S. relocation projects. These would normally have been financed solely by the United States.

The United States remains a party to the separate multilateral NATO claim against France, related to the investment by the NATO Infrastructure Fund in the improvement of military facilities in France. To date there has been no French approach to settlement of this NATO claim. We believe that the French Government intends next to settle the bilateral claim by Canada. There has been some indication that the French would like to reach this settlement before turning to the NATO claim.

In closing, Mr. Chairman, let me assure you that the Department of State takes its responsibilities in the area of foreign currency very seriously. On pursuit of arrearages and prudent use of debt renegotiation to preserve our assets, we think our record is a good one, but we will continue to press for improved results wherever we can.

National Defense and Foreign Policy

*Statement by Joseph J. Sisco
Under Secretary for Political Affairs¹*

In the letter which Senators Muskie and Bellmon addressed to Secretary Kissinger inviting him to appear before this committee, the key issue before the committee was identified as what spending was appropriate for détente, deterrence, and defense. The letter went on to say this cannot be determined without an understanding of our underlying security goals and objectives. To put the issue in perspective, the committee asked the Secretary to discuss the relationship between our foreign policy and our military missions and posture. I will address myself very briefly to this key question so as to allow maximum opportunity for a full exchange with the members of the committee.

First, let me say at the outset that one of the preconceptions of simpler periods in American history has been the conviction that we can pursue only one strand of policy at a time—either firmness or conciliation, either containment of adversaries or the search for improved relations with them. The fact is that we do not have such a choice. We must pursue both. Our objective is to maintain a global balance and thereby protect our interests. This cannot be accomplished without military strength. But, equally, in an age of nuclear weapons we must try to move beyond an equilibrium of forces and dangerous confrontations to a more positive future. In carrying out this design, which President Ford has referred to as peace through strength and negotiations, we need strong strategic and conventional forces and vigorous alliances.

¹Made before the Senate Committee on the Budget Mar. 5 (text from press release 113). 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.

The first order of business is the imperative of deterring, and thereby avoiding, thermonuclear war. However competitive we are with the Soviet Union and however ideologically opposed, neither can attempt to impose its will on the other without an intolerable risk of mutual annihilation. A central pillar of our foreign policy is to adapt our thinking to the reality of this modern age: to maintain sufficient strategic nuclear power to deter nuclear attack and to build a network of ties to our potential adversaries that will help promote negotiated solutions rather than a series of dangerous confrontations like those that marked the cold war.

Thus, this Administration will see to it that we continue to have strategic power second to none, while at the same time we seek means to contain the spiraling strategic arms race. The United States has been engaged in intensive efforts to limit strategic arms. SALT One was an important beginning. In the SALT Two talks, our aim is to put a ceiling on qualitative as well as quantitative expansion of strategic forces, which uncontrolled can jeopardize the peace. To support this effort, we also seek to engage the Soviet Union at many levels of contact and cooperation with the outside world in cultural, technological, and commercial fields and thereby provide them with incentives for restraint.

Our efforts to build a more rational and long-term relationship with the Soviet Union and a stable world order rest on the indispensable foundation of military strength. The policy we are pursuing seeks to balance firmness with conciliation, effective defense with effective arrangements for controlling arms. We cannot prevent the growth of Soviet power, but we do have the capacity to prevent its use for unilateral advantage and political expansion. We cannot prevent a buildup of Soviet forces, but we have the capacity, together with our allies, to maintain an equilibrium. We have the diplomatic, economic, and military capacity to resist expansionism; and we must be careful not

to deprive ourselves of the means to confront it, if necessary. I believe few—friends or foes—in the world doubt our capacity. The world knows well—even if we forget here at home—that we have a combination of military strength, economic power, and technological genius that no other nation can match. But serious doubts have arisen regarding our will and purpose.

In short, to protect our national interests, we need to maintain our strength and be perceived to be ready to use it, if necessary, if a reasonably stable world order is to be achieved and maintained. To this end, our defense budget must help assure that the military balance of power will be maintained and provide the capability to counter threats to our interests, for anything less than this balance and capability is an invitation for others to challenge us.

At the same time, we are not alone in our efforts. We are joined with others who share our values. Our close ties with the industrial democracies of the West and Japan are essential to maintaining a global balance of power, which is the precondition of peace. We must maintain these alliances, for no nation can maintain its security in isolation.

Our security planning problems would be simplified if we faced only a strategic nuclear challenge from the Soviet Union. In an era when nuclear war becomes more and more unthinkable, when global Soviet strength, influence, and ambitions are growing, however, the threat we face is far more diversified and complex. If maintenance of the strategic balance is essential, as it is in relations between the superpowers, there is also a need for general purpose forces and strategic mobile forces with particular reference to the situation in Europe, in North-east Asia, and in various trouble spots in the world.

The presence of our troops in Europe is critical to the security of the continent and to all else we do to try to moderate the conduct of the Soviet Union. The Soviets continue to focus the strongest elements of their power on Western Europe. Warsaw Pact forces are substantial and well trained. Recent qualitative improvements, especially

in armored vehicles and tactical aircraft have increased pressures on NATO defenses. These defenses must remain strong and confident enough to discourage attack or defeat that attack should it occur.

In Asia, American military strength continues to be essential to preserving a stable balance of power. It provides a bulwark against the potential threat of Soviet power, helps to protect Japan and our other allies in the region, and serves to deter other threats, notably in Korea. In addition, strong American military presence in the Pacific as well as globally is important to us in our relations with the People's Republic of China. American power makes us a credible partner for the Chinese in the multipolar world.

In the Middle East, a renewal of Arab-Israeli hostilities could lead to a confrontation between the U.S.S.R. and the United States. American forces serve as a deterrent to the Soviet Union, and our security assistance programs are significant in helping assure Israel's security and survival, in improving and strengthening U.S. relations with Arab states, in deterring a resumption of hostilities, and in bulwarking the central diplomatic role of the United States in the Arab-Israeli problem.

In Africa and in other farflung areas of the world, we face a new threat—the emergence of the Soviet Union as an extraterritorial power. Angola, a country far from Soviet designs, is an example of growing Soviet economic and military power, including the emergence of a formidable "ice water" navy, being used for political gain when such opportunity arises. In concert with our allies, we will require undiminished attention to our own global conventional forces and to our vigilance and our will in order to check the extraterritorial spread of Soviet power as it flows toward areas of perceived Soviet opportunity. Particularly after a period in which the world has witnessed the debacle in Indochina and setbacks in Angola, the perception of American power needs to be reinforced. The United States must project an image of strength, purpose, and steadfastness, or there

serious risk that our adversaries may be tempted to further adventurism.

In short, we firmly believe that military strength and our alliances are the fundamental foundations for the goal of reducing tension between the major powers and building a more peaceful world.

TREATY INFORMATION

Current Actions

MULTILATERAL

Aviation

Convention on international civil aviation. Done at Chicago December 7, 1944. Entered into force April 4, 1947. TIAS 1591.

Adherence deposited: Surinam, March 5, 1976.

Conservation

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

Approval deposited: Union of Soviet Socialist Republics, February 26, 1976.

Enters into force: May 26, 1976.¹

Consular Relations

Vienna convention on consular relations. Done at Vienna April 24, 1963. Entered into force March 9, 1967; for the United States December 24, 1969. TIAS 6820.

Accessions deposited: Jamaica, February 9, 1976; Turkey, February 19, 1976.

Economic Cooperation

Agreement establishing a financial support fund of the Organization for Economic Cooperation and Development. Done at Paris April 9, 1975.²

Acceptance deposited: Canada, February 23, 1976.

Notifications deposited: Denmark, July 23, 1975; New Zealand December 2, 1975;³ Norway, January 19, 1976; Sweden, December 23, 1975; Switzerland, December 10, 1975.

Health

Amendments to articles 34 and 55 of the Constitution of the World Health Organization of July 22, 1946, amended. TIAS 1808, 4643, 8086. Adopted at Geneva May 22, 1973.²

Acceptances deposited: Bangladesh, February 26, 1976; Bulgaria, January 27, 1976; Mauritius, January 26, 1976; Nepal, February 10, 1976; New Zealand, February 19, 1976.

Maritime Matters

Amendments to the convention of March 6, 1948, as amended, on the International Maritime Consultative Organization (TIAS 4044, 6285, 6490). Adopted at London October 17, 1974.²

Acceptances deposited: Chile, February 11, 1976; Cyprus, February 24, 1976; United States, February 11, 1976.

Nuclear Weapons—Nonproliferation

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

Ratification deposited: Singapore, March 10, 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.

Extended by United Kingdom to: Bailiwick of Jersey, March 5, 1976.

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 accession deposited: Turkey, February 16, 1976 (articles 1 through 12 excepted).

Property—Intellectual

Convention establishing the World Intellectual Property Organization. Done at Stockholm July 14, 1967. Entered into force April 26, 1970; for the United States August 25, 1970. TIAS 6932.

Accession deposited: Turkey, February 12, 1976.

Refugees

Protocol relating to the status of refugees. Done at New York January 31, 1967. Entered into force October 4, 1967; for the United States November 1, 1968. TIAS 6577.

Accession deposited: Guinea-Bissau, February 11, 1976.

Space

Convention on registration of objects launched into outer space. Opened for signature at New York January 14, 1975.²

Signatures: Bulgaria, February 4, 1976; Federal Republic of Germany, March 2, 1976.

¹ Not for the United States.

² Not in force.

³ Does not extend to Cook Island, Niue and the Tokelau Islands.

Telecommunications

Partial revision of the 1959 radio regulations, as amended (TIAS 4893, 5603, 6332, 6590), on space telecommunications, with annexes. Done at Geneva July 17, 1971. Entered into force January 1, 1973. TIAS 7435.

Notification of approval: Brazil, December 19, 1975.

Telephone regulations, with appendices and final protocol. Done at Geneva April 11, 1973. Entered into force September 1, 1974.⁴

Notification of approval: Brazil, December 16, 1975.

Telegraph regulations, with appendices, annex, and final protocol. Done at Geneva April 11, 1973. Entered into force September 1, 1974.⁴

Notification of approval: Brazil, December 16, 1975.

International telecommunication convention with annexes and protocols. Done at Malaga-Torremolinos October 25, 1973. Entered into force January 1, 1975.⁴

Ratification deposited: Central African Republic, January 5, 1976.

Partial revision of the radio regulations, Geneva, 1959, as amended (TIAS 4893, 5603, 6332, 6590, 7435), to establish a new frequency allotment plan for high-frequency radio telephone coast stations, with annexes and final protocol. Done at Geneva June 8, 1974. Entered into force January 1, 1976.⁴

Notifications of approval: Mozambique, December 26, 1975; Thailand, December 29, 1975.

Terrorism—Protection of Diplomats

Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York December 14, 1973.²

Ratification deposited: Byelorussian Soviet Socialist Republic, February 5, 1976.

BILATERAL

Bangladesh

Agreement amending the agreement for sales of agricultural commodities of September 11, 1975 (TIAS 8191). Effected by exchange of notes at Dacca February 23, 1976. Entered into force February 23, 1976.

Brazil

Memorandum of understanding concerning consultations on matters of mutual interest. Signed at Brasilia February 21, 1976. Entered into force February 21, 1976.

Egypt

Agreement on health cooperation, with annex. Signed at Washington October 28, 1975. Entered into

² Not in force.

⁴ Not in force for the United States.

force provisionally October 28, 1975; definitively January 20, 1976.

Hungary

Agreement providing for consultations should exports of cotton, wool, and man-made fiber textiles and apparel products from Hungary cause market disruption in the United States. Effected by exchange of notes at Budapest February 12 and 18, 1976. Entered into force February 18, 1976.

Yugoslavia

Agreement providing for consultations should export of cotton, wool, and man-made fiber textiles and apparel products from Yugoslavia cause market disruption in the United States. Effected by exchange of notes at Belgrade January 14, 1976. Entered into force January 14, 1976.

PUBLICATIONS

GPO Sales Publications

Publications may be ordered by catalog or stock number from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 204. A 25-percent discount is made on orders for 100 more copies of any one publication mailed to same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.

Background Notes: Short, factual summaries which describe the people, history, government, economic and foreign relations of each country. Each contains a map, a list of principal government officials, U.S. diplomatic and consular officers, and a real-time list. (A complete set of all Background Notes currently in stock—at least 140—\$21.80; 1-year subscription service for approximately 77 updated new Notes—\$23.10; plastic binder—\$1.50.) Six copies of those listed below are available at 30¢ each.

Malawi Cat. No. S1.123:M
Pub. 7790
Malaysia Cat. No. S1.123:M
Pub. 7753

South Pacific Commission. Agreement with Governments modifying the agreement of February 6, 1947, as amended. TIAS 8120. 11 pp. 30¢. (Cat. S9.10:8120).

Drought Recovery Program. Agreement with Somalia. TIAS 8121. 13 pp. 30¢. (Cat. No. S9.10:8121)

Narcotic Drugs—Equipment and Training to Combat Illegal Traffic. Agreement with Mexico. TIAS 8122. 6 pp. 25¢. (Cat. No. S9.10:8123).

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**Checklist of Department of State
 Press Releases: March 8-14**

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

No.	Date	Subject
*118	3/8	Marquita M. Maytag sworn in as Ambassador to Nepal (biographic data).
119	3/9	Kissinger: Senate Committee on Government Operations.
120	3/11	Japan-U.S.A. Joint Planning and Coordination Committee for Cooperation in Environmental Protection: joint communique.
†121	3/11	Kissinger: World Affairs Council, Boston, Mass.
*121A	3/11	Henry Cabot Lodge: introduction of Secretary Kissinger.
*121B	3/11	Kissinger: questions and answers following address.
†122	3/11	U.S. signs Fifth International Tin Agreement.
*123	3/11	U.S.-Canada meeting on Flathead River-Cabin Creek mining development.
*124	3/11	Secretary of State's Advisory Committee on Private International Law Study Group on Agency, Champaign, Ill., Apr. 10.
*125	3/12	Program for official visit of Prime Minister Liam Cosgrave of Ireland, Mar. 17-22. (Addenda to program: 125A-C.)
*126	3/12	Shipping Coordinating Committee, Subcommittee on Safety of Life at Sea, working group on carriage of dangerous goods, Apr. 8.

* Not printed.

† Held for a later issue of the BULLETIN.