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THE DEPARTMENT OF STATE BULLETIN

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Southeast Asia: U.S. Interests and Policies

Statement by Arthur W. Hummel, Jr.

*Assistant Secretary for East Asian and Pacific Affairs*¹

It is a pleasure to be with you today to discuss the situation in Southeast Asia and U.S. policy toward the area.

I think it would be most useful first to look at the broad trends that seem to be at work in Southeast Asia, then to move on to consider our interests and policies in the region, and after that to mention regional cooperation, before talking briefly about individual countries in the area, including those of Indochina.

First, I would like to review the broad trends evident in the foreign and domestic policies of the non-Communist states of Southeast Asia since the fall of Saigon.

These nations were greatly concerned that events in Indochina might cause the United States to withdraw from the region and that Hanoi might move strongly to undermine its neighbors. These initial fears have largely subsided as we have reassured these nations of our continued interest and commitment to the area. Our determination to continue to play a role in the area was symbolized by visits of President Ford to Indonesia and the Philippines last December and Vice President Rockefeller to Malaysia, Singapore, Australia, and New Zealand this spring.

At the same time, the nations of the area have modified their policies, often in direc-

tions already underway before 1975, to adapt themselves to the changed international environment.

As you know, these states had been moving toward improving relations with the People's Republic of China for some time, particularly since the visit of President Nixon to China in 1972. Malaysia established relations with China in 1974, and Thailand and the Philippines followed suit in 1975 after Saigon's fall. Singapore and Indonesia have not yet done so, but Prime Minister Lee of Singapore was well received on a recent trip to the People's Republic of China. These countries now all have diplomatic relations with the Soviet Union and also with the Socialist Republic of Vietnam.

At the same time as they balanced their close ties with the West by new openings to Communist countries, these nations have also modestly increased the attention they pay to their own security, recognizing that they must take the primary responsibility for their own defense, especially internal security.

Indochina developments have also encouraged these nations to emphasize their own self-reliance and independence in other ways. One aspect of this more self-reliant mood has been some increase in emphasis on ties with the Third World and the nonaligned movement and, more specifically, support for the New International Economic Order, the detailed program of Third World demands on the industrialized countries.

On the economic side, these countries are

¹ Made before the Special Subcommittee on Investigations of the House Committee on International Relations on Sept. 28. 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.

now emerging from the world recession in reasonably good shape. In some cases their recovery has lagged somewhat behind that of the industrialized countries, because improvement in their export picture necessarily depends on the prior improvement of the economies of the industrialized nations, including Japan.

Since the fall of Saigon we have not seen a major increase in the level of Communist insurgent activity in Southeast Asia. At present none of the insurgencies represents a threat to the existence of the central government of the country in which it operates, and these nations have a reasonably good chance of coping successfully with the various rebel movements even though it will be very difficult to suppress them entirely.

In concluding this discussion of the broader aspects of Southeast Asia at present, I would note there seems to be a rough equilibrium among the interests of the major powers at the present time. There have been continuing good ties with the United States, and in some ways our relationships are becoming broader and deeper. The People's Republic of China and the U.S.S.R. are competing for influence in the area but are doing so through such traditional means as diplomatic relations, trade, and aid, rather than through any significantly increased support to insurgent movements or Communist parties. Japan is an important economic influence and, like the United States, it would like to see stability in the area preserved. Thus at present no major power is aggressively seeking a predominant role in the region.

Policies Derived From U.S. Interests

Now, let me turn to U.S. interests in the region.

—First, we support the sovereignty and independence of the countries in the region and would like to see the maintenance of an equilibrium which will preserve their independence.

—Second, American strength is basic to any stable balance of power in the Pacific and contributes to peace and progress. Our use of bases in the Philippines is important to us as an element of stability not only in Southeast Asia but in East Asia as a whole, as well as being related to the global strategic picture. Similarly we have an interest in maintaining free use of the sea and air lanes through this area connecting the western Pacific with the Indian Ocean.

—Third, we desire friendly political relationships with the non-Communist nations which will facilitate the resolution of bilateral problems and gain their support in multilateral forums.

—Fourth, we have mutually beneficial economic relationships with the non-Communist nations in this area. Indonesia supplies a growing percentage of our oil requirements and is even more important to our ally Japan. The area is also an important source of tin, copper, rubber, and other materials. It is also an important market and a region offering significant investment opportunities.

—Fifth, we have an interest in reducing tensions and working for a stable peace.

Our policies in the region derive quite naturally from the interests which I have just stated. As President Ford stated last December 7 in his review of our Asian policy: “. . . American strength is basic to any stable balance of power in the Pacific. . . . without security, there can be neither peace nor progress.”

Part of our military presence in the Asia-Pacific region is the Philippine bases. We also undertake various diplomatic efforts to preserve our naval and aerial mobility by maintaining access to the various straits in the region. One aspect of this effort is carried out in the law of the sea negotiations designed to preserve our mobility on a worldwide basis.

We maintain a friendly political dialogue with the nations in this area. By discussing our policies with these countries on a regular basis, we help maintain the existing

friendly relationships and also improve the prospects of gaining their support on broader international questions, especially in the United Nations.

In the economic area we seek to keep open the channels of trade and investment. In recent years there have been some efforts by these nations to increase the benefits they derive from foreign investment, which in some cases have had the effect of reducing their attractiveness to investors. This trend was compounded by the economic recession. Despite this, the leaders of these nations generally realize the vital role that private foreign investment can play in their economic development plans, and they understand that to attract foreign investment they have to permit foreign investors a fair return. It can also be said that American companies now understand more than before that their relations with these countries must involve mutual benefit.

These countries are also of interest to us in the global negotiations on economic issues which are usually referred to as the North-South dialogue. While they are firm supporters of changes in international economic relationships which they believe are necessary to increase the rate of development in their countries, these are moderate nations which have indicated their willingness to cooperate with the United States as we show them we are on a constructive path. Thus our economic relations with these nations also have an important multilateral element.

Our policies include continuing modest economic and military assistance to those nations that need it. In the economic sphere, obviously Singapore, with a per capita income well over \$2,000, does not need our assistance; and we are phasing out economic aid to Thailand, which has a basically healthy and growing economy. On the other hand we are continuing aid to Indonesia, which has great natural resources but also great problems of population pressures and organization for development as well as a very low per capita

gross national product. With regard to security assistance it should be noted that arms acquisitions in the area are modest and there is no arms race taking place. A significant proportion of our economic assistance is supplied through multilateral institutions, notably the Asian Development Bank, which utilizes its resources effectively and deserves more vigorous U.S. support.

Regional Cooperation

In 1967, Indonesia, Malaysia, Singapore, Thailand, and the Philippines formed a group for regional cooperation called the Association of Southeast Asian Nations (ASEAN).

The gradual development of this organization was given a new stimulus by Indochina developments, and the member countries held their first summit meeting last February in Bali, which gave further impetus to ASEAN's general cohesiveness and area of cooperation. At this meeting the leaders signed a number of interlocking documents including a Declaration of Concord, a Treaty of Amity and Cooperation, and an agreement on the establishment of an ASEAN Secretariat. It also was agreed that the organization should move ahead with joint industrial projects, preferential trade arrangements, and organization of a permanent secretariat with an Indonesian as the first ASEAN Secretary General. This organization has a consultative arrangement in the economic field with the European Economic Community and similar arrangements with several other countries.

We welcome the efforts of the Southeast Asian nations to strengthen their own independence by increasing their efforts at regional cooperation. We would be prepared to enter into economic consultation with the ASEAN nations but are leaving the initiative to them.

One of the question marks in Southeast Asia during the past year or more has been

how relations would develop between the new Communist states of Indochina and the ASEAN grouping. In July and August the Vietnamese Vice Minister of Foreign Affairs made official visits to all ASEAN capitals except Bangkok, and the Thai Foreign Minister went to Hanoi and Vientiane in August. During these visits the Vietnamese emphasized their desire for peaceful and friendly relations and seemed to accept the assurances of host government officials that ASEAN is a truly neutral group. Diplomatic relations were established with the Philippines July 12 and with Thailand August 6, completing the establishment of such relations between the Socialist Republic of Vietnam and all ASEAN members.

However, at the recent nonaligned meeting in Colombo, Vietnam and Laos opposed a Malaysian position advocating a zone of peace, freedom, and neutrality in Southeast Asia, which has been a standard ASEAN concept since 1971. Vietnam and Laos proposed language welcoming the Communist victories and demanding an end to U.S. alliances and bases. Furthermore, they sharply attacked ASEAN and ASEAN members for allegedly supporting U.S. "aggression" in the Indochina conflict. This incident suggests that the future of relations between Indochina and the ASEAN nations remains to be defined and that Hanoi can be expected to continue its efforts to reduce or eliminate the U.S. presence in Southeast Asia and to influence the foreign and domestic politics of its neighbors.

Indochinese Nations

Vietnam maintains ties with both the Soviet Union and the People's Republic of China, but their relations appear to be closer with Moscow than with Peking. The Vietnamese are very influential in Laos, and the two countries work together closely. Cambodia, on the other hand, has gone its own way. The Cambodian population has become strictly regimented, as the new Communist leaders have carried out

their ruthless revolution. The Soviet Union is active in Hanoi and Vientiane but has not been allowed to open an Embassy in Phnom Penh, where there are only a handful of embassies and the principal foreign ties are with the People's Republic of China. Cambodia recently established nominal ties with a number of Western countries and with Japan.

During the first year after the fall of Saigon, Hanoi was largely occupied with moving toward the reunification of the country. This was formally accomplished in July of this year, although many problems of establishing firm political control over the South, of administration, and of economic unification and development remain to be overcome. In contrast to Cambodia, the new Socialist Republic of Vietnam has been conducting an active foreign policy and is seeking to enter a large number of international organizations, often claiming the seat previously held by the Republic of Vietnam.

We look to the future and not to the past in our relations with Vietnam. We are prepared to meet to discuss all issues and have indicated this willingness to the Vietnamese. So far no discussions have taken place. For us the most serious single obstacle in proceeding toward normalization of relations is the refusal of Hanoi to give us a full accounting for those missing in action (MIA's). Hanoi for its part continues to demand economic assistance under the Paris agreement. We believe that the Paris agreement was so massively violated by Hanoi that we have no obligation to provide assistance, and in any case Congress has prohibited such assistance by law.

On September 13 we indicated our intention to veto Vietnam's application for membership in the United Nations on the grounds that their actions so far on the MIA issue do not reflect willingness to fulfill the humanitarian obligations of the U.N. Charter. Security Council consideration of the Vietnamese application has been deferred.

We have maintained an Embassy in Laos

which has been headed by a Chargé for the past year. There is little substance to our relationship at the present time.

Non-Communist Southeast Asian Nations

I would now like to say a few words about each of the six non-Communist nations of Southeast Asia.

Burma

Burma attempts to maintain a policy of strict neutrality in its external relations, and the Burmese Government has chosen economic policies which offer little scope for American trade or investment. Thus our relationships with Burma are not so diverse as those with other Southeast Asian countries. The Burmese Government has an active antinarcotics effort, which is also, of course, a matter the United States is very concerned with, and we have provided the Burmese Government with some equipment for this purpose, including helicopters.

Thailand

The nation most affected by Indochina developments was Thailand, which has common borders with Laos and Cambodia. The fall of Saigon brought immediate concern based on the potential of a revolutionary and well-armed Hanoi and fear of a complete U.S. withdrawal from the region. One reaction was to proceed rapidly to establish diplomatic relations with the People's Republic of China, which was perceived as a counterweight to Hanoi, with the latter's close association with the Soviet Union.

Thailand also sought to initiate talks with the new Communist governments in order to establish friendly relations and discuss common problems. At present Thailand has diplomatic relations with all three Indochina states, although Embassies have not yet been established in Hanoi and Phnom Penh. Negotiations between Thailand and its neighbors have made some progress on such issues as trade, refugees,

and the avoidance of border incidents. At the same time, Vietnam apparently has not increased its support for Thai insurgents, although the type of Hanoi support rendered in the past continues. Communist insurgencies continue to exist in the North and Northeast, and Moslem separatists are troublesome along the southern border.

We were already drawing down our troop presence in Thailand in the spring of 1975, and further reductions were contemplated for the future. We were prepared to retain some residual facilities; but it was not possible to come to agreement on status-of-forces issues, and our last troops departed July 20 of this year except for a small group involved with military assistance.

In 1973 Thailand's military government was overthrown. The most recent elections were held last April, bringing to power Prime Minister Seni Pramot, who presides over a coalition of four parties in the National Assembly. We wish this democratic experiment well and hope it will succeed.

Thailand has a rather healthy economy which has permitted us to begin phasing out economic aid. We are still assisting the Thai with a modest military assistance program which is focusing increasingly on credit sales and less on grant aid.

Malaysia

This relatively prosperous and well-run nation, with a per capita gross national product of about \$700, has a strategic location on the Malacca Strait and is a source of rubber and tin. Its moderate government shares our goal of a peaceful and stable Southeast Asia.

The new Prime Minister is making a strong effort to continue strengthening the Malaysian economy and to deal equitably with the divisions between the Malay majority and the large Chinese minority. He must also deal with a longstanding Communist insurgency which, although not of a magnitude seriously to threaten the nation's security, has increased its activities noticeably since the fall of Saigon.

Singapore

Singapore is unique in the area for its small size (225 square miles) and its large per capita income (\$2,200). Prime Minister Lee Kuan Yew is publicly skeptical of Hanoi and supportive of a continued American military presence in the region in order to balance other major powers.

We, of course, desire friendly relations with this strategically situated and energetic country. We are also interested in Singapore's position as the leading Southeast Asian commercial center, in its large oil-refining industry, and in encouraging our already large (\$900 million) investment stake in this country.

Indonesia

Indonesia's 135 million people give it half the population of the region, and it stretches over an archipelago 3,000 miles long that dominates the sea routes between the western Pacific and the Indian Ocean. In spite of its great natural resources, especially oil, Indonesia remains among the poorest countries of the region in terms of per capita income. The government which took over in 1966 following an abortive Communist-supported coup in late 1965, although predominantly military, has consciously kept military spending to a minimum so as to devote the maximum of resources to economic development.

The changed situation in Southeast Asia following the fall of Saigon has indicated to the Indonesian leadership the need to upgrade modestly the efficiency and mobility of Indonesian forces to insure the defense of this farflung island nation. We are helping through a small program of grant aid and military sales credits.

Indonesia supplies about 8 percent of U.S. oil imports, and a larger percentage of Japan's. Indonesia has been a stable supplier; it did not participate in the 1973 Arab embargo. Increasing supplies of oil and liquefied natural gas are expected to be available in the future. We already have about \$2 billion in private investment in

the country, mostly in the energy field.

There is no question that Indonesia, its resources, and its friendly, moderate government are of political, strategic, and economic importance to us. Although Indonesia is careful to maintain its nonaligned position, our relations have been close. President Suharto visited Washington in July 1975, President Ford visited Jakarta last December, and consultations between Secretary Kissinger and Foreign Minister Malik, took place in Washington last June.

Philippines

We have close historical ties with this nation, consecrated by our joint struggle in World War II. However, we are careful not to take the Philippines for granted, and we deal with that country as a fully independent nation which has the duty of safeguarding its own interests.

After the Communist takeover in Indochina, President Marcos called for a "reassessment" of the American military presence in his country. When President Ford visited the Philippines last December, he and President Marcos agreed that the military bases used by the United States in the Philippines remain important in maintaining an effective U.S. presence in the western Pacific in support of the mutual objectives of the defense of both countries, security of the Pacific region, and world peace. The two Presidents also agreed that negotiations to revise existing arrangements would be conducted "in the clear recognition of Philippine sovereignty." These negotiations began in April and are still continuing. We are confident that they will eventually prove successful, but complex issues remain to be resolved.

Our economic interests are significant—over \$2 billion in investments and a flourishing trade relationship. Last year we began discussion with the Philippine Government of a new agreement regarding economic and commercial relations, which would replace the expired Laurel-Langle Agreement.

The Philippine Government's desire to make clear its independence, and also to further its economic interests, has led it to take an active part in the Group of 77, which coordinates economic policy among the less developed countries on certain issues. The Philippines has also balanced its close Western ties by establishing relations with the People's Republic of China in June 1975 and with the Soviet Union in June 1976. But I am confident we can continue to have close and friendly relations based on mutual respect and mutual interest.

U.S. Support for Southeast Asian Aspirations

In conclusion, I think it is important that we approach the problems of Southeast Asia with the understanding that the future of this area will depend primarily on the internal strength and efforts of the countries themselves. They themselves recognize this and indeed have made great strides over the years in improving their economies and modernizing their societies.

They have also gained experience and confidence in their own abilities. The international context of Sino-Soviet tension and U.S. détente policies with both of the major Communist powers has contributed to the general equilibrium which appears to have been established in the area.

We intend to maintain a strong military presence in the western Pacific. Our presence there is an important element for stability in Southeast Asia as well as for the strategic balance in the western Pacific region as a whole.

Under present conditions the challenges the countries of Southeast Asia face are primarily economic, political, and social in nature, with serious external threats a less likely contingency. In these circumstances we should do what we can to support the aspirations of the peoples of Southeast Asia, based on our common interest in the preservation of their sovereignty and independence.

Department Discusses Arms Sales and U.S.-Saudi Arabia Relations

Following is a statement by Alfred L. Atherton, Jr., Assistant Secretary for Near Eastern and South Asian Affairs, submitted to the House Committee on International Relations on September 27.¹

I appreciate very much the opportunity to appear before this committee to discuss an issue of key importance to broad U.S. interests—our military supply relationship with Saudi Arabia, which in turn is an integral part of the overall relationship between our two countries.

An aspect of this longstanding relationship is under question—the Administration's proposal to sell 650 Maverick missiles. This issue is of gravest concern to the Administration. We are deeply concerned that singling out Saudi Arabia by disapproving this sale could do serious damage to our national interests and those of our allies in the industrial nations.

This committee is aware that our excellent relations with Saudi Arabia represent years of mutual effort to develop trust.

This committee is aware of the major expansion in that relationship in recent years. Our arms supply relationship is but one aspect of broad ties which have served U.S. interests remarkably well, but it is an important aspect and integral to the pursuit of our broader interests.

This committee is well aware of the importance of Saudi Arabia to our search for peace in the Middle East, to our concern for the security of the Persian Gulf, and to the world's economic health.

Against this background I would stress a few central points:

—Over many years, as the United States has sought peace in the explosive Middle East, Saudi Arabia has remained a stead-

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

fast friend and a force for moderation. Its political and financial support for the Arab nations that are committed to a negotiated settlement of the Arab-Israeli conflict is a critical component of our efforts to achieve a Middle East peace.

—This year we expect to export over \$3 billion in American goods and services to Saudi Arabia, providing thousands of jobs for Americans. Only a fraction of these exports will represent military items.

—Saudi Arabia has been a stalwart partner in our objective of resisting the expansion of Soviet influence and radical movements in the Arabian Peninsula and Persian Gulf.

—Saudi Arabia is playing a key role in seeking to bring the tragedy and travail in Lebanon to an end.

—Saudi Arabia has been supportive of our position on a number of important issues in various international fora. At the recent nonaligned conference in Colombo, for example, it entered reservations on resolutions hostile to our positions on Korea and Puerto Rico.

—Saudi Arabia is a major and constructive force in the world economy, in finance, in economic development, and, most significantly, in energy. It is Saudi Arabia which has prevented further increases in crude oil prices this year. The world looks to Saudi Arabia to restrain efforts by other OPEC countries [Organization of Petroleum Exporting Countries] to increase prices sharply in the years to come. The growing share of our energy imports that comes from Saudi oil is a well-known fact.

In this context our concern for Saudi security insures that Saudi Arabia will feel confident enough in its relationship with us to continue to be helpful to our national objectives in the Middle East and throughout the world.

Clearly Saudi Arabia pursues the policies it does because it considers those policies in its own national interest, not because they are in the U.S. interest. It has been a fundamental tenet of Saudi policy for over

30 years that a close relationship with the United States is in the Saudi national interest because of our position of leadership in the non-Communist world and because of the benefits Saudi Arabia derives from that relationship in the economic and technological development of its society. In many spheres the policies of the Saudi Government and its close ties with the United States are under attack by radical states and movements in the area. It has withstood those attacks because of its confidence in the constancy of the relationship between us.

This is what is at stake in the issue we are considering today. When I say that disapproval of this sale could do serious damage to our national interests, I do not mean this one act would destroy our relationship overnight. The Saudis and we have an interest in preserving that relationship. What I do mean is that the assumptions on which that relationship is based would be called into question in Saudi minds. An erosion of confidence, already shaken by what Saudi Arabia sees as a pattern of attacks in this country on the U.S.-Saudi relationship, would be set in motion, whose consequences we would come to regret over time.

Secretary Kissinger has asked me to emphasize on his behalf what we risk if we treat a proven friend in this way, singling it out for disapproval from among all the nations to which we supply defense articles and striking at the spirit of mutual confidence on which that friendship is based.

What we risk is nothing less than undermining moderation and stability in the Middle East and jeopardizing our own economic well-being. The issue today transcends the narrow question of whether or not we sell Maverick missiles to Saudi Arabia, and how many we sell. It goes to the heart of a relationship that has served well our interests and the interests of peace in the Middle East.

Mr. Chairman, I would like now to turn to the specific question which lies before us—the letter of offer for 650 Maverick mis-

siles for Saudi Arabia. Various questions and reservations have been raised about this sale. I would like to try briefly to address these.

First, why do we consider it important to supply military equipment to Saudi Arabia?

For over a quarter of a century our military supply relationship has been one of the foundation stones of an overall relationship which has fostered Saudi confidence in this country and Saudi receptivity toward our international goals. Our long cooperation in this field has been a major factor inducing the Saudis to value consultation on a wide variety of other subjects including, as I noted previously, support for our Middle East peacemaking efforts and efforts to hold down oil prices.

Secondly, why should this particular weapon—the Maverick—be sold to Saudi Arabia?

These missiles, like all other arms we have sold to Saudi Arabia, are intended to defend the Kingdom against external aggression and, with specific reference to the Maverick, against ground attacks by hostile armored units. Saudi Arabia, with 2 trillion dollars' worth of oil reserves to protect, is as large as the United States east of the Mississippi and has long borders to defend; and much of the terrain is highly suited to armor operations.

An important fact to keep in mind is the small size of the Saudi Army. While Israel, Iran, Iraq, Syria, and Jordan measure their ground forces in corps or armies or at least divisions, Saudi Arabia can muster only brigades. It thus becomes apparent why the Saudis need to support such small and dispersed defensive forces through the use of a weapon like the Maverick.

Thirdly, some question has been raised about the appropriateness of the precise number of these missiles in this letter of offer.

Our proposal to sell the Maverick rests on professional American military judgments related to a carefully devised program for modernizing the Saudi Armed Forces. The original proposal was to sell

1,500 of these weapons, in addition to the 1,000 already supplied. We have reduced that figure to the present 650 not because we thought the original figure was arrived at through faulty analysis, but because of the strong feelings among some members of Congress about the sale of a larger number at this time. The original figure of 1,500 Mavericks requested by Saudi Arabia itself represented a reduction, at U.S. Air Force prompting, of an earlier Saudi request. We held advance informal consultations with the Congress on this and other sales and made a bona fide effort to take congressional concerns into account by reducing the numbers of both Sidewinder and Maverick missiles agreed upon in negotiations with Saudi Arabia. This decision itself was not without some costs to our relationship, but those costs will be magnified many times if the sale is rejected in its totality.

Finally, concerns have been expressed that these missiles may become a threat to Israel, either because Saudi Arabia might use them itself in an attack on Israel or because Saudi Arabia might transfer some of these missiles to a third country.

Obviously, there is never a 100 percent guarantee of what may or may not happen in the future. Even should these concerns prove justified by later events, however, a sale of 650 Mavericks will not have any appreciable impact on the balance of power in the Arab-Israeli context. A fundamental principle of American Middle East policy is the preservation of the security and survival of Israel. It would be unthinkable on the face of it that we should, by this or any other sale of military goods and services to Saudi Arabia or any other country, undermine that basic policy of support for Israel's security and survival.

But the main point I want to stress here is the following. Both experience and logic strongly suggest that the concern that the sale of these missiles will pose a threat to Israel is an unjustified concern. In the Arab-Israeli dispute, there is no doubt about where Saudi sympathies lie politi-

cally. But Saudi Arabia has never been a combatant in any Arab-Israeli war. Its armed forces are small in number, and their primary mission is to defend the vast territory and resources of the Kingdom. Furthermore, Saudi Arabia knows that were it to use for aggressive purposes the weapons we sell it, it would jeopardize the entire relationship with the United States which it so highly values. And most important of all, the entire thrust of Saudi policy is directed toward a peaceful settlement of the Arab-Israeli conflict, toward avoiding further Arab-Israeli wars, not toward promoting them.

Secondly, let me address the concern about unauthorized arms transfers to third parties. Over many years Saudi Arabia has never made an unauthorized transfer of U.S. equipment. Saudi Arabia values its military supply relationship with us. We believe they would not wish to jeopardize this relationship—and very directly, their own security—by such irresponsible acts as the transfer of weapons in violation of their agreements with us. In the specific case of the Maverick, moreover, there are additional technical considerations which make transfer extremely unlikely. Mavericks cannot be used on aircraft other than those which have been specifically designed to handle them, and in the Arab Middle East only the Saudis have such aircraft.

Mr. Chairman, in recent months there has been much publicity about the flow of arms to the Persian Gulf. The Administration is convinced that U.S. policy in this regard is sound and supportive of peace and security in this area. But however much honest men may differ on this complex question, there is no doubt that refusal to sell this one item—the Maverick—to Saudi Arabia can only be regarded by the Saudi Government as a discriminatory act.

I have sought to be candid with the committee about the repercussions upon our relationship with Saudi Arabia and on our national interests that we believe could flow from a decision to deny this request.

We must ask ourselves whether we wish—whether, indeed, it is justified in any way—to give a signal to an old friend which would seem to repudiate the trust and confidence it has long placed in the United States as the main supporter of its national security.

Today our relations with Saudi Arabia rest on hard-won mutual confidence. Our relationship has been reflected in cooperation, not confrontation. But in prudence we must not take Saudi good will for granted. The Administration is deeply concerned that blocking the Maverick sale will do serious damage to a relationship which over the years has produced major dividends for the United States and could have over time the most serious political and economic repercussions for our own national interests.

Department Reviews Recent Trends in India

Following is a statement by Adolph Dubois, Deputy Assistant Secretary for Near Eastern and South Asian Affairs, made before the Subcommittee on International Organization of the House Committee on International Relations on September 23.¹

It is our understanding that the committee is interested in a discussion of U.S. economic assistance, both multilateral and bilateral, to India and a review of developments there over the past year. My colleague Arthur Gardiner from AID [Agency for International Development] is prepared to speak directly on the subject of economic assistance. With your permission, Mr. Chairman, I would like to provide background to his remarks by sketching out the main Indian internal trends since the proclamation of the emergency of

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

June 26, 1975, and by saying a few words about the state of Indo-U.S. relations.

India is the world's second most populous country, a nation with over 600 million people which, in its 29 years of independence, has been trying to cope with massive developmental problems. The high rate of illiteracy, currently estimated at 70 percent, the approximately \$120 per capita annual income, and the country's 14 official languages and regional diversity point up the magnitude of the problems and the complexity of dealing with these problems in a country whose population exceeds that of Latin America and Africa combined.

In the South Asian region our primary concerns have been the promotion of regional stability and the normalization of relations between the nations of the subcontinent and the avoidance of interference by outside powers. We hope that the governments of the region can focus their main attention on their massive human and social development problems.

In keeping with American concerns for the developing world, we hold a longstanding interest in the economic progress of the countries of South Asia and over the years have provided substantial economic assistance to India. We have no security assistance with India except for a small MAP [military assistance program] training program under which six officers attended U.S. service schools in fiscal year 1975 and 17 in fiscal year 1976.

India has been dominated since independence by the Congress Party. In June 1975 the President of India, acting on the advice of the Prime Minister, invoked article 352 of the Indian Constitution to declare a national emergency on the grounds that the security of India was threatened by internal disturbance. The proclamation gave the central government broad powers to take executive action and other emergency measures that restrict the fundamental rights provided under article 19 of the Indian Constitution.

In justifying the emergency, the Indian Government stated that elements of the

political opposition were creating a situation that threatened the security of the state. In particular, the government cited the call by opposition leader J. P. Narayan for the police and the military to disobey orders as well as the effort for a nationwide strike and other measures designed to paralyze the functioning of the Administration.

The government, using emergency powers, arrested a substantial number of political opponents. The Indian Home Minister has suggested publicly that about 12,000-14,000 such persons may currently be detained. It is our understanding that among those currently detained are 30 members of the Indian Parliament. In accordance with the Maintenance of Internal Security Act, which has just been extended by Parliament to June 1977, individuals detained under the emergency do not have recourse to the judiciary and the government need not file specific charges.

India also imposed press censorship and postponed national elections which would normally have been held by March 1976. Both of these measures were later approved by Parliament. In the case of the press, Parliament has enacted legislation which provides for certain curbs to continue after the emergency is lifted. However, press curbs on foreign newsmen were recently removed.

The government has stated on a number of occasions that the emergency is a temporary measure but has not, so far, indicated when it will be lifted. Some political prisoners, including opposition leader J. P. Narayan, have been released from jail, but many remain under detention. The major opposition parties have continued to function, although a number of smaller groups, which the government branded as communal, terrorist, or antinational, were banned last year.

Economically, the situation in India has improved in the past year and a half after an extended period of stagnation. The government announced a 20-point program which included a variety of measures such

as abolition of bonded labor and implementation of land reform. The government in 1976 also announced a national population program signaling a far more serious intent to come to grips with what observers have long felt is India's major economic problem—the need to control its burgeoning population.

Following an excellent summer and winter harvest, food production in 1975–76 has reached an alltime record of an estimated 115–117 million tons. Industrial production, after a period of poor performance, has also increased. Especially noteworthy has been a drastic reduction in the rate of inflation, which was running close to 30 percent and during the past year was down to zero.

An excellent monsoon explains much of the improvement. Since agriculture represents 45 percent of India's gross national product, the rains continue to have a major impact on overall Indian economic performance.

In India's external relations there have been signs of a strengthened trend toward regional stability and indications of interest in more balanced relations than previously was the case with major external powers.

In South Asia, India and Pakistan have made significant progress toward normalization of relations. Diplomatic relations were resumed in July 1976 for the first time since 1971, and rail and air links were restored at the same time after a rupture of 11 years.

Relations between India and Bangladesh have recently been less satisfactory, and the Bangladeshis have taken the dispute over the Farakka Barrage to the United Nations. However, here, too, the situation is not without hope. Both countries have affirmed their desire for a peaceful and mutually satisfactory resolution of outstanding problems.

India has signaled an interest in reduced tensions with the People's Republic of China by sending an Ambassador to Peking for the first time since the 1962 border

war. China has reciprocated, and the new Chinese envoy arrived in Delhi just a few days ago.

Our own relations with India have been relatively stable in recent months, with fewer ups and downs than a year or so ago. There have been recent signs of Indian interest in further improvements. The September 20 New York Times interview by the Indian Ambassador-designate, Kewal Singh, reflects this upbeat mood. Our own attitude toward India remains basically unchanged. As we have stated on many occasions:

—We regard India as an important country whose stability and viability will have a major impact on the peace and stability of Asia.

—We believe that stable and productive relations between our two countries, on the basis of mutual respect and reciprocity, serve our national interest.

—We recognize that, given our differing geographic positions and historical experiences, working out a "mature relationship" will take time; but this remains a goal worth pursuing.

With regard to the human rights situation in India, the President and the Secretary of State have made clear our preference for democratic norms in India as elsewhere. This Administration is also on the record in making clear that the promotion, respect, and observance of basic human rights in all countries is an important foreign policy objective of the United States. We do not condone repressive measures taken by other governments against their citizens or others. We have remained circumspect in official comment on specific facets of the situation in India.

In realistic terms, we have limited influence with India. Since a principal complaint on our part about the Indian conduct toward the United States has been the tendency, although not recently, of the Indian Government to address problems through public polemic, it would seem inappropriate for us to pursue the very

course which we have asked the Indians not to follow.

I know you will have specific questions on the situation in India, and I will be happy to answer these as fully and frankly as I can.

President Tolbert of Liberia Visits the United States

President William R. Tolbert of the Republic of Liberia made a state visit to the United States September 20-26. While in Washington September 21-24, he met with President Ford and other government officials and addressed a joint meeting of the Congress. Following are remarks by President Ford and President Tolbert made at a welcoming ceremony on the South Lawn at the White House on September 21.¹

Weekly Compilation of Presidential Documents dated Sept. 27

PRESIDENT FORD

President Tolbert, Mrs. Tolbert, ladies and gentlemen: I am particularly pleased to welcome back to Washington a distinguished friend of the United States of America. President Tolbert, your state visit is the first by an African leader in our third century of American history. We are proud and honored to have the red, white, and blue of Liberia fly side by side with our own colors.

Americans and Liberians share a very unique and special relationship. Both countries were founded by men and women who deeply believe in liberty and justice. The Liberian national motto, "The love of liberty brought us here," could apply just as well to the United States of America.

¹ For an exchange of toasts between President Ford and President Tolbert at a White House dinner on Sept. 21, see Weekly Compilation of Presidential Documents dated Sept. 27, 1976, p. 1362; for President Tolbert's address before a joint meeting of the Congress, see Congressional Record of Sept. 23, 1976, p. H 10951.

You have arrived here at a time when Americans are seeking to assist Africans to achieve peaceful solutions to extremely difficult problems. I have sent our Secretary of State to Africa, in full knowledge of the complexity of the problems and of the limitations of our role. Any realistic and enduring settlement must be made in Africa. We can only offer our assistance in encouraging the parties to negotiate to prevent increased violence and bloodshed.

Mr. President, as a distinguished African statesman, you are fully aware of the danger and the challenge that faces all men and women of good will in the southern portion of your continent. We greatly appreciate and value your wise counsel, your moderation, and your support. We assure you that the United States will remain a trusted friend, worthy of your confidence and that of all Liberians and all the peoples of Africa.

Americans have noted with admiration the determination [with] which Liberia is developing its potentialities. We will continue to help Liberia help herself.

As President of Liberia, you have contributed much to the material and spiritual evolution of your people. But you have also given yourself internationally as an ordained Baptist minister, through your leadership of the Baptist World Alliance. As the first black elected president of the Baptist World Alliance, you have advanced the vision of President Tubman [William V. S. Tubman, President of Liberia 1944-71] through your inspired work for the benefit of man and the glory of God.

We thank you and all the people of Liberia not only for your visit, but for Liberia's many manifestations of friendship in this Bicentennial Year. I was especially gratified to know of your personal participation, Mr. President, in our Fourth of July celebration in Monrovia.

Mr. President, you are a welcome visitor to the nation's capital and to the White House. I look forward to our discussions. Through these exchanges, we can advance

the cause of peaceful progress for Africa and for all humanity. The American people join in welcoming you and strengthening, during this visit, the very close ties between our two peoples.

PRESIDENT TOLBERT

Mr. President, Mrs. Ford, distinguished ladies and gentlemen, friends: We are profoundly touched by your thrillingly warm remarks of welcome, Mr. President, extended to Mrs. Tolbert, members of my official party, and to me, at the commencement of our visit to your great nation on this most historic and significant occasion.

We are gratified that you have paid my country—and Africa—the signal honor of this unique invitation to share with you, and all citizens of America at the captivating joys of your historic Bicentennial celebrations. Impressed as we are by your exhilaratingly warm reception of us, we sincerely ask, in turn, that you accept of us, Mr. President, our heartfelt appreciation and gratitude.

As we enthusiastically rejoice with you in the Spirit of '76, we salute you and all the great people of the United States of America and extend our hearty congratulations as you enter upon your third century of dynamic and inspiring nationhood.

The microcosm of the whole world, America has illuminated the limitless potentials of the human family when it is free to think, free to decide, and free to act. America is a viable land of spectacular and expanding opportunity. The model of resiliency and renewal, America is an historic land where challenges are pursued with courage and with skill. A mosaic of devotion and resolve, the American people are

admired for their ingenious quests, for excellence in science and statecraft, in industry and enterprise.

America is indeed a creative land of surging patriotism and surging proficiency. With her towering stature and commanding influence in the comity of nations, she has defended and expanded democracy around the world, fostering integrity, spawning opportunities, and endeavoring to sever the scourge of injustice and indignity from the noble family of mankind.

The Liberian nation and people are proud to have traditionally enjoyed with you, Mr. President, and the great American people, a unique and special friendship during the span of our 130 years of independence. We have drawn exceptional inspiration from your unrelenting and outstanding leadership in the world for genuine understanding and productive cooperation, and we embrace the fervent hope that America's innovative initiative will be clearly evident in man's continuing search for peace and in the struggle against poverty, exploitation, suppression, oppression, injustice, and human indignity.

It is indeed our deepest wish, Mr. President, that the essence of the Spirit of '76 will enrich the living conditions of our one world so that all God's children may obtain a better quality of life in a framework of equality, of vibrant opportunity, and of social justice.

We ask that you be so kind as to accept from the government and people of Liberia, and in our own name, Mr. President, our fondest wishes for unprecedented heights of happiness and achievement for the enterprising, most industrious and illustrious nation and people of the United States of America.

Thank you.

Agricultural Trade and Commodity Arrangements

Address by Julius L. Katz

*Assistant Secretary for Economic and Business Affairs*¹

I am pleased to participate in this symposium on free markets sponsored by the Chicago Board of Trade. No principle has been more important to our nation's development and to the elaboration of our foreign economic policy than the concept of free markets. It is appropriate that we should review the role that markets continue to play in our national economic life.

I have been asked to address the question of government policies and free international agricultural markets. It is my intention to approach this topic by discussing our market-oriented agricultural policies, our attempts to reduce barriers to agricultural trade, and our general commodity policy. I then propose to examine the relationship of these approaches to two current sets of issues affecting agricultural trade: Grain reserves discussions and the multilateral trade talks, and the UNCTAD [United Nations Conference on Trade and Development] "common fund" proposal.

For the past decade the United States has been moving toward a more market-oriented agricultural policy which permits farmers to obtain maximum returns from their land. The shift in farm policy, from supply management techniques to a market-oriented approach, is embodied in the Agriculture and Consumer Protection Act of 1973, the basic farm legislation of the nation.

During the period of transition, the

United States enjoyed unprecedented success in world markets. By dismantling the decades-old system of production restraints, the United States has been able to serve the growing foreign demand for U.S. agricultural output and at the same time provide ample supplies for American consumers. The response of U.S. farmers in producing the extra food and fiber needed by the world has demonstrated again the powerful incentive to production that free markets can provide.

The success of our market-oriented agricultural policy at home depends critically on substantially increased foreign demand for agricultural products. Growing foreign markets, although not accounting for all the increased demand for U.S. farm products, have been the most dramatic and best publicized factor in our success.

U.S. Government support of efforts to reduce barriers to trade, including those that restrict exports of agricultural products, is one of the oldest themes of U.S. foreign economic policy.

As early as 1934 the United States, under the authority of the Reciprocal Trade Agreements Act, sought to negotiate mutual reductions in trade barriers.

After World War II the General Agreement on Tariffs and Trade established a framework for further liberalization of trade among the world's trading nations.

In subsequent rounds of tariff negotiations held during the postwar years, much progress has been achieved in reducing the level of tariff protection, particularly in

¹ Made before the Chicago Board of Trade on Sept. 24.

industrial goods. Progress in lowering barriers to agricultural trade has been much slower, although the United States did obtain some benefit for its farm sector during this period. The European Community's duty-free binding on soybeans, negotiated during the Dillon round, is probably the most important concession the United States received in this area.

U.S. support for efforts to reduce barriers to trade over the last 40 years stems from our belief that freer trade and markets are the best means to build the international economy. Unfettered markets allow producers to maximize the return from their assets, encourage a rational allocation of investment over the long run, and increase consumer choice at lower prices.

International Action on Specific Commodities

Our support of market-oriented policies is also evident in the commodity field, where our fundamental objective is to allow international markets to operate as fully and freely as possible with a minimum of restrictions on the flow of goods, services, capital, and technology across international borders.

We know of course that international commodity markets do not always operate perfectly. Markets are subject to a variety of restrictions, and the degree of competition varies from commodity to commodity. Moreover, some commodities are subject to severe and volatile price swings which actually operate in some instances to destabilize rather than stabilize the process of rational decisionmaking by those involved in investment, production, and consumption. Producers of such commodities are subject to sudden and unpredictable changes in incomes, while consumers have to cope with sudden and unpredictable changes in prices.

Many countries believe that commodity agreements designed not only to stabilize prices but to raise them, and thereby transfer resources from the developed consum-

ing countries to the developing producing countries, can provide generally applicable across-the-board answers to all commodity problems. This approach is based on several fundamental misconceptions. First, more than 70 percent of non-fuel commodities are produced by developed rather than developing countries; thus the net effect of an across-the-board price rise would be to penalize the developing countries, not to assist them.

More importantly, we have strong reason to question the feasibility of arbitrary pricing without regard to basic market trends. While prices for particular commodities can be maintained at fixed levels for certain periods of time at high cost, such a policy over time will cause misallocation of investment and distortion of consumption patterns. Uneconomically high prices encourage unneeded production and discourage needed consumption, and someone pays for this inefficiency through support of stocks and/or price supports until the system finally breaks down.

Our own approach begins with a strong preference for arrangements which will improve the functioning of markets and will avoid, whenever possible, resort to restrictionist approaches. It combines this with a recognition that the problems of and solutions for each commodity are different.

For some commodities, the problem is chiefly one of excessive restrictions on the free flow in international trade of that commodity or processed versions of it. For others it is a problem of instability of returns to producers, which can best be handled through compensatory financing measures such as that already existing within the International Monetary Fund.

For some commodities, efforts at price stabilization around longer term market trends may be desirable. The means for achieving such improved price stabilization can vary from simple improvements in exchange of market information to formal international agreements, which may in-

clude provision for buffer stocks, such as the tin agreement, or standby export quotas, such as the coffee agreement.

In this context, I would like to emphasize the commitment the United States has undertaken internationally to examine commodity problems on a case-by-case basis in international forums. We are committed, and rightly so, to the idea of improved cooperation between producers and consumers with respect to commodities which are traded internationally. We have pledged ourselves to assure that an adequate and effective means of communication, in the form of producer-consumer groups, exists for all major internationally traded commodities.

The fact that the United States is not only willing but committed in a positive sense to establishing and making such groups work effectively does not in any way undermine the basis on which we enter into such international discussions. Our aim is to make the international markets for commodities work better—in the negative sense of opposing any arrangements which would undermine their effectiveness and in the positive sense of promoting measures which will further strengthen these markets.

Grain Reserves and the Trade Talks

I would like now to comment briefly on two sets of current issues directly affecting agricultural markets. The first involves the grain reserves discussions in the International Wheat Council and the multilateral trade negotiations in Geneva. The other issue involves UNCTAD's proposal for a common fund.

The central element of world agricultural markets is grain. Over the past several years, after a generation of relative calm, we have experienced conditions of perhaps unprecedented change and uncertainty. Fortunately, the producer response to these conditions has been positive and dynamic. Thanks largely to the reaction on the part of American farmers, the world

weathered the food crisis of the early 1970's. But the question is: What lies ahead? It would be well to recall the disruptions we have experienced—inflation, the adverse impact on livestock producers and consumers, and export interruptions—and think about how we should regard the future.

We have undertaken several steps to avoid recurrence of some of these problems. We have increased our levels of food aid to provide more effective assistance to those poorest nations who suffer the most in times of short supply. We have negotiated a long-term arrangement that will moderate the disruptive impact of the Soviet Union in world markets.

Last year the United States made an attempt to address the problems of world food security in a comprehensive manner. In the forum of the International Wheat Council in London, the United States proposed the negotiation of a new international arrangement on world grains—an arrangement centered on the establishment of an international system of national reserves that would provide food security in time of disruptive shortfalls in grain production and also provide for an equitable sharing of the burden and responsibility for carrying those reserves when production is normal or in surplus.

Our proposal is still on the table and in fact is being discussed in London this week. So far the discussions have not achieved much progress toward a new grains arrangement because of lack of support from other countries and here at home.

Lack of support from other countries is understandable, since they are accustomed to the United States being the residual supplier, carrying the world's grain stocks and bearing the financial cost. Naturally, they like the United States to play this role.

Lack of support at home, however, especially from the farm community has, I believe, been caused in part by a misunderstanding of our proposal. Some have thought, for example, that the U.S. reserves proposal would put the government back

in the grain business, controlling stocks and depressing prices. Government-owned stocks are not a part of the proposal and in fact were carefully avoided in its preparation.

The essential issue with respect to our reserves proposal was, and is, not whether reserves will exist, but how reserves will be distributed in the world.

American farmers came into this crop year carrying stocks of 600 million bushels of wheat. The U.S. Department of Agriculture forecasts that they will carry out 900 million bushels. Two or three years of this kind of experience will inevitably drive land out of production and raise the possibility that a serious production shortfall in one or a group of countries could throw world grain markets once again into a crisis situation.

The U.S. reserves proposal is an attempt to provide some insurance against such an occurrence, insurance for which we would not be the only one paying the premium but for which there would be reasonable burden-sharing among all participating countries, exporters and importers alike.

The results of work in London toward a new grains arrangement could well be the foundation for the efforts of the negotiators in Geneva working to liberalize further the international trading system.

This latest round of trade talks, the multilateral trade negotiations, differs from its predecessors in important respects.

First, the success of previous negotiations in reducing tariffs has made relatively more important such nontariff barriers to trade as standards, subsidies, and variable levies.

Second, the trading nations have agreed to give certain less developed countries (LDC's) special and differential treatment during this round. This approach, in some respects, marks a departure from the policy of equal treatment that had prevailed during the last 30 years.

Finally, the United States has insisted that agriculture fully share in the fruits of trade agreements negotiated during the multilateral trade negotiations. We believe

agriculture, in which the United States has a demonstrated comparative advantage, could benefit significantly from the achievement of our negotiating objectives in agriculture for greater access to foreign markets and measures to deal with export subsidies.

UNCTAD's Common Fund

Another international activity with possibly important implications for free agricultural markets is the so-called common fund scheme recently proposed by the United Nations Conference on Trade and Development and on which negotiations will begin shortly.

The objective of such a fund would be to improve LDC earnings from commodities by at least stabilizing commodity prices around a long-term trend, but preferably by raising commodity prices to levels higher than they would otherwise be. The primary device to achieve this objective would be the creation of buffer stocks for individual commodities. Buffer stocks would be established for at least 10 "core" commodities representing roughly three-quarters of the value of agricultural and mineral commodity exports by less developed countries, according to UNCTAD.

The fund is estimated at \$6 billion, with \$2 billion paid in by governments and the balance to be raised by borrowing. Under the UNCTAD Secretariat's various formulas for financing, the U.S. share would be from 8 to 11 percent, or about \$200 million.

The proposal for a common fund has become a major objective for many less developed countries. Many of the developing countries have made it a yardstick by which progress in the dialogue between the developed and developing worlds is to be measured.

The United States has serious objections to the common fund approach, which is based on serious misconceptions: (1) that price is, in itself, a generally feasible and desirable measure to improve the export earnings of less developed countries; and

(2) that the chief obstacle to the establishment of buffer stocks is the lack of money.

As I indicated earlier, price fluctuation is only one aspect of the commodities problem. The costs and benefits of price measures must be assessed in the broader context of problems of each commodity, including diversification, market promotion, vulnerability to substitutes, and other aspects. Even in those cases where price stabilization is desirable, the obstacles to buffer stocks are not financial as much as:

—The lack of agreement by exporters and importers on price objectives;

—The unworkability in many cases of buffer schemes because of perishability, cost of storage, or competition from substitutes; and

—The ineffectiveness of some of the market improvement proposals for a number of commodities.

We continue to believe that we should rely to the greatest extent possible on freely operating markets to facilitate the flow of goods between producers and consumers and to deal with serious problems in ways that will expand, rather than restrict, trade. Our fundamental consideration in evaluating proposals for any specific commodity arrangement will continue to be whether it would contribute to improvement in the functioning of the market for that commodity.

In addition to considering buffer stocks and their financing, we will also continue to emphasize (1) adequate investment in resource development to meet market demand in the decades ahead; (2) improvement of market access for the processed goods of developing countries; (3) security of supply for consumers; and (4) stable growth for the commodity export earnings of the developing countries.

It is clear that we are involved in a phase of intensive international discussions on a range of matters which could directly affect the operation of international markets. Such issues have come to the fore as the world economy has become increas-

ingly interdependent and as new voices have been heard on the world scene seeking international solutions to economic problems.

We enter these discussions prepared to explore all suggested approaches fully and with an open mind. It remains our basic premise and conviction, however, that fully functioning markets are the preferred model since they are the most efficient allocators of investment, production, and consumption.

U.S. and Peru Reach Agreement on Marcona Mining Co. Issue

*Department Announcement*¹

The United States has reached agreement with the Government of Peru on compensation for the assets of the Marcona Mining Company that were nationalized in July 1975. A long and complicated problem has thus been resolved to the satisfaction of all concerned.

The settlement consists of a cash payment to Marcona and a contract for sales of Peruvian iron ore in the United States that will increase Peru's foreign exchange earnings and provide Marcona with additional compensation. The aggregate value of this settlement constitutes just compensation under international law and within the meaning of the laws of both the United States and Peru.

Full details of the settlement are contained in an intergovernmental agreement, which will be made public as soon as it is approved by the Peruvian Cabinet. In substance, the compensation consists of \$37 million in cash and an ore sales contract at prices the Government of Peru estimates will provide Marcona an additional compensation of \$22.44 million but which, depending on market conditions, may ultimately produce more or less compensation than the valuation amount. Finally, Mar-

¹ Issued on Sept. 23.

cona will receive approximately \$2 million in compensation from a previously concluded shipping contract.

This agreement will have a broad and positive impact. It removes an obstacle to the constructive relations to which both governments are committed. Because it demonstrates that fair and equitable treatment for foreign capital can be assured within the Peruvian revolutionary process, the settlement constitutes a point of departure for increased private as well as public cooperation and practical progress on a wide variety of fronts.

This agreement marks the successful conclusion of painstaking negotiations that required imaginative effort on both sides.

The United States was represented by an interagency team headed by former Under Secretary of State Carlyle E. Maw acting as Special Representative of President Ford.

President Issues Policy Statement on International Air Transportation

*Statement by President Ford*¹

International aviation is essential in a world that has become economically interdependent. Historically, the United States has had a leadership role in the development of international air transportation and intends to continue that role.

Aviation is an essential part of the foreign commerce of the United States. It is required for mail, high priority cargo, government, business, and urgent personal travel. A desirable low-cost means of international pleasure travel, aviation helps

¹ Issued on Sept. 8 (text from White House press release); also printed in the 32-page policy statement entitled "International Air Transportation Policy of the United States," which is available from the Office of Public Affairs (S-80), Department of Transportation, Washington, D.C. 20590.

bring the people of many cultures and nationalities together, creating a greater sense of friendship and mutual understanding.

The United States seeks an international economic environment and air transportation structure conducive to healthy competition among all air carriers. We shall rely upon competitive market forces to the greatest extent feasible, for it is a basic tenet of our economic philosophy that marketplace competition provides improved services and permits the well managed carrier to earn a profit while lowering total costs. At the same time, we recognize that other nations may differ in their view as to how such transportation should be organized and operated. We shall work through appropriate bilateral and multilateral forums to bring about constructive change for the benefit of air travelers, shippers, and carriers of all nations.

The international air carrier industry should continue to have the primary responsibility for adapting its air transport product to public demand. Regulatory regimes imposed by governments should not stifle the industry's flexibility to respond to this demand, nor should they remove incentives to keep costs low.

The Economic Policy Board Task Force on International Air Transportation Policy, chaired by the Departments of Transportation and State, has recommended a comprehensive statement of United States policy. The statement sets forth the objectives the United States will seek in negotiations with other nations. It also calls for balanced revisions of certain regulatory policies of the Civil Aeronautics Board.

I am approving this statement of international air transportation policy to supersede the one issued June 22, 1970, and am directing that this new statement of policy guidance be used henceforth by officials of the Government in dealing with international aviation matters.

Department Summarizes Programs and Objectives in International Narcotics Control

Statement by Deputy Secretary Charles W. Robinson¹

I am pleased to appear before you today to discuss the activities of the Department of State in narcotics control. This is the first time the Department of State has testified before this newly created select committee; and I wish to take the occasion to congratulate you, Mr. Chairman [Representative Lester L. Wolff], and all of the members of the committee on your selection for this important assignment. We look forward to working with you in the period ahead as we all strive to make our drug abuse control efforts more effective.

Drug abuse reached dramatic proportions in the United States during the last decade. Because much of the narcotics abused in the United States came from abroad, curtailing the illegal flow into the United States became a high-priority foreign relations issue. In 1971, the Department of State was given the leadership role in developing and coordinating an international drug control program. For this purpose, the President created the Cabinet Committee on International Narcotics Control, chaired by the Secretary of State. An organization chart of the committee is submitted for the record.

¹ Made before the House Select Committee on Narcotics Abuse and Control on Sept. 27. 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.

Under this Cabinet Committee, plans were developed to obtain cooperation from foreign governments. Working through our Embassies, narcotics control action programs were prepared for the principal countries involved in illicit production and trafficking. These programs have been under continuing review. Their major emphasis has been on law enforcement cooperation and exchange of narcotics intelligence, building foreign institutions for narcotics control, and control or eradication of crops producing these drugs. Opium and opiates, particularly heroin, and cocaine have been the main objects of our international program.

Our diplomatic initiatives have been supported by international narcotics control funds appropriated in the Foreign Assistance Act but administered by the Department of State with the advice and assistance of the agencies in the Cabinet Committee structure.

Such expenditures, which have amounted to \$147 million over the past five years, have been used to furnish training and equipment to build up the law enforcement capability of foreign governments, to assist them in controlling or eradicating narcotics-producing crops, and to support the U.N. narcotics control structure. The principal funded projects have been in Turkey, Mexico, Thailand, and Burma. A country

breakdown of our control program funds for fiscal years 1975-77 is also submitted for the record.

In addition, there has been a significant buildup in U.S. enforcement liaison personnel stationed abroad. There are 287 Drug Enforcement Administration personnel now assigned to our Embassies and consulates to work with foreign enforcement officers. They numbered 91 in 1971. Moreover, we have a Foreign Service officer serving as Narcotics Coordinator in each of our Embassies playing a role in this field, and there are AID [Agency for International Development] technicians helping with our major programs.

Drug abuse in the United States, after improving from 1972 to 1973, took a turn for the worse early in 1974. This deterioration led the President to ask the Domestic Council to establish a task force to review the overall effort and recommend ways to make the Federal drug abuse program more effective. The resulting "White Paper on Drug Abuse" underscored the increasing availability and use of illicit drugs and estimated the social cost of drug abuse at \$17 billion a year.

The international narcotics control program is an essential part of the national strategy called for in the white paper. As long as demand continues high in the United States, traffickers will make every effort to find sources of drugs to supply that demand. However, we have seen that lowered availability results in reduced addiction rates. Therefore we endeavor to reduce supply.

We are informed that customs and police efforts here and abroad are quite successful if they seize 10 to 20 percent of the drugs that are flowing in the illicit trade. Thus the only way to achieve sharply higher percentages of supply reduction is to control or eradicate the crops that produce these drugs. The international program is charged with this extraordinarily

difficult task. Obviously, success requires high levels of cooperation from foreign governments.

Narcotics Control Assistance to Mexico

The principal challenge today is, as it was five years ago, the flow of heroin into our country. But the primary source has changed. Prior to 1972 most of the heroin smuggled into the United States came from Turkish opium which had escaped that government's controls. It was processed into heroin in France and smuggled into our country in a trade which became known as the "French connection." The French connection was neutralized following the Turkish Government ban on opium poppy cultivation and highly effective cooperative enforcement actions of the French authorities. Unfortunately, however, Mexico then emerged as the most important source of heroin on the U.S. market, according to seizure data.

Mexico is therefore our first-priority country program. For fiscal year 1976, which includes an additional interim quarter, our narcotics control assistance to Mexico amounted to \$14.5 million, or 30 percent of the total program. An additional \$11 million for Mexico is programmed for fiscal year 1977.

This assistance has been mainly aircraft and related technical assistance. The Mexican Government is pursuing a very vigorous program in poppy crop destruction. It is also attempting to interdict illicit trafficking.

A year ago the Mexican Government decided to move from the manual destruction of poppy plants to spraying them with herbicides by helicopters. Over 20,000 fields were sprayed and destroyed earlier this year, virtually all of those then planted to poppy. However, a number of the fields had unfortunately been harvested before they were destroyed, and we can assume that most of them were replanted soon

after destruction. Therefore, lasting effectiveness of the eradication program will require continuation of the efforts by the Mexican Government. We can take heart in the stated intention of President-elect Lopez Portillo to continue with the eradication program.

Programs in Burma and Thailand

With the prospect that the Mexican source of heroin may be brought under control, we are increasingly concerned that traffickers will turn to other sources of opium, such as Burma, Thailand, Pakistan, and Afghanistan. We are stepping up our efforts to help these governments reduce illegal opium production and trafficking there.

Burma produces the largest quantity of illicit opium in the world, estimated at 450 tons per year. Two years ago, the Burmese Government began a campaign to crack down on opium production and trafficking. To do the job, it needed helicopters to support raids on illegal poppy fields and heroin laboratories located in areas not under its full control.

With the arrival of six U.S.-supplied helicopters in late summer of 1975, the Burmese authorities began mounting major operations against narcotics refinery sites, drug caravans, and trafficking organizations. During the 1975-76 growing season, they seized and destroyed 17 major heroin laboratories, intercepted nine large drug caravans, and destroyed 18,000 acres of opium poppies. These efforts reduced significantly the amount of heroin that would have been available that year for export from Burma.

For fiscal year 1976, we programmed 12 additional helicopters for Burma to augment its capabilities. Six of these have been delivered, and the final six are scheduled for delivery by the end of calendar year 1976. Our narcotics control expendi-

tures for Burma for fiscal year 1976 were \$13.3 million. Our fiscal year 1977 request is for \$3.6 million, essentially to maintain the current program.

Despite the successes in Burma, we recognize that virtually all the growing areas are outside of government control and that sizable levels of production are likely to continue for years to come. Such supplies will remain a potential source for trafficking destined for the United States, especially if our other sources are diminished.

In Thailand, the great majority of illicit opium is discovered while it is in transit from Burma to the international markets. Several important steps were taken in various narcotics-related areas during the past year. Thai customs, aided by a U.S. customs advisory team, has increased narcotics seizures at Bangkok International Airport. Specially trained narcotics-sensor dogs also began checking outgoing luggage. In the port area, the newly organized customs narcotics unit made its first drug seizures on ships departing the harbor.

While such efforts are all to the good, we should like to see a more successful and determined Thai program to disrupt the flow of narcotics through Thailand. We have discussed this matter with the Thai Government and have received assurances of increased activity.

Pakistan and Afghanistan

In Pakistan about 150 tons of illicit opium are produced annually in areas either not under government control or where the local economy has dependence upon opium production. With U.N. and U.S. assistance, the Pakistan authorities are undertaking studies and pilot projects designed to provide alternative sources of income for the traditional growers of opium. We are also providing transportation and communications equipment to help the Government of Pakistan establish a

network of 25 field investigation units at strategic points throughout the country to concentrate on the interdiction of illicit opium traffic.

Progress is not as rapid as we would like to see with respect to both the income replacement project and the establishment of the investigation units, and we recently brought our concern to the attention of the Government of Pakistan. The Pakistan Government has stated that these programs will be moved ahead as rapidly as possible.

About 150 tons of opium are also illicitly produced in uncontrolled areas in Afghanistan. There is a U.N. program supporting police narcotics control efforts, and the Government of Afghanistan is seeking a program to provide alternative sources of income to its farmers. Afghanistan is a non-aligned country and wants all international narcotics assistance channeled through the United Nations.

Colombia, Peru, and Bolivia

Recently, new possibilities have opened for us to deal with the flow of cocaine to the United States. Much of the cocaine smuggled into our country is refined in Colombia from coca paste produced from coca plants grown in Peru and Bolivia.

In June 1976, President Banzer of Bolivia and Secretary Kissinger met and laid the groundwork for an expanded action program directed at coca.

We then sought and obtained President Ford's approval of a program which provides funding over a five-year period of up to \$45 million of AID concessional loan funds for agricultural assistance to poor farmers in the coca-growing areas, if the two governments can develop promising projects and programs leading to effective control of coca production. We wish eventually to see production reduced to approximately the levels required by the traditional chewers among the population of the high Andes and for the small legal require-

ment for coca flavoring. The program also calls for up to \$8 million in additional narcotics control funds to strengthen enforcement.

We have a request from Peru for a similar program.

In September 1975, President Lopez of Colombia and President Ford discussed the increasing cocaine problem. Subsequently, the President directed that we expand our assistance to the Colombian efforts to interdict cocaine traffic destined for the United States.

Importance of U.N. Fund

A few comments on Turkey. The Turkish Government rescinded its ban on opium poppy cultivation in 1974. However, with assistance and technical advice from the U.N. Fund for Drug Abuse Control, the Turkish authorities are thus far effectively controlling their production, which is now in poppy straw form. The role the U.N. Fund played in helping the government attain successful control over the Turkish poppy crop—a control not attained before—underscores the importance to U.S. national interests of the U.N. Fund.

Since its inception we have provided about 80 percent of the financial contributions the Fund has received. We are hopeful that other nations will see it in their interest to give stronger support in the future to the Fund. Nevertheless it remains important to us to be sure the Fund has the resources necessary to meet assistance requests, particularly in cases where narcotics likely to come to the United States can thereby be controlled.

Convention on Psychotropic Substances

Mr. Chairman, we are greatly interested in action by the Congress which would enable U.S. ratification, without much further delay, of the 1971 Convention on Psychotropic Substances. We were the moving force behind the Vienna Conference which

drew up this convention extending controls to the psychotropic substances, the man-made mind-bending drugs, such as amphetamines, barbiturates, and hallucinogens, which were then, and still are, heavily abused. While the convention was sent to the Senate for ratification in mid-1971, that action unfortunately awaits congressional approval of enabling domestic legislation. This delay, we believe, is prejudicial to our national interests.

It would be awkward for us to urge the developing countries to approve increased international controls over opium poppy straw and bracteatum poppy straw—which we would like to do now—while we ourselves have not agreed to parallel controls on the manmade drugs manufactured in the industrialized countries. And in the absence of our ratification, we cannot effectively persuade the other industrial nations to subject their psychotropic substances to international controls. We must, however, as we are victimized by these drugs made abroad and being smuggled into the United States through third countries.

The Cabinet Committee agencies will continue the activities described. They will also pursue coordinated efforts to obtain U.S. jurisdiction over drug traffickers through extradition and expulsion. At the same time, a new program is being implemented to exchange judicial evidence for prosecution abroad in cases where foreign traffickers are more likely to be caught and tried there. Further, increased action will be directed against the financial resources of narcotics traffickers.

This, Mr. Chairman, is an overview of the programs and objectives. We are dealing with a heightening problem of national concern, and I assure you that the Department of State and the other agencies represented on the President's Cabinet Committee on International Narcotics Control will energetically pursue the goal of reducing the flow of drugs of abuse into the United States.

U.S.-Brazil Science and Technology and Energy Groups Meet at Brasilia

*Joint Statement*¹

The first meetings of the U.S.-Brazil Joint Groups on Scientific and Technological Cooperation and Energy Technology were held at Itamaraty, Brasília on September 16 and 17, 1976. The two Joint Groups were established in connection with the understanding concerning consultations on matters of mutual interest reached between the Secretary of State of the United States and the Minister of External Relations of Brazil on February 21, 1976, in Brasília.

Ambassador Frederick Irving, Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, served as U.S. Cochairman at both meetings. The Brazilian Cochairmen for the meetings on science and technology and on energy were Ambassador Francisco de Assis Grieco and Ambassador Cabral de Mello, respectively.

These Joint Group meetings represent one effort among others by both countries to build upon a tradition of friendship and cooperation, to determine new areas where interests converge, and to forge new ties based on mutual benefit and shared objectives and goals in science, technology, and energy.

The Joint Group on Scientific and Technological Cooperation adopted terms of reference for its future activities, recommended renewing and broadening the 1971 Agreement between the United States and Brazil on Scientific Cooperation to include technological as well as scientific cooperation, and identified new areas with potential for scientific and technological cooperation, including agriculture, scientific and technical information, natural resources,

¹ Issued at Washington and Brasília (text from press release 452 dated September 21).

medical science, basic and applied sciences, and technology.

Both sides agreed to search for mutually acceptable ways and mechanisms for expanding scientific and technological cooperation.

Both delegations agreed on the mutual interest of the two countries in the question of the transfer of technology as well as the importance of cooperation in the context of, and compatible with, ongoing multilateral international activities.

In its discussions, the Joint Group on Energy Technology reviewed national programs in various new energy technologies such as solar power, hydrogen, coal gasification, and bioconversion and identified a number of topics of interest to both countries. The above-mentioned technologies were considered by both sides to hold the highest priority for potential cooperation. The Joint Group decided to exchange visits of experts in solar energy and hydrogen technology in the next two months to discuss possible cooperative projects. Specialists in hydrogen are slated to meet in Brazil in October; a meeting of experts in solar energy technology will take place in the United States in November.

The Joint Groups agreed to meet next in Washington on mutually acceptable dates.

U.S. and Republic of China Sign New Fisheries Agreement

*Joint Statement*¹

Representatives of the Governments of the Republic of China and the United States signed on September 15 an agreement relating to fishing activities by the Republic of China off the coasts of the United States, which will come into force after the completion of internal procedures by both governments.

¹ Issued on Sept. 15 (text from press release 436).

The agreement sets out the principles and arrangements which will govern fishing by nationals and vessels of the Republic of China within the fishery conservation zone of the United States beginning March 1, 1977.

The Honorable James C. H. Shen, Ambassador of the Republic of China to the United States, signed for the Republic of China. Ambassador Rozanne L. Ridgway, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, signed for the United States.

Ambassador Shen and Ambassador Ridgway headed delegations which began negotiating the new agreement in Washington, D.C., September 8. The negotiations, held in an atmosphere of friendship and cooperation, were completed September 10. Both delegations expressed their satisfaction with the new accord.

Congressional Documents Relating to Foreign Policy

94th Congress, 2d Session

Development, Use, and Control of Nuclear Energy for the Common Defense and Security and for Peaceful Purposes. Second annual report to the Congress by the Joint Committee on Atomic Energy pursuant to section 202(b) of the Atomic Energy Act, as amended. H. Rept. 94-1347. July 19, 1976. 197 pp.

Audit of the Saint Lawrence Seaway Development Corporation, Calendar Year 1975. Communication from the Comptroller General of the United States transmitting a report on the audit. H. Doc. 94-568. July 28, 1976. 17 pp.

To Implement the Treaty of Friendship and Cooperation Between the United States and Spain. Markup sessions of the House Committee on International Relations on S. 3557. July 29-August 4, 1976. 22 pp.

Implementation of the Treaty of Friendship and Cooperation Between the United States and Spain. Report of the House Committee on International Relations to accompany H.R. 14940. H. Rept. 94-1393. August 5, 1976. 55 pp.

Tijuana River Flood Control Project. Report of the House Committee on International Relations to accompany H.R. 14973. H. Rept. 94-1399, Part 1. August 9, 1976. 10 pp.

Current Treaty Actions

MULTILATERAL

Health

Amendments to articles 34 and 55 of the constitution of the World Health Organization of July 22, 1946, as amended (TIAS 1808, 4643, 8086). Adopted at Geneva May 22, 1973.¹

Notifications of acceptance: Israel, September 8, 1976; Philippines, September 17, 1976.

Maritime Matters

Convention on the Intergovernmental Maritime Consultative Organization. Done at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.

Acceptances deposited: Bahrain, September 22, 1976; Gabon, September 28, 1976.

Amendments to the convention of March 6, 1948, as amended, on the Intergovernmental Maritime Consultative Organization (TIAS 4044, 6285, 6490). Adopted at London October 17, 1974.¹

Acceptances deposited: Bahrain, September 22, 1976; Morocco, September 17, 1976.

Oil Pollution

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

Ratification deposited: Finland, September 6, 1976.

Postal

Second additional protocol to the constitution of the Universal Postal Union of July 10, 1964 (TIAS 5881, 7150), general regulations with final protocol and annex, and the universal postal convention with final protocol and detailed regulations. Done at Lausanne July 5, 1974. Entered into force January 1, 1976. TIAS 8231.

Ratifications deposited: Austria, July 29, 1976; Barbados, July 22, 1976; Vatican City State, August 17, 1976.

Accession deposited: Maldives, July 22, 1976.

Money orders and postal travellers' checks agreement, with detailed regulations. Done at Lausanne July 5, 1974. Entered into force January 1, 1976. TIAS 8232.

Ratifications deposited: Austria, July 29, 1976; Vatican City State, August 17, 1976.

Slave Trade

Convention to suppress the slave trade and slavery. Concluded at Geneva September 25, 1926. Entered

into force March 9, 1927; for the United States March 21, 1929. TS 778.

Notification of succession deposited: Barbados, July 22, 1976.

Wheat

Protocol modifying and further extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144, 8227). Done at Washington March 17, 1976. Entered into force June 19, 1976, with respect to certain provisions, and July 1, 1976, with respect to other provisions. *Ratifications deposited:* Switzerland, September 27, 1976; Kenya, September 28, 1976.

Protocol modifying and further extending the food aid convention (part of the international wheat agreement) 1971 (TIAS 7144, 8227). Done at Washington March 17, 1976. Entered into force June 19, 1976, with respect to certain provisions, and July 1, 1976, with respect to other provisions. *Ratification deposited:* Switzerland, September 27, 1976.

BILATERAL

Canada

Agreement on mapping, charting and geodesy, with annexes. Signed at Ottawa August 24, 1976. Entered into force August 24, 1976.

Israel

Agreement for sales of agricultural commodities, relating to the agreement of December 16, 1974 (TIAS 7978). Signed at Washington September 30, 1976. Entered into force September 30, 1976.

Oman

Agreement relating to investment guaranties. Effected by exchange of notes at Muscat September 9, 1976. Entered into force September 9, 1976.

Portugal

Loan agreement relating to construction of schools, with annex. Signed at Lisbon August 13, 1976. Entered into force August 13, 1976.

Agreement amending the grant agreement of February 28, 1975, for technical consultations and training. Signed at Lisbon August 13, 1976. Entered into force August 13, 1976.

Loan agreement for basic sanitation, with annex. Signed at Lisbon August 13, 1976. Entered into force August 13, 1976.

Turkey

Procedures for mutual assistance in the administration of justice in connection with the Lockheed Aircraft Corporation and the McDonnell Douglas Corporation matters. Signed at Washington July 8, 1976. Entered into force July 8, 1976.

¹ Not in force.

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. 20402. A 25-percent discount is made on orders for 100 or more copies of any one publication mailed to the same address. Remittances, payable to the Superintendent of Documents, must accompany orders. Prices shown below, which include domestic postage, are subject to change.

The United States and the Third World. In the first of a series of discussion papers, the Department of State provides some essential facts and alternative views on issues involving the United States and the Third World. Topics include Third World grievances, development, population, environment, the U.S. AID program, trade, commodities, energy, investments, debts, and multinational corporations. Pub. 8863. General Foreign Policy Series 301. 65 pp. \$1.05. (Cat. No. S1.71:8863).

The United States and the United Nations. This Department of State Discussion Paper examines the value of the U.S. role in the United Nations. The focal point for the discussion is the contradictory concepts of great power primacy and sovereign equality and how they relate to recent actions in the General Assembly. Pub. 8875. General Foreign Policy Series 302. 17 pp. 35¢. (Cat. No. S1.71:8875).

Air Charter Services. Agreement with France extending the agreement of May 7, 1973, as amended and extended. TIAS 8236. 3 pp. 35¢. (Cat. No. S9.10:8236).

Reciprocal Fishing Privileges. Agreement with Canada extending the agreement of June 15, 1973, as extended. TIAS 8251. 6 pp. 35¢. (Cat. No. S9.10:8251).

Double Taxation—Taxes on Aircraft Earnings. Agreement with Chile. TIAS 8252. 5 pp. 35¢. (Cat. No. S9.10:8252).

Fisheries—Shrimp. Agreement, with agreed minute, with Brazil. TIAS 8253. 38 pp. 50¢. (Cat. No. S9.10:8253).

Monitoring of the Stratosphere. Agreement with other governments. TIAS 8255. 16 pp. 35¢. (Cat. No. S9.10:8255).

Agricultural Commodities. Agreement with Sri Lanka. TIAS 8256. 12 pp. 35¢. (Cat. No. S9.10:8256).

Agricultural Commodities. Agreement with Egypt amending the agreement of October 28, 1975. TIAS 8259. 10 pp. 35¢. (Cat. No. S9.10:8259).

Agricultural Commodities. Agreement with the Republic of Korea. TIAS 8261. 24 pp. 45¢. (Cat. No. S9.10:8261).

Agricultural Commodities. Agreement with Chile amending the agreement of July 31, 1975. TIAS 8262. 4 pp. 35¢. (Cat. No. S9.10:8262).

Checklist of Department of State Press Releases: Sept. 27–Oct. 3

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

No.	Date	Subject
*474	9/27	Advisory Committee on International Intellectual Property, International Industrial Property Panel, Nov. 4.
*475	9/28	Davis Eugene Boster sworn in as Ambassador to Guatemala (biographic data).
†476	9/28	Kissinger: NBC-TV "Today" show.
*477	9/28	Regional foreign policy conference, Salt Lake City, Oct. 21.
*478	9/28	Ronald D. Palmer sworn in as Ambassador to Togo (biographic data).
*479	9/28	U.S. mayors to attend Conference on Culture and Urban Development, Munich, Oct. 10–17.
*480	9/29	T. Frank Crigler sworn in as Ambassador to Rwanda (biographic data).
*481	9/29	Foreign specialists to study key U.S. economic sectors, Oct. 11–Nov. 5.
†482	9/29	Kissinger, Chatti: toasts, New York.

*483	9/29	Kissinger: remarks to press prior to meeting with U.N. Secretary General Waldheim.
*484	9/29	Kissinger: questions and answers following meeting.
†485	9/30	Kissinger: U.N. General Assembly.
*486	9/30	Francois Dickman sworn in as Ambassador to United Arab Emirates (biographic data).
*487	10/1	Advisory Committee to U.S. National Section of International Commission for Conservation of Atlantic Tunas, Oct. 27.
*488	10/1	Shipping Coordinating Committee (SCC), Subcommittee on Safety of Life at Sea (SOLAS), working group on ship design and equipment, Oct. 27.
*489	10/1	SCC, SOLAS, working group on ship design and equipment, Oct. 28.
†490	10/1	U.S.-Spanish Council: joint communique.
*491	10/1	William C. Bradford sworn in as Ambassador to Chad (biographic data).
†492	10/2	Kissinger: National Conference of Editorial Writers, Hilton Head, S.C.

* Not printed.

† Held for a later issue of the BULLETIN.

